GOING FORWARD WITH NEW STRENGTHS

ANNUAL REPORT 2022

Asiatic Group

ASIATIC GROUP (HOLDINGS) LIMITED

ABOUT ASIATIC GROUP

WE ARE AN ENGINEERING MANAGEMENT SPECIALIST PLAYING A PIVOTAL ROLE IN THE DEVELOPMENT OF TWO KEY SECTORS:

- FIRE PROTECTION SOLUTIONS
- ENERGY

FIRE PROTECTION SOLUTIONS

We provide total Fire Protection Solutions such as systems and product design, supply, installation and commissioning for the maintenance of fire protection equipment and systems.

We manufacture most of our fire extinguishers and assemble most of our fire fighting products such as hose reels, hydrants, alarm systems and emergency lighting, under our brand name KILLFIRE.

ENERGY

We provide Planning and Development services and participate as an Equity Investor in niche power plant projects in the region. We operate as an EPC (engineering, procurement and construction) and O&M (Operation and Maintenance) contractor.

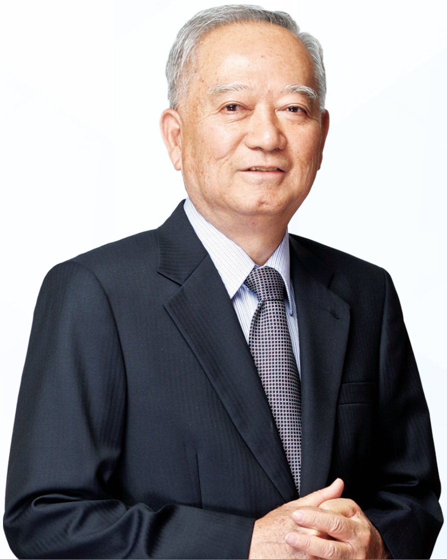
CONTENTS

This annual report has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (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 Joseph Au, 16 Collyer Quay #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

MESSAGE TO
SHAREHOLDERS

> **FY2022 saw an improvement in revenue for our firefighting and protection division compared to the previous financial year.**



TAY KAH CHYE
Independent Chairman of the Board

TAN BOON KHENG
Managing Director

DEAR SHAREHOLDERS

The financial year ended 31 March 2022 ("FY2022") saw a recovery in the Group's firefighting and protection business division with the gradual re-starting of its operations and the easing of COVID-19 safe management restrictions. The Group has also been making business decisions to optimise its operating efficiency to improve its business in the long run.

Business and Financial Review

We recorded a 13.0% decline in revenue from S$42.2 million in the previous financial year to S$36.7 million in FY2022. This was largely due to the shortening of the term of the Power Purchase Agreement ("PPA") at the Phnom Penh and Sihanoukville power plants that had been requested by the Royal Government of Cambodia ("RGC") via Electricite Du Cambodge ("EDC") since the previous financial year ("FY2021"). Additionally, there was a dip in electricity demand by tenants in the Special Economic Zone due to the COVID-19 lockdown measures implemented in Cambodia during the financial year. Similarly, the global supply chain crisis and lockdowns in China also affected the tenants of the Special Economic Zone, thereby slowing down operations and dampening the demand for electricity.

On the other hand, FY2022 saw an improvement in revenue for our firefighting and protection division compared to the previous financial year. Revenue for our firefighting and protection division increased to S$20.1 million, representing a 28.0% increase from the S$15.7 million attained in FY2021. This improvement in revenue was due to the easing of government restrictions which had been in place during FY2021, as part of the Circuit Breaker measures to contain the spread of COVID-19.

The continued recovery of business activities and operations for the year under review also saw a decrease in other income, primarily in COVID-19-related government grants provided by Singapore government that had tapered off in 2021 with majority of the grants ended in 2021 or early 2022.

For FY2022, the Group recognised an impairment of property, plant and equipment of S$10.8 million in the Special Economic Zone power plant as a result of the global supply chain crisis and lockdowns in China and Cambodia impacting the tenants in the Special Economic Zone that led to a decrease in demand for electricity. This has been the primary factor for the Group's loss after tax, which increased from S$3.6 million in FY2021 to S$10.8 million in FY2022.

Developments Regarding MJE

The Group announced on 9 May 2022 that it had terminated the sale and purchase agreement with Hualang Renewable Energy Sdn Bhd for its interest in Maju Intan Biomass Energy Sdn. Bhd. ("MJE") and subsequently on 10 May 2022 announced that it had entered into a Restructuring Framework Agreement with Lecca Group Pte. Ltd. ("Lecca"), a Singapore-based investment holding company with investments and businesses in Singapore and Malaysia, for the sale and purchase of at least 85% of the shares in MJE. The Restructuring Framework Agreement sets out a framework for Lecca to submit a debt restructuring proposal to the financiers of MJE for approval. However, we have been notified that Lecca's first submission of the debt restructuring proposal to Maybank Islamic Berhad (the "Financiers") had been rejected on 6 July 2022 for MJE's failure to comply with the terms and conditions imposed by the Financiers. Accordingly, the Company had, on 7 July 2022, received a letter of demand in writing demanding the repayment of approximately RM122.2 million (the "Repayment Amount") comprising of loan, profit under Islamic financing and late payment charges within 7 days of receipt. Lecca subsequently submitted a revised counter proposal for the consideration of a revised settlement sum on 8 July 2022, which had also been rejected by the Financiers on 13 July 2022. The Financiers appointed Dato' Adam Primus Varghese bin Abdullah and Macpherson Anak Simon as Receivers and Managers (the "Receivers") of all the assets and undertakings of MJE with effect from 14 July 2022.

In view of the Repayment Amount being substantial and the potential material impact it may have on the going concern of the Company, the Board of Directors undertook the necessary review and assessment the Group's operations and appointed Deloitte & Touche Financial Advisory Services Pte Ltd (the "appointed professionals") to negotiate for and advise the Company on the matter in order to protect the interests of Shareholders. The Board of Directors have assessed the cash flow position of all the Company's other subsidiaries, Asiatic Fire System Ltd and Colben Systems Pte Ltd, and concluded that both subsidiaries continue to generate positive cashflow for the Group and would therefore be able to continue to service its liabilities and obligations towards its operations and creditors. The appointed professionals would also see to the smooth and orderly negotiations with the aim for MJE to remain operational and that the amount owing to the Financiers can be repaid through any other viable options. Messrs Rajah and Tann Singapore LLP had been appointed to assist with all legal corporate advisory matters relating to the Repayment Amount as well as any other corporate action necessary.

MESSAGE TO **SHAREHOLDERS**

As the Company works closely with its appointed advisors and Lecca to negotiate the repayment amount, the results of the negotiation is expected to have an impact on the balance sheet and operations of the Group. We will continue to update shareholders on any changes and as further details become available.

Exploring New Avenues

The Group's PPA with EDC has ended on 31 August 2021 and operations of both the Phnom Penh and Sihanoukville power plants have ceased.

To mitigate the overall impact on further revenue decreases, the Group will remain focused on its expansion plans for the fire-fighting and protection business which includes a new line of metal racks and cabinets to house firefighting equipments.

Outlook

The COVID-19 pandemic continues to persist, and many countries have adapted to living with the virus in order to resume their businesses activities and operations while maintaining necessary safety measures.

Singapore's Ministry of Trade and Industry (MTI) forecasted that the GDP growth for the year 2022 would be at 3.0 to 5.0 per cent, due to the global surge in COVID-19 cases caused by the spread of the Omicron variant leading to a tightening of operations in many economies, as well as global supply bottlenecks and rising energy prices due to geopolitical tensions. The MTI expects key economies in Southeast Asia to grow faster for 2022 due to a rise in domestic and external demand. In Singapore, the economy is expected to continue to expand for the year, although with an uneven outlook across different sectors. Growth prospects for the outward-oriented sectors remain strong in light of the continuing global economic recovery; similarly, the manufacturing sector is projected to continue expanding, albeit at a more moderate pace compared to the outward-oriented sector.

Despite the recovery of global economies and demands for exports, the MTI also noted the challenges to meeting these demands, a concern arising from escalating geopolitical tensions between Russia and Ukraine and a spike in energy prices that would drive inflationary pressures and affect supply capabilities[1]. We foresee that these factors, concurrent with the global supply chain crisis, will have a direct impact on the firefighting and protection division, particularly in terms of reduction in gross margin due to global rising costs. Additionally, the Group also anticipates that recovery of demand for electricity in the Special Economic Zone will be slow.

In light of ongoing and new challenges, we will continue to exercise vigilance and closely monitor shifts in the environment in order to respond swiftly and appropriately.

Acknowledgements

We would like to express our appreciation to our business partners, management, staff and shareholders for their continued support through another year of uncertainty. The Group will continue to explore strategic partnerships to develop and grow our businesses and power ahead while keeping our sustainability.

1 https://www.mti.gov.sg/-/media/MTI/Resources/Economic-Survey-of-Singapore/2021/Economic-Survey-of-Singapore-2021/PR_AES2021.pdf

OUR INVESTMENTS

* Ceased operations on 31 August 2021

FIRE PROTECTION SOLUTIONS **AND ENERGY**

FIRE PROTECTION SOLUTIONS

Asiatic Fire protection business unit has developed into a specialised fire fighting manufacturer and experienced service station. It handles products that are technologically advanced and most importantly, competitively priced in this sensitive market. It is recognised by local and international statutory boards such as Lloyd’s Register, Det Norsk Veritas, Singapore Civil Defence Force, American Bureau of Shipping, Italian Rina and the United States of America Department of Transport (US-DOT).

ENERGY

Our energy business is a service provider for industry and communities, supporting industrialization. Envisioning the future of “green” power, our investments into sustainable energy businesses in emerging markets will expand gradually.

PPSEZ Power Plant

Located in the Phnom Penh Special Economic Zone, Cambodia. A Build, Own and Operate investment since 2008, this fossil fuel power plant consists of three 6.5 MW generator sets providing electricity to the industrial factories and facilities inside the Industrial Park.

Maju Intan Biomass Power Plant

Located in Teluk Intan Perak, Malaysia, this 12.5 MW Build, Own and Operate Biomass Power Plant utilizes 100% biomass waste material called Empty Fruit Bunches (EFB), a waste material after extraction of palm oil by Palm Millers.

Phnom Penh & Sihanoukville Power Plant

As announced by the Company on 11 February 2021, a notice was received from Electricite Du Cambodge to shorten the term of the power purchase agreement. Accordingly, the Phnom Penh Plant and Silhanoukville Power Plant have ceased operations.

For the financial year ended 31 March 2022 ("FY2022"), the Group's revenue decreased by 13.0% to S$36.7 million from S$42.2 million recorded in FY2021. The reduction was due to the shortening of the Power Purchase Agreement ("PPA") at the Phnom Penh and Sihanoukville power plants and the fall in demand for electricity by tenants in the Special Economic Zone power plant because of the COVID-19 lockdown measures implemented in Cambodia during the financial year. Similarly, the lockdowns in China towards the end of FY2022 due to the resurgence in COVID-19 also led to a dampening of demand for electricity and a slowdown in operations. The decrease was partially offset by the recovery of the firefighting and protection division, which reported an increase in revenue of 28.0% from S$15.7 million in FY2021 to S$20.1 million in FY2022, following the lifting of Circuit Breaker and other government restrictions.

Profitability

In line with the decline in revenue, cost of sales decreased by 8.0% from FY2021 mainly due to the cessation of operations at the Phnom Penh and Sihanoukville power plants and fall in demand for electricity in the Special Economic Zone power plant; slightly offset by the increase in sales in the fire fighting and protection division. Similarly, the Group's other income decreased significantly from S$3.4 million in FY2021 to S$0.8 million in FY2022 as the Singapore government grants for alleviating the financial impact of COVID-19 provided in FY2021 had ended.

The disposal of the Phnom Penh and Sihanoukville power plants led to a decrease in depreciation of property, plant and equipment and right-of-use assets due to the absence of depreciation recorded. Meanwhile, the addition of equipment and hire purchase of motor vehicles to support the firefighting and protection division's expansion into the technical aspect of the marine industry and manufacturing of its firefighting products slightly offset the Group's decrease in depreciation. Likewise, staff costs saw a decrease in the power-related division due to the decrease in salaries at the Phnom Penh and Sihanoukville power plants, while the firefighting and protection division saw an increase in staff costs to support the increase in sales for FY2022 and in response to the acute staff shortage.

The Group recorded a foreign exchange loss of S$0.2 million as a result of receivables from subsidiaries that were denominated in MYR and that depreciated against SGD during the financial year.

In FY2022, the Group recognised an impairment of S$10.8 million on property, plant and equipment in the Special Economic Zone power plant due to the combined effect of the global supply chain crisis and the decline in demand for electricity from the tenants, aggravated by the lockdowns in China and Cambodia.

Due to a combination of the above factors, the Group's loss after tax increased from S$3.6 million in FY2021 to S$10.8 million in FY2022.

Movement in comprehensive income

The Group recorded a foreign currency translation gain amounting to S$0.4 million during the financial year mainly due to the appreciation of MYR and USD against SGD on the translation of the foreign currency denominated subsidiaries books to SGD. In contrast, FY2021 recorded a foreign currency translation loss due to the weakening of USD against SGD for the financial year. The charge was accounted for in the statement of changes in equity under translation reserve.

Balance sheet

As at 31 March 2022, non-current assets decreased mainly due to the depreciation and impairment of property, plant and equipment of S$2.1 million and S$10.8 million respectively, as well as depreciation of right-of-use assets of S$0.3 million. The decrease was partially offset by the purchase of new equipment and hire purchase of motor vehicles as well as a translation gain on the power plant assets in the Phnom Penh and Sihanoukville power plants that were denominated in USD.

Inventories increased in order to support the increase in sales demand in the firefighting and protection division. The increase in sales of the firefighting and protection division also led to an increase in trade receivables. The power related division saw a slower collection from Electricite Du Cambodge ("EDC"), in contrast to a decrease in other receivables due to the reduction of compensation receivables from EDC based on the contractual terms of the PPA.

OPERATIONS **REVIEW**

Trade payables for FY2022 decreased mainly due to the reduction of purchases in the power related division because of the decline in sales and faster repayment to suppliers. Additionally, the improvement in cashflow for the firefighting and protection division allowed for a faster repayment of trade payables during the financial year. A decrease in current loan and borrowings was due to the repayment of term loan during the financial year.

Meanwhile, non-current liabilities decreased mainly due to an over provision of S$1.1 million deferred tax liablity and repayment amount due to non-controling interests of S$0.5 million . This decrease was offset by an increase on term loan of of S$1.7 million.

As at 31 March 2022, the Group had a net current liabilities position of S$10.1 million arising from the utilisation of short-term financing to support the Group's energy projects. The fall in our net current liabilities position was mainly due to the cash received from the new term loan obtained. Subsequent to 31 March 2022, the Group has successfully rolled over approximately S$12.7 million out of S$15.2 million short-term loans; moving forward, the Group is confident in its capacity to fulfil its debt obligations by rolling over the remaining short-term loans of approximately S$2.5 million when they fall due. The disposal of plant, equipment and machinery in the Phnom Penh and Sihanoukville power plants through the sale and purchase agreement between Colben Cambodia and Far East Power Services Company Limited resulted in a significant decrease in non-current assets as compared to FY2021. As such, the Group remained in a net asset position of S$20.8 million as at 31 March 2022.

Based on the foregoing, the Board believes that the Group will be able to operate as a going concern and is of the view that the Group's working capital is sufficient to meet its present requirements and requirements for the next twelve months.

Cash Flow

For the financial year under review, net cash generated from operating activities totalled S$1.0 million after taking into account working capital and payment of interest and tax. Net cash flow generated from investing activities was due to the proceeds from the disposal of the property, plant and equipment in the Phnom Penh and Sihanoukville power plants. The Group recorded a net cash inflow from its financing activities arising from proceeds from trust receipt and short-term borrowings and a new term loan obtained during the financial year. This was partially offset by repayment of lease and hire purchase liabilities and repayment of amount due to non-controlling interests. As a result, the overall cash balance increased by S$2.6 million during FY2022.

Outlook

Moving forward, the Group will continue to focus on building on our businesses in Singapore. While the world continues to adapt to the evolving COVID-19 pandemic, the economy continues to face other challenges such as the global supply chain crisis, rising inflation rates and the effects of the geopolitical conflict between Russia and Ukraine. The Group thus foresees a direct impact on our firefighting and protection division, particularly a decline in gross margins due to the rise in global costs. We will continue to remain alert as the pandemic situation and global economy continue to evolve, in order to respond swiftly and appropriately to protect the Group and our stakeholders.

As detailed in the Message to Shareholders section, the Repayment Amount demanded in relation to compliance matters for the Restructuring Framework Agreement proposed by Lecca, for the sale and purchase of at least 85% of the shares in MJE, is expected to have a significant impact on the Group's operations. An assessment of the cash flow position of the Company's other subsidiaries showed that these subsidiaries have been generating positive cashflow and are expected to continue to do so, enabling them to service the Company's liabilities and obligations. The Group's appointed professionals, Deloitte & Touche Financial Advisory Services Pte Ltd, will see to the smooth and orderly negotiations in order for MJE to remain operational, that the amount owing to Maybank Islamic Berhad (the "Financiers") can be repaid through any other viable options and to protect the interests of our Shareholders.

Considering the aforementioned challenges, the Group will continue to monitor its cash flow and implement the necessary strategies to cushion their impact on its businesses.

BOARD OF DIRECTORS

TAY KAH CHYE, 75
Independent Chairman

was appointed as a Non-Executive Independent Director of the Company, and Chairman of the Board on 1 October 2013 and was last re-elected at the AGM held on 24 September 2020. He is also a member of the Audit and Risk Committee, Remuneration Committee and Nominating Committee. He is currently the Executive Chairman of CLMV Consult (Net) Private Limited, a regional consulting company headquartered in Singapore and the Chief Executive Officer of the PATA Group (comprising PATA Consultancy Pte Ltd and PATA International Enterprise Pte Ltd). He has served as the Honorary Secretary General of ASEAN Bankers Association, a regional banking industry group from 1991 to 2007 and as Honorary Advisor from 2008 to 2010. Prior to his retirement on 31 December 2007, Mr Tay was the President and Chief Executive Officer of ASEAN Finance Corporation Ltd, a regional merchant bank based in Singapore and owned by various leading banks and financial institutions in ASEAN since 1991. He is an independent director of Wilmar International Ltd. He graduated with a Bachelor of Social Sciences (Economics) from the University of Singapore in 1970.

TAN BOON KHENG, 62
Managing Director

is the Group Managing Director. He joined the Group in 1983 upon his graduation from Singapore Polytechnic with a diploma in mechanical engineering and was appointed a Director on 25 October 2002. He has attended Georgetown University's McDonough School of Business executive education in Global Business Leadership and International Relations in 2015. His primary responsibilities are strategic planning and business development. Mr Tan was instrumental in the Group's foray into the overseas markets and expansion into the power generation business. Mr Tan has been accredited as a Qualified Fire Safety Manager by the Singapore Joint Civil Defence Force since 1982. Mr Tan was recognised as one of the top outstanding leaders in the Asia Corporate Excellence & Sustainability Awards in 2014 and also appointed in 2016 as Honorary Chairperson of Cheng Hong welfare Service Society, a Non-Profit organisation in Singapore to help the disadvantaged needy and destitute in the society through healthcare, lifestyle and financial support. Tan Boon Kheng is the brother of Tan Boon Yew and Tan Boon Siang. He was last re-elected at the AGM held on 24 September 2020.

BOARD OF **DIRECTORS**

TAN BOON SIANG, 53
Executive Director

joined the Group in 1993 and is responsible for the management and supervision of the land and marine-based fire fighting and protection business. He was appointed a Director on 25 October 2002. He has been accredited as a Qualified Fire Safety Manager by the Singapore Joint Civil Defence Force since 1994. Tan Boon Siang is the brother of Tan Boon Kheng and Tan Boon Yew. He was last re-elected at the AGM held on 31 August 2021.

CHIA SOON HIN WILLIAM, 69
Independent Director

was appointed as a Non-Executive Independent Director on 1 September 2018. and was last re-elected at the AGM held on 25 September 2019. Pursuant to Regulation 103 of the Company's Constitution, Mr Chia will retire as a director via rotation at the forthcoming AGM and has consented to re-election as a director. He is also the Chairman of the Audit and Risk Committee and a member of the Remuneration Committee and Nominating Committee. Besides serving as an Independent Director of two other listed companies, Ley Choon Group Holdings Limited and H2G Green Limited, he provides training for financial institutions and business advisory to corporations through his company, Xie Capital Pte Ltd. He has more than 35 years of retail and commercial banking experience with Overseas Union Bank, Standard Chartered Finance, DBS Bank, Malayan Banking Berhad and United Overseas Bank. Prior to his retirement from United Overseas Bank in October 2014, he was an Executive Director with the bank's Group Commercial Banking. He is a Chartered Secretary and Associate of the Governance Institute of Australia, Fellow with the Chartered Institute of Marketing (UK) and Associate with the Chartered Institute of Bankers (UK). He was conferred IBF Fellow by the Institute of Banking and Finance Singapore in November 2014.

YIP MUN FOONG, JAMES, 72
Independent Director

was appointed as a Non-Executive Independent Director on 23 December 2019 and was last re-elected at the AGM held on 24 September 2020. He is also the Chairman of both the Remuneration Committee and Nominating Committee, and a member of the Audit and Risk Committee.

James had been in the banking industry for some three decades covering the whole gamut of corporate, commercial, investment banking, capital markets and private equity fund raising. He has worked for several international financial institutions and his last banking appointment was Global Head of Capital Markets and Syndications at Overseas Union Bank. A native Singaporean, James has worked and travelled widely in Asia, Australiasia, Europe and the USA.

James had also been for two years until May 2006 the general manager of the investment subsidiary of the Changi Airport Group. From July 2006 to end 2008, James was an independent advisor with the Asian Transportation Group of HSH Nordbank, Hamburg assisting in the financing of infrastructure projects in the Asia Pacific, working closely with international agencies like the Asian Development Bank and the IFC, a unit of the World Bank.

James holds a post-graduate diploma in management studies from the Graduate School of Business, University of Chicago, a post- graduate diploma in financial management from the Stern School of Business Administration, New York University and a diploma from the Chartered Institute of Bankers, London. He also holds an executive diploma in directorship jointly awarded by the Singapore Institute of Directors and the Singapore Management University.

James has sat on the boards of several listed companies in Singapore, Australia and UK as an independent non-executive director. These companies were involved in diverse industries, ranging from oil and gas production, solar-powered water heaters, biofuel, memory modules manufacturing to marine out-board equipment distribution.

KEY MANAGEMENT

WONG WAI CHEONG

is our Financial Controller and is responsible for the strategic planning, corporate planning, corporate structuring, financial planning, treasury functions, statutory reporting and accounting of our Group. Mr Wong had joined our Group in 2012 as Finance Manager and was promoted to Financial Controller in October 2018. Prior to joining our Group, he was the Regional Manager, Asia Pacific – Operations & Finance with Amer Sports Malaysia Sdn Bhd for 14 years. Mr Wong graduated from Universiti Utara Malaysia with an honors degree in Accounting and he is a member of Malaysian Institute of Accountants.

LEE YOKE CHUN

is our Administration and Human Resources Manager. Prior to joining our Group in 1987, Mdm Lee has worked in the administration and accounts departments of various companies in different industries, such as distribution, manufacturing and construction. Mdm Lee holds a diploma in business administration from the PSB. Mdm Lee is the spouse of our Managing Director, Tan Boon Kheng.

TAN BOON YEW

joined the Group in 1981 and is responsible for the management and supervision of the marine-based fire fighting and protection business. He retired as Executive Director of the Company on 26 July 2018. Mr Tan remained as a Director in Asiatic Fire System Pte Ltd. Tan Boon Yew is the brother of Tan Boon Kheng and Tan Boon Siang.

CORPORATE **STRUCTURE**

* Ceased operations in FY2022

CORPORATE INFORMATION

DIRECTORS

Tay Kah Chye
(Independent Chairman)
Tan Boon Kheng
(Managing Director)
Tan Boon Siang
(Executive Director)
Chia Soon Hin William
(Independent Director)
Yip Mun Foong, James
(Independent Director)

COMPANY SECRETARY

Yoo Loo Ping

REGISTERED OFFICE

65 Joo Koon Circle Singapore 629078
Tel: (65) 6863 0188
Fax: (65) 6897 9220

COMPANY REGISTRATION NO.

200209290R

AUDITOR

Foo Kon Tan LLP
24 Raffles Place
#07-03 Clifford Centre
Singapore 048621

Partner-in-charge: Mr Ho Teik Tiong
(since financial year ended 31 March 2022)

AUDIT AND RISK COMMITTEE

Chia Soon Hin William (Chairman)
Tay Kah Chye
Yip Mun Foong, James

REMUNERATION COMMITTEE

Yip Mun Foong, James (Chairman)
Tay Kah Chye
Chia Soon Hin William

NOMINATING COMMITTEE

Yip Mun Foong, James (Chairman)
Tay Kah Chye
Chia Soon Hin William
Tan Boon Kheng

SHARE REGISTRAR

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1 Harbourfront Avenue
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SPONSOR

PrimePartners Corporate Finance Pte. Ltd.
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Singapore 049318

SUSTAINABILITY REPORT

FY 2022

CONTENTS

ABOUT THE REPORT

We are pleased to present Asiatic Group (Holdings) Limited's (the "**Company**", and together with its subsidiaries, the "**Group**" or "**Asiatic**") fifth annual Sustainability Report. This report seeks to provide all stakeholders with comprehensive and accessible information on Asiatic's sustainability approach, initiatives, and performance in relation to material environmental, social and governance ("**ESG**") factors of our business operations.

REPORTING SCOPE

Included within the scope of this report are:
- Group-level disclosures for regulatory compliance and occupational health and safety
- Subsidiary-level disclosures on energy and emissions from our Cambodia-based power plants

Information in this report covers our financial year from 1 April 2021 to 31 March 2022 ("**FY2022**"), and relevant historical performance data has been included for comparison where available.

REPORTING STANDARDS

This report has been prepared in compliance with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), with reference to the guidelines set out in SGX-ST's Practice Note 7F Sustainability Reporting Guide.

This report has also been prepared in accordance with the internationally recognised and widely used Global Reporting Initiative ("**GRI**") Standards: Core option, chosen for its flexible reporting structure. The Group has applied the GRI principles of stakeholder inclusiveness, sustainability context, materiality, and completeness to define the contents of this report.

External assurance has not been sought for this sustainability report, and we have relied on internal verification by senior management, with Board oversight, to ensure the accuracy of the ESG data reported.

FEEDBACK

Physical copies of this report will not be printed. Instead, we invite stakeholders to view the electronic version of this report on our corporate website, https://www.asiatic.com.sg/news/sustainability-reports.html. A copy of this report is also available on the SGX-ST website, at www.sgx.com/securities/company-announcements.

We welcome all feedback from our valued stakeholders on the contents of this report and any aspect of our sustainability performance. Please send your comments and suggestions to sustainability@asiatic.com.sg.

BOARD
STATEMENT

Dear Valued Stakeholders,

The Board of Directors (the "**Board**") is pleased to present Asiatic's fifth annual sustainability report, which highlights the Group's sustainability performance over FY2022 and outlines our key areas of focus moving forward.

Integrating ESG considerations into our business strategy, operations and practices is a key priority for the Group. Supported by senior management, the Board holds the ultimate commitment and responsibility for providing oversight on the Group's sustainability risks, opportunities, and performance. The material ESG factors discussed in this report have been reviewed and approved by the Board. The Board also works closely with senior management to monitor and manage our performance for each material ESG factor on an ongoing basis.

As we emerge from the shadow of the COVID-19 pandemic, Asiatic will continue to diligently enhance our risk management processes, strengthen our capabilities within our operating sectors and bolster the Group's resilience against external shocks. We are committed to creating long-term value for our stakeholders and strive to meet their expectations in all that we do.

We are proud to report that Asiatic has achieved all targets set for our material ESG factors in FY2022. Some of the key highlights are:

- We have recorded zero incidents of non-compliance with regulatory requirements across the Group and zero work-related incidents and illnesses in our factories.
- We have sustained our annual maintenance regime to maintain the energy efficiency at our operational power plants.

We hold ourselves to high standards of corporate governance and we will continue to set ambitious ESG targets in the years to come.

Lastly, we would like to express our appreciation to our business partners, employees, shareholders and other stakeholders for your continued support throughout our sustainability journey. We look forward to building a more sustainable future together.

Sincerely,
The Board of Directors

Economic Performance

S$36.7M
IN GROUP REVENUE

Regulatory Compliance

FULL COMPLIANCE
WITH LAWS AND REGULATIONS

Workplace Health and Safety

ZERO
WORK-RELATED INCIDENT & ILLNESSES

Energy Efficient Operations and GHG Emissions

25%
DECREASE IN EMISSIONS INTENSITY

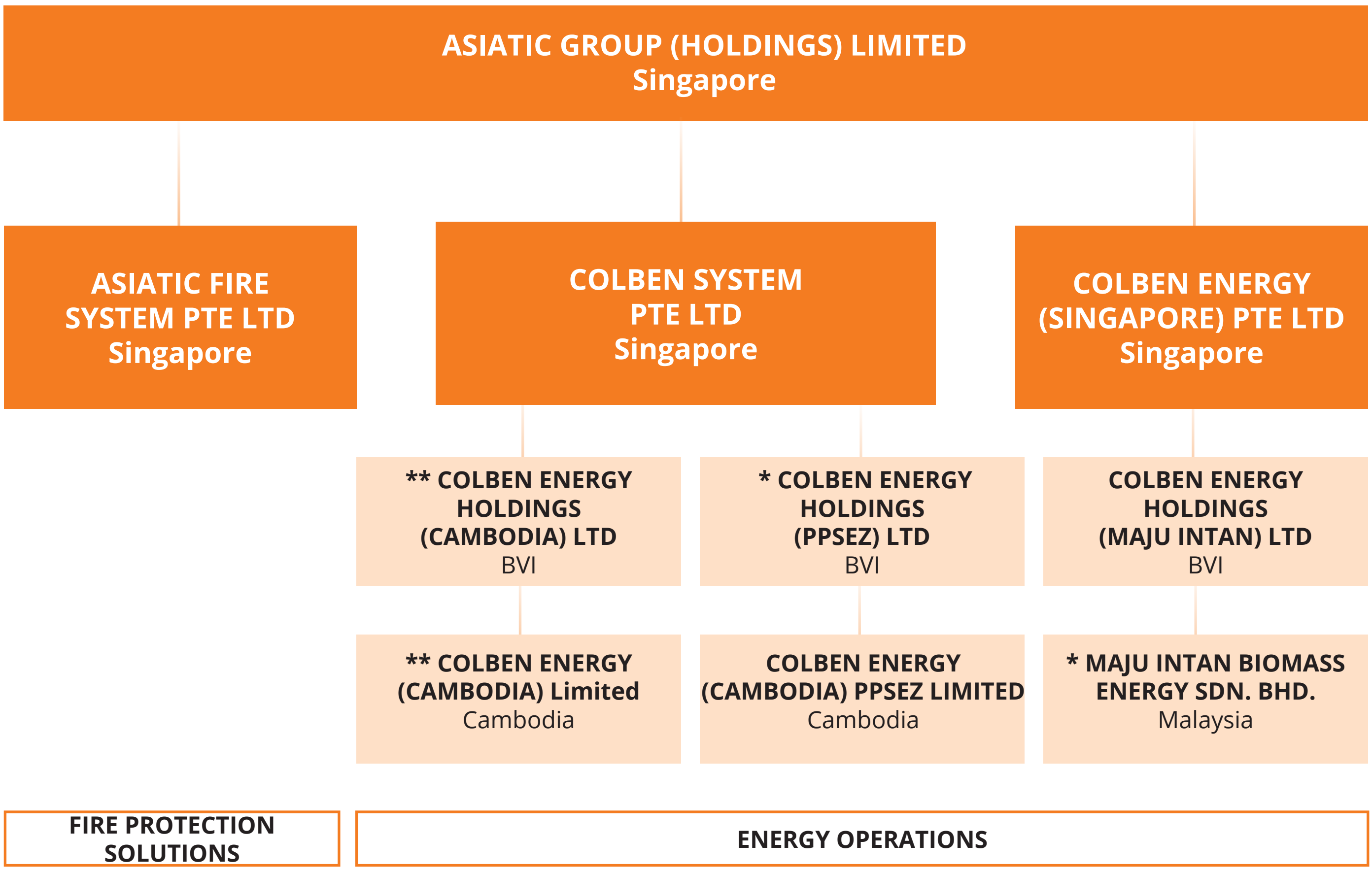
CORPORATE
PROFILE

Headquartered in Singapore, the Company was first established and listed on SGX-ST's Catalist Board in April 2003.

We are an engineering management specialist providing the following products and services:
- Fire Protection Solutions, with a focus on supplying, installing and maintaining firefighting and protection equipment.
- Energy Services, with a focus on power generation and the distribution of controlled power supply and equipment.

Employing 150 people, the Group has operations in Singapore, Cambodia, and Malaysia.

GROUP STRUCTURE



LEGEND:
* - Joint Venture Partner
** - Ceased oprations in FY2022

FIRE PROTECTION SOLUTIONS

A key subsidiary of the Group, Asiatic Fire System Pte. Ltd. ("**AFS**") is a reputable total solutions provider of firefighting and protection equipment and services. Our clientele includes civil defence entities as well as commercial and industrial businesses.

We are one of Singapore's largest stockists for essential firefighting equipment like fire hydrants, fire extinguishers, hoses and couplings that are necessary to combat marine, offshore, industrial and household fires.

We manufacture our own "KILLFIRE" brand of fire-fighting equipment as part of our product differentiation strategy while continuing to distribute complementary brands of quality equipment and apparatus, so as to provide a full range of protection products to clients and the industry.




AFS products are authorised for use by local and international statutory boards such as Lloys's Register, Det Norsk Veritas, Singapore Civil Defence Force, American Bureau of Shipping, Italian Rina and the United States of America Department of Transport.

AFS is proud to be a member of the following associations:
- Singapore Manufacturing Federation
- Singapore Business Federation
- Singapore Metal & Machinery Association
- Singapore Building Materials Supplies' Association
- Singapore-China Business Association
- Singapore Ship-Chandlers Association
- Association of Company Emergency Responsive Teams (Singapore)

At AFS, we strive to be always and ever ready, for our clients, for the community, and for the industry.

CORPORATE
PROFILE

ENERGY OPERATIONS

Colben System Pte. Ltd. and its subsidiaries ("**Colben**") is an independent power provider for both Cambodia's national grid and private sector energy market, and it has played a pivotal role in the development of the energy sector in Cambodia.

As an EPC (Engineering, Procurement and Construction) and O&M (Operation and Maintenance) contractor, Colben engages in a wide range of activities across the energy sector's value chain, from power generation and transmission to local distribution.

The Group operated a total of three power plants in Cambodia, as follows:

PPSEZ Power Plant

Phnom Penh Special Economic Zone, Cambodia
A Build, Own and Operate investment since 2008, this fossil fuel power plant consisting of three 6.5 MW generator sets provides electricity to the industrial factories and facilities in the 360-hectare industrial park.

Phnom Penh Power Plant (ceased operations in FY2022)

Phnom Penh, Cambodia
A Build, Own and Operate investment since 2007, this 10MW fossil fuel power plant supplies electricity to the national grid.

Sihanoukville Power Plant (ceased operations in FY2022)

Sihanoukville, Cambodia
A Build, Own and Operate plant since 2007, this 10MW fossil fuel power plant supplies electricity to the national grid.

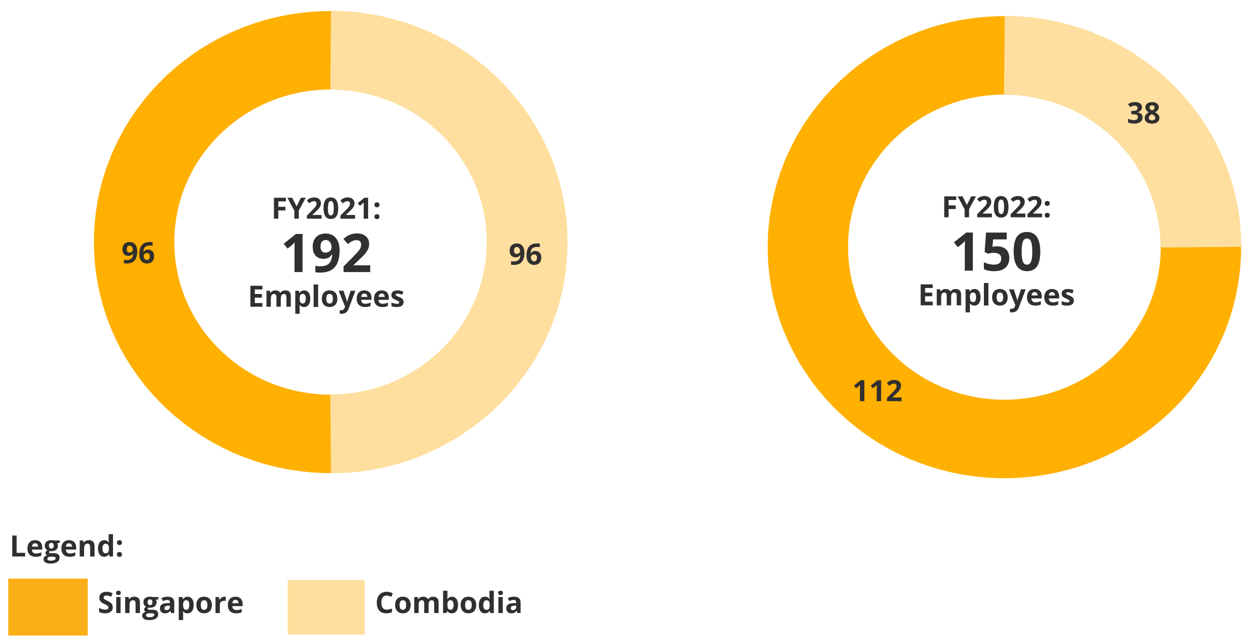
As announced by the Company on 11 February 2021 and 1 September 2021, we have ceased all operations at the Phnom Penh Power Plant and Sihanoukville Power Plant as of 31 August 2021, following negotiations on the shortened term of the power purchase agreement with Electricite Du Cambodge, a state-owned Cambodian electricity supplier.
As of 31 March 2022, Colben continues to operate the PPSEZ power plant as a Joint Venture with the Phnom Penh Special Economic Zone Plc ("**PPSEZ**").

EMPLOYEE PROFILE

People are the backbone of our business. For the Group to grow and prosper, it is imperative that we invest in an engaged and motivated workforce. To these ends, Asiatic is committed to attracting and retaining skilled individuals, creating a diverse and inclusive workplace, investing in our employees' learning and development, ensuring the safety and well-being of our workforce, and respecting the rights of individuals and communities.

In FY2022, Asiatic employed a total of 150 employees in Singapore and Cambodia. While there has been a decrease in employee numbers in Cambodia, resulting from the closure of the Phnom Penh Power Plant and the Sihanoukville Power Plant, there has also been an increase in employee numbers in Singapore, in support of higher sales growth and our business expansion plans for AFS.

A breakdown of employees by region is provided below:



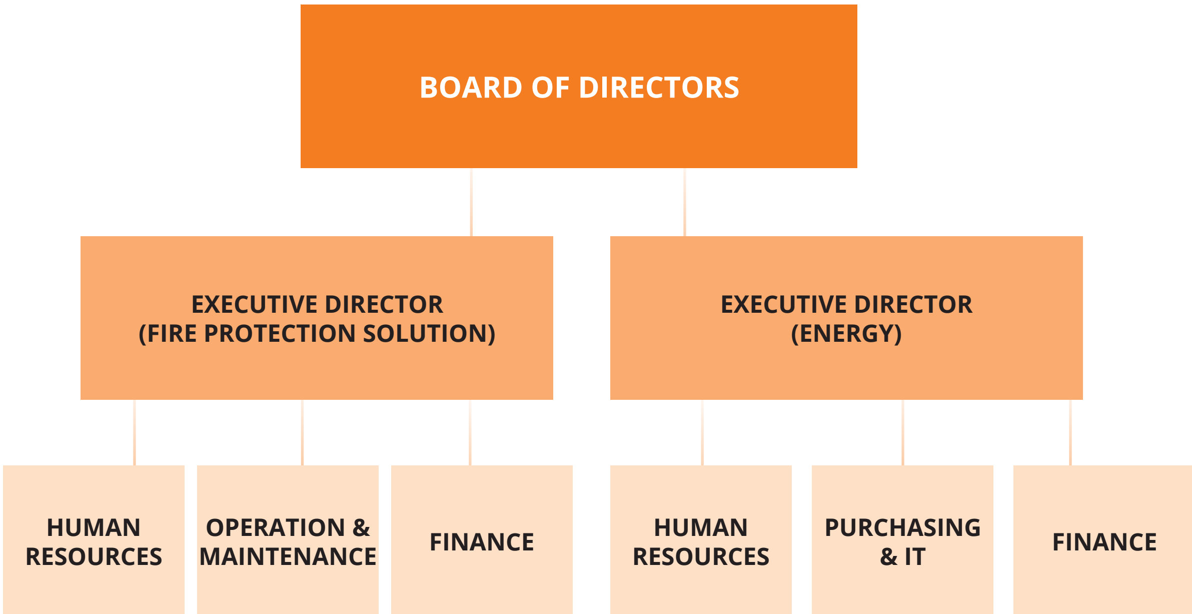
Consistent with industry trends observed in the power and manufacturing sectors, male employees constituted 83% of our total workforce and female employees the remaining 17%. Despite the nature of our business, Asiatic remains committed to ensuring that equal opportunities are offered to our employees regardless of age, gender, ethnicity, and religion, and we have zero tolerance for any form of discrimination in the workplace. This is underscored by our participation in the Senior Worker Early Adopter and Part-time Re-employment schemes introduced by the Ministry of Manpower.

OUR
SUSTAINABILITY APPROACH

As a group, our focus is on ensuring the long-term resilience of the Group and achieving sustainable value creation for all our stakeholders – customers, employees, suppliers, investors and regulators.

SUSTAINABILITY GOVERNANCE

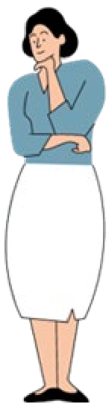
While the Board is directly responsible for the integration of sustainability principles in our business strategy, the Executive Directors are closely involved in the development and implementation of sustainability policies and initiatives. Following the direction set by the Board and Executive Directors, the respective department heads oversee the day-to-day execution of and adherence to sustainability policies and practices at an operational level.



STAKEHOLDER ENGAGEMENT

We strongly believe that regular engagement with our stakeholders is key to maintaining our business's long-term development. By establishing open communication channels with key stakeholders, we are better able to understand their sustainability-related concerns. At the same time, we are committed to acting upon the feedback received as we move further along the Group's sustainability journey.

Stakeholder Groups	Their Concerns	Engagement Platforms	Frequency of Engagement
Employees	• Opportunities for career development and progression • Safe workplaces	New-joiner induction programme	As required
		Employee performance review	Annually
		Safety training	As required
Customers	• Product quality and on-time delivery • Fair and transparent business conduct	Customer satisfaction survey	As required
		Discussion via email or phone calls	As required
		Face-to-face meetings	As required
Suppliers		Discussion via email or phone calls	As required
		Face-to-face meetings	As required
Investors & Regulators	• Sustainable business growth and sound corporate governance • Compliance with applicable laws and regulations	Annual report	Annually
		Sustainability report	Annually
		Annual General Meeting	Annually
		SGXNET announcements	As required



OUR
SUSTAINABILITY APPROACH

MATERIALITY ASSESSMENT

In FY2018, Asiatic engaged an external consultant to conduct a materiality assessment workshop in line with SGX-ST's guidelines on the materiality determination process, as follows:

1. IDENTIFY

A comprehensive list of potentially material ESG topics were consolidated and defined via discussions with internal stakeholders.

2. PRIORITISE

Selected ESG topics were prioritised againts a materiality matrix during an internal focus group dicussion.

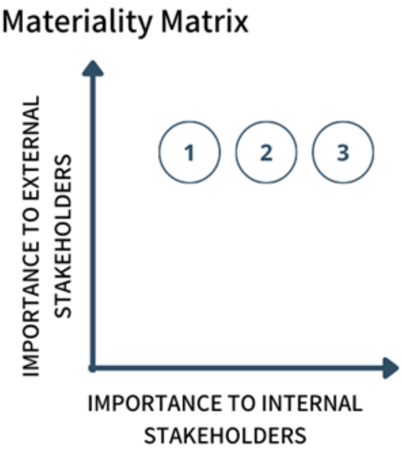
3. VALIDATE

Identified material ESG topics were raised to the Board for thier approval.

4. REVIEW

Material ESG topics are re-assessed in subsequent reporting periods to ensure continued relevance to business operations.

During the workshop, the following material ESG topics were identified to have the most significant impact on both internal and external stakeholders.



1 **REGULATORY COMPLIANCE**
GRI 307: Environmental Compliance
GRI 419: Socio-economic Compliance

2 **WORKPLACE HEALTH AND SAFETY**
GRI 403: Occupational Health and Safety

3 **ENERGY EFFICIENT OPERATIONS & GREENHOUSE GAS ("GHG") EMISSIONS**
GRI 302: Energy
GRI 305: Emissions

Upon conducting their annual review of Asiatic's material topics, the Board has confirmed that the selected material topics remain relevant to the Group in FY2022. Despite the closure of two power plants in Cambodia, we have assessed that there has not been any significant changes to the ESG topics that matter most to our business and stakeholders over the past year.

REGULATORY **COMPLIANCE**

A strong and effective governance structure is essential for us to achieve strategic business growth and create long-term value for our stakeholders. Asiatic is committed to upholding the highest standards of governance, transparency, accountability and ethics in all aspects of our operations, and to complying with all applicable laws and regulations in the jurisdictions where we operate.

OUR APPROACH

Our robust corporate governance framework forms the backbone of our commitment to ethical business conduct and regulatory compliance. Under this framework, we have in place a comprehensive, integrated system of policies, processes and internal controls that help manage the impact our business has on society and the environment. With oversight from various Board committees, we regularly review and enhance our corporate governance policies and practices, in alignment with SGX-ST's Code of Corporate Governance 2018. Our annual audit review procedures also include the verification of compliance with all relevant legislation and regulations.

In addition, we have also formulated a Quality Policy for the Group's fire protection solutions business as part of our ISO 9001:2015 certified Quality Management System ("**QMS**"). The QMS embodies our commitment to delivering high-calibre professional services that consistently meets our customers' requirements.

Across the Group, we have zero tolerance for fraud and corrupt practices. Our whistle-blowing policy provides a direct channel for all internal and external stakeholders to raise concerns about possible matters of improprieties or wrongdoings in confidence. Complaints can be made in writing to Mr Chia Soon Hin William, Chairman of the Audit and Risk Committee, at williamchiash@gmail.com . All reports received will be addressed in accordance with our whistle-blowing policy with assured confidence and without fear of reprisal, detrimental or unfair treatment. Feedback is directed towards the Audit and Risk Committee who is charged with ensuring that an independent, thorough, and fair investigation is conducted and that appropriate follow up actions are carried out.

All our employees are urged to abide by all ethical and legal requirements to ensure the Group's integrity and reputation are protected. Employees are promptly informed if there are any changes to corporate policies following an annual review by the Group's management.
Internal and external audits were conducted for Asiatic's Singapore and Cambodia's operations, systems, and management responsibilities. For all completed audits, any points raised by the internal and external auditors have been considered and implemented where applicable and closed as at the end of FY2022. The results from the audit process concluded that all statutory requirements were in compliance.

OUR PERFORMANCE

The Group has a perpetual target of having zero confirmed cases of non-compliance with regulatory requirements, and we aim to conform with all relevant socio-economic and environmental regulations every year.

As a testament to the strength of our corporate governance, the Group is pleased to share that there were no complaints received under our whistle-blowing channels in FY2022. During the reporting period, there has been zero non-compliance cases reported with regards to relevant environmental, social and economic laws and regulations.

WORKPLACE
HEALTH AND SAFETY

At Asiatic, we strive to ensure the health, safety and well-being of our employees, workers and everyone involved in our operations, and we aim to avert all work-related injuries and illnesses. We regard our employees' health and well-being as paramount to our everyday work and we see it as our responsibility to promote a culture of safety in the workplace.

OUR APPROACH

At Asiatic, we consider health and safety in the workplace to be a shared responsibility. Our employees, contractors, and all relevant external parties are expected to adhere to the safety management systems, quality standards and standard operating procedures we have implemented within our premises to help us manage the risks inherent in our operations.

For the Group's fire protection solutions business in Singapore, our risk management process was developed in accordance with local legislation and regulations such as the Workplace Safety and Health (Risk Management) Regulation and the Workplace Safety and Health Code of Practice. This risk management process helps us more effectively identify hazards, evaluate risks, determine risk levels, and prepare action plans to eliminate, contain or control risks.

WORKPLACE
HEALTH AND SAFETY

To facilitate the application of the risk management process across different functions, a Risk Management Committee involving both managerial and senior staff-level employees was established. The committee regularly conducts discussions and shares reports to senior management on any findings or workplace health and safety developments that require attention as required during the financial year. All Risk Management Team Leaders have also attended an approved course in Risk Management methodology to ensure subject-matter competency.

Every year, we conduct an audit of our workplace health and safety measures to ensure compliance with regulatory requirements, i.e., the Workplace Safety and Health (Risk Management) Regulations and the Code of Practice on Workplace Safety and Health (WSH) Risk Management. Our last audit was conducted on 3 July 2021. Thereafter, any identified gaps are promptly addressed and actively monitored to track improvements. As testament to our robust risk management processes, Asiatic Fire Services has achieved the following certifications: ISO 9001:2015 Quality Management System and BizSAFE level 4.

Across the Group, employees are reminded to remain vigilant at work and maintain caution as needed. Our employees are required to immediately report relevant workplace incidents, including near misses, as and when they occur when on site. This is in line with Asiatic's incident investigation procedures, as follows:

1. Identification, Classification and Reporting of Incident
2. Investigation & Analysis of Non-Conformance, Accident and Incident
3. Corrective and Preventive Action

Fire drills and evacuation exercises are conducted once a year to prepare for emergency contingencies, and our employees are expected to diligently participate in all emergency preparedness activities as well.

Our employees also make use of the Material Safety Data Sheets ("**MSDS**") provided by our suppliers to handle hazardous chemicals safely. Asiatic also provides a similar MSDS to our customers to ensure that there is a clear understanding on how to use our products safely.

In addition, we regularly send our employees to attend workplace health and safety training courses. Service and technical site staff working in Singapore are required to attend safety orientation courses when they first join the company and to fulfil all relevant re-certification requirements due to the high-risk nature of their work.

To promote our employees' health and well-being, we provide all employees with access to affordable health care, provided through company clinics and health insurance.

WORKPLACE
HEALTH AND SAFETY

OUR PERFORMANCE

In FY2022, our employees worked a total of 209,469 hours and 102,343 hours in Singapore and Cambodia respectively. Compared to FY2021, this signifies a 2.6% increase and 55.5% decrease in total working hours for Singapore and Cambodia respectively. The latter can be attributed to the reduction in overall employee numbers following the closure of the Phnom Penh Power Plant and the Sihanoukville Power Plant in FY2022.

We are pleased to have achieved zero work-related incidents and injuries in all our facilities across both Singapore and Cambodia in FY2022. We will strive to maintain this track record in the coming years by sustaining our efforts to create a safe and healthy workplace for our workers.

	FY2021		FY2022	
	Singapore	Cambodia	Singapore	Cambodia
Man Hours Worked	204,071	229,995	209,469	102,343
Work-related Injuries	0	0	0	0
Injury Rate	0	0	0	0

Throughout the Covid-19 pandemic, the Group has remained committed to safeguarding the health and safety of our employees and customers as our foremost priority. Under Asiatic's Covid-19 Pandemic Policy, we have been working closely with our stakeholders to minimise disruptions to our operations and provide them with the necessary support. In strict adherence with all relevant health advisories issued by local authorities, we have stepped up precautionary measures in the workplace, conducting regular temperature screening, mandating biweekly swab tests for our Singapore staff and vaccinations for our Cambodia staff, enforcing safe distancing measures and the wearing of face masks.

ENERGY EFFICIENT **OPERATIONS & GHG EMISSIONS**

Given the far-reaching and long-lasting effects of climate change, it is imperative that we play an active role in conserving our energy resources and minimising greenhouse gas ("GHG") emissions to mitigate the risks involved.

Since our energy operations in Cambodia involves the burning of fossil fuels to generate electricity, it incurs significantly more carbon emissions compared to our Singapore-based operations. Asiatic has opted to focus on emissions-reduction initiatives in Cambodia for FY2022's Sustainability Report but will review and consider expanding our scope for this material matter as we mature in our sustainability journey.

OUR APPROACH

The Group is committed to managing our environmental footprint whilst ensuring a stable supply of electricity to meet the needs of the communities we serve. We operate three small-scale (10 MW – 19.5 MW) fossil fuel power plants in Cambodia that help generate electricity for the Phnom Penh Special Economic Zone and the national grid. Due to the closure of two 10MW power plants in FY2022, only the 19.5MW PPSEZ power plant will be in operation from FY2023 onwards and we expect our fuel and electricity consumption to decrease accordingly.

To maintain the energy efficiency and carbon emissions intensity of our power plants, a rigorous maintenance regime is embarked on throughout the year. On top of carrying out monthly checks and maintenance procedures at our power plants, we also conduct a thorough maintenance of all power plant equipment at least once a year to ensure that they are in optimal operating conditions for on-demand functions. Upon any irregularities identified, corrective measures will be promptly taken. The last major maintenance check for the PPSEZ power plant was performed in November 2021.

ENERGY EFFICIENT
OPERATIONS & GHG EMISSIONS

OUR PERFORMANCE

Over the reporting period, Asiatic consumed a total of 2,533 Megawatt-hours ("**MWH**") of energy within the organisation, down from 31,818 MWh the previous year. This decrease can be attributed to the closure of two 10 MW power plants in FY2022, and the subsequent drop in our consumption of heavy fuel oil, diesel and electricity to generate electricity at these plants.

With our remaining PPSEZ power plant, we operate as an electricity retailer for the Phnom Penh Special Economic Zone, purchasing electricity from the national grid for sale to our customers. The PPSEZ power plant operates only when there are power interruptions to the main grid and is left on standby for most of the year.

	FY2021[1]	FY2022
Fuel Consumption (MWh)	29,052	193
Electricity Purchased for Consumption (MWh)	1,033	475
Electricity Purchased for Trade (MWh)	99,879	82,6 41
Electricity Sold (MWh)	98,146	80,776
Total Energy Consumption (MWh)	31,818	2,533

Accordingly, there has been an absolute decrease in the emissions generated by our operations in Cambodia, from 31,699 metric tons of carbon dioxide ("**tCO_2**") in FY2021 to 19,495 tCO_2 in FY2022, and our carbon emissions intensity has also decreased by 25% over the reporting period.

	FY2021[2]	FY2022
Scope 1 Carbon Emissions (tCO_2)[3]	**8,095**	**54**
- Heavy Fuel Oil	8,095	53
- Diesel	0	1
Scope 2 Carbon Emissions (tCO_2)[4]	**23,604**	**19,441**
- Emissions from Electricity Consumption	242	111
- Traded Emissions	23,362	19,330
Total Carbon Emissions (tCO_2)	**31,699**	**19,495**
Electricity Sold (MWh)	98,146	80,776
Carbon Emissions Intensity (tCO^2/MWh)	**0.32**	**0.24**

In view of reduced operations this financial year, there has been a significant decrease in overall energy consumption and GHG emissions produced for our energy operations in Cambodia. We will continue to monitor our performance for this ESG factor before setting a quantitative target next year. In the meantime, we will constantly review the relevant policies and practices to build up our data collection capabilities, thus ensuring the accuracy of the data reported.

[1] We have restated FY2021 figures on 'electricity sold' and 'total energy consumption', due to an accounting error in our FY2021 calculations.
[2] We have restated FY2021 figures on 'scope 2 carbon emissions' and 'carbon emissions intensity', given the change in consumption data and reporting scope.
[3] Scope 1 carbon emissions are calculated from the type and quantity of fuel consumed, using conversion factors from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.
[4] Scope 2 carbon emissions are calculated from the total amount of electricity purchased, using emission factors from the Institute for Global Environmental Strategies and the National Council for Sustainable Development, Cambodia.

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The Company is committed to maintaining a high standard of corporate governance and transparency within the Company, and together with its subsidiaries (the "**Group**"), to preserve and enhance the interests of all shareholders and investors. The Company has adopted corporate governance practices and guidelines with references to the Code of Corporate Governance 2018 (the "**Code**") and the disclosure guide developed by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in January 2015 for the financial year ended 31 March 2022 ("**FY2022**").

Pursuant to Rule 710 of the Listing Manual Section B: Rules of Catalist issued by the SGX-ST (the "**Catalist Rules**"), this report describes the Company's corporate governance processes and activities for FY2022. Proper explanation has been given where there is a deviation from the recommended guideline(s).

The Company did not adopt any alternative corporate governance practices in FY2022.

PRINCIPLE 1: BOARD MATTERS

The Board's Conduct of Affairs

The Board of Directors' (the "**Board**") principal roles include promoting long-term shareholder value, ensuring that the businesses of the Group are effectively managed and properly conducted by Management and ensuring proper observance of corporate governance practices, which includes setting of code of conduct and ethics, appropriate tone-from-the-top and desired organisational culture, and ensure proper accountability within the Group.

The Board's primary responsibilities include the review and approval of policy guidelines, setting directions to ensure that the strategies undertaken seek to enhance shareholder value. The Board meets regularly on a quarterly basis and as and when warranted by circumstances, both formally and informally. Meetings by the Board may also be conducted via telecommunication means. The following matters, *inter alia*, require the Board's approval:

- Budgets, quarterly, half-yearly and full year results announcements (whichever appliable), annual reports and audited financial statements;
- Corporate strategic direction, strategies and action plans;
- Issuance of policies and key business initiatives;
- Interested person transactions and whistle-blowing reports;
- Acquisition/disposal and other material transactions;
- Declaration of interim dividends and proposal of final dividends; and
- Convening of shareholders' meetings.

To assist the members of the Board, the Company has arranged for the Board to be updated by the Company Secretary and its other professional consultants on the continuing obligations and any amendments and/or requirements of the Catalist Rules and other statutory and regulatory requirements from time to time, to enable them to discharge their duties effectively. Further, Directors are encouraged to attend seminars and courses to complement their core expertise and to keep abreast of the ongoing regulatory changes and compliance, and are provided with opportunities to develop and maintain their skills and knowledge at the company's expense.

Courses, conferences and seminars attended by the Directors in FY2022 include:

Courses, Conferences and Seminars Name	Held By
SGX Regulatory Symposium 2021 – Market Needs in a Changing Landscape	Singapore Exchange Regulation
Conversations in Global Finance: The Spirit of Entrepreneurship	Singapore Exchange Regulation
Conversations in Global Finance: The Pursuit of Liquidity	Singapore Exchange Regulation
Board Governance of Special Purpose Companies	Singapore Institute of Directors
ECN SEA: Black Swans and Grey Rhinos	The Economist Corporate Network
EY Board Agenda Series: Reframing the annual general meeting	Ernst & Young LLP

When a Director is first appointed to the Board, an orientation program is arranged for him/her to be familiar with the Group's business and governance practices. Upon appointment, a formal letter shall be issued setting out the duties, responsibilities and obligations of the Director. All new first-time Directors (who have no prior experience as a director in a listed company) are also required to attend appropriate SGX-SID Listed Company Director (LCD) Programmes offered by SID within 1 year from the date of his/her appointment. There was no first-time Director appointed by the Company in FY2022.

Our Board has established and delegated certain responsibilities to the Nominating Committee ("**NC**"), Remuneration Committee ("**RC**") and Audit and Risk Committee ("**ARC**") (collectively, the "**Board Committees**"). The Board Committees are each chaired by an Independent Director and majority of the members are independent. Each of the Board Committee's functions, roles and authorities are clearly set out in their respective terms of reference. The terms of reference of the respective Board Committees, as well as the other relevant information on the Board Committees can be found in the subsequent sections of this Report.

Directors' Attendance at Board, Committees and Shareholders' General Meetings

	Board	ARC	NC	RC	AGM/EGM
Total held in FY2022:	**7**	**4**	**1**	**1**	**2**
Tay Kah Chye (Independent Chairman)	7	4	1	1	2
Tan Boon Kheng (Managing Director)	7	4[(1)]	1	1[(1)]	2
Tan Boon Siang (Executive Director)	7	4[(1)]	1[(1)]	1[(1)]	2
Chia Soon Hin William (Independent Director)	7	4	1	1	2
Yip Mun Foong James (Independent Director)	7	4	1	1	2

Note:

1. *Attendance by invitation.*

Access To Information

The Board is kept abreast on the Group's operations and key performance through updates and reports, given by Management (including the Managing Director and the Executive Director). Prior to any meetings of the Board or Committees, every Director, if applicable, is given sufficient time to review board papers to prepare him/her for the meetings. In addition, Board members have separate and independent access to the Management on queries or when they require additional information on the affairs of the Company and the Group.

The Management would provide the explanatory documents on matters to be brought before the Board and its Committees. Copies of disclosure documents, budgets, forecasts, unaudited financial statements together with explanations for any significant or material variance between the budget and actual results are tabled by the Management for review during the meetings.

Each Director also has access to the Company Secretary who attends the Board's and the Board Committees' meetings. The Company Secretary also assists the respective Chairman of the Board Committees and the Board in the conduct of meetings and ensures that procedures and corporate governance practices are adhered to. The appointment and removal of the Company Secretary is subject to the approval of the Board as a whole.

Where the Directors either individually or as a group, in the furtherance of their duties, require independent professional advice, such service will be available at the Company's expense.

Every Director has separate and independent access to the Management, the Company Secretary and the external auditors at all times. The Company currently does not have a formal procedure to seek independent and professional advice for the furtherance of the Board's duties. However, the Directors may, on a case-to-case basis, propose to the Board for such independent and professional advice to be sought, the cost of which will be borne by the Company.

The Directors have the fiduciary duty to act objectively in the best interests of the Company and hold Management accountable for performance. Where the Director has a conflict or potential conflict of interest in relation to any matter, he will declare his interest at the meeting of the Directors or send a written notice to the Company, setting out the details of his interest and the conflict and recuse himself from any discussions on the matter and abstain from participating in any Board decision.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board currently comprises five (5) Directors, of whom two (2) are Executive Directors and three (3) Independent Directors, whose collective experience and contributions are valuable to the Company.

The composition of the Board is summarised in the table below:

Name of Director	Designation	Date of Appointment	Last Date of Re-election
Tay Kah Chye	Independent Chairman	1 October 2013	24 September 2020
Tan Boon Kheng	Managing Director	25 October 2002	24 September 2020
Tan Boon Siang	Executive Director	25 October 2002	31 August 2021
Chia Soon Hin William	Independent Director	1 September 2018	25 September 2019
Yip Mun Foong James	Independent Director	23 December 2019	24 September 2020

There is a strong and independent element on the Board given that there are three (3) Independent Directors who has formed majority of the Board and the Chairman of the Board is independent. Accordingly, the composition of the Board is in compliance with the Code and the Catalist Rules.

The Board considers an Independent Director as one who has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment of the Company's affairs with a view to the best interests of the Company.

The Independent Directors of the Company are respected individuals from different backgrounds whose core competencies, qualifications, skills and experience are extensive and complementary. Independent Directors constructively challenge and help to develop strategies, and to review and monitor the performance of the Management, agreed goals and objectives. The Independent Directors have confirmed that they do not have any relationship with the Company, its related companies, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere with the exercise of the Director's independent business judgment with a view to the best interest of the Company.

The Board has reviewed the current composition of the Board and is of the view that the current composition of the Board remains relevant and nimble to meet the changing challenges in the industry and countries which the Group operates in. Such reviews, which include considering factors such as the expertise, skills and perspectives which the Board needs against the existing competencies would be done on an annual basis or when circumstances warrant, to ensure that the Board dynamics remain optimal.

The Independent Directors, led by the Independent Chairman, meet without the presence of Management as and when necessary, and provides feedback to the Board as appropriate. The Independent Directors of the Company have met once in the absence of Management in FY2022.

Notwithstanding that a formal diversity policy has yet to be adopted, the Board ensures that the Board has an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender or age. The Company understands and believes that a diverse Board will help improve the overall performance and operational capability of the Company as well as to avoid groupthink and foster constructive debate. It enhances decision-making capability and gives diversified views to enhance Board discussion and ensuring that the decisions made by the Board have been considered from all points of view. The Board comprises Directors who have expertise across areas such as banking, finance and accounting, business and industry-specific experience, management and strategic planning. The Board will look into formalising and adopting a Board diversity policy in the coming year.

The profile of our Directors can be found on pages 9 to 11 of this Annual Report. The current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:

Balance and Diversity of the Board **Competencies**	**Number of Directors**	**Proportion of Board**
Accounting or finance	3	60%
Business management	5	100%
Legal or corporate governance	5	100%
Relevant industry knowledge or experience	4	80%
Strategic planning experience	5	100%
Customer based experience or knowledge	5	100%

The Board has taken the following steps to maintain or enhance its balance and diversity:

- Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and

- Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understanding the range of expertise which is lacking by the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Company recognizes the principle of a clear division of responsibility between the Chairman and the Chief Executive Officer (in our case, the Managing Director). Mr Tan Boon Kheng is the Managing Director while Mr Tay Kah Chye, an Independent Director, is the Chairman of the Board.

The roles of the Chairman and the Managing Director are separate to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making, in accordance with the recommendations of the Code. The Chairman is not related to the Managing Director.

The Chairman is responsible for, inter alia, exercising control over the quality, quantity and timeliness of flow of information between the Management and the Board, and assisting in ensuring compliance with our Company's guidelines on corporate governance, while our Managing Director is responsible for the planning, business development and generally charting the strategic growth of the Group. The Chairman is available to shareholders where they have concerns, and for which contact through the normal channels of communication with the Management are inappropriate or inadequate. The Chairman is contactable at taykahchye@gmail.com.

The NC has deliberated and is of the view that the appointment of a Lead Independent Director is not necessary given that the majority of the Board, including the Chairman is independent.

PRINCIPLE 4: BOARD MEMBERSHIP

Nominating Committee

The NC of the Company comprises the following members, the majority of whom, including the NC Chairman, are independent and non-executive directors:

(i) Yip Mun Foong James (Chairman)

(ii) Tay Kah Chye (Member)

(iii) Chia Soon Hin William (Member)

(iv) Tan Boon Kheng (Member)

The NC is guided by its terms of reference, including but not limited to the key responsibilities as follows:

- Identifies candidates and reviews all nominations for the appointment and re-appointment of members of the Board based on his/her contribution and performance;
- Determines annually whether a Director is independent in accordance with the guidelines of the Code and the Catalist Rules;
- Assesses the effectiveness of the Board as a whole, its Board Committees and of each Director as to whether he is able to and has adequately carried out his duties as a Director, in particular, where a Director has directorships in other companies;
- Reviews the structure, size, composition, diversity and skills of the Board annually and make recommendations to the Board;
- Reviews the succession plans for Directors, in particular, the Managing Director, executive directors and key management personnel;
- Reviews the training and professional development programs for the Board and its Directors and ensures that all new members of the Board undergo an appropriate orientation programme; and
- Decides how the performance of the Board, its Board Committees and individual Directors may be evaluated and proposes objective performance criteria and thereafter submits for the Board's approval.

The NC has examined the appropriateness of the Board size, taking into consideration the changes in the nature and scope of the Group's operations as well as the applicable prevailing regulatory, and is satisfied that the current size and composition of Board meets the Company's existing needs and the nature of operations.

Where a vacancy occurs and as and when the need arises, the Management and/or Director will procure suitable candidates for the NC's review and consideration. If need be, the NC may also engage external search consultants to search for candidates at the Company's expense. The NC will, amongst others, review the candidate's credentials, and assess the candidate's competency, suitability and ability to devote sufficient time to the Company. The NC will thereafter provide its recommendations to the Board for approval.

The NC has reviewed and is of the opinion that holding multiple listed company board representations by some Directors have not impeded their performance and abilities in carrying out their duties to the Company. The NC has assessed and is satisfied that each Director has dedicated sufficient resources to diligently discharge his duties in FY2022. The Board did not set any cap on the number of listed company board representations a Director may hold in FY2022 given that all the Directors do not have extensive multiple directorships and have been able to dedicate their time and attention to the business of the Company. Nevertheless, if the Board finds that time commitment is lacking from any particular Director, they may consider imposing a cap in future.

The information of all Directors, including their listed company directorships and their principal commitments are set out on pages 9 to 11 of this Annual Report.

All Directors report any new appointments or changes in their external appointments on timely basis, as well as any corporate developments relating to their existing external appointments, which may affect their independence. This ensures that Directors continually meet the stringent requirements of independence under the Code and the Catalist Rules.

The Independent Directors had in FY2022 confirmed their independence in accordance with the Code and the Catalist Rules. The NC had also assessed the independence of each Independent Director and is satisfied that Mr Tay Kah Chye, Mr Chia Soon Hin William and Mr Yip Mun Foong James are independent. There are no directors who are deemed independent by the Board notwithstanding the existence of a relationship as stated in the Code or Catalist Rules that would otherwise deem him not to be independent.

Pursuant to Rule 406(3)(d)(iii) of the Catalist Rules, a director who has been a director for an aggregate period of more than nine years will not be considered independent unless he/she has sought and obtained approval in separate resolutions ("**Two-Tiered Voting**") by (i) all shareholders; and (ii) shareholders, excluding shareholders who also serve as the directors or CEO (or equivalent), and their associates for his/her continued appointment as an independent director.

Mr Tay Kah Chye, the Independent Chairman of the Company is appointed as a Director of the Company since 1 October 2013 and would have served on the Board for 9 years as at and from 1 October 2022. He has demonstrated strong independence in character and judgement over the years in discharging the interest of the non-controlling shareholders. He has expressed individual viewpoints, debated issues and objectively scrutinised and challenged Management. The Board recognises the contribution of Mr Tay Kah Chye as Independent Director who over time has developed deep insight into the Group's businesses and operations and who is therefore able to provide invaluable contributions to the Group.

Accordingly, the Board supported the NC's recommendation, with Mr Tay Kah Chye having abstained from the deliberations, to propose that Mr Tay Kah Chye be subjected to shareholders' approval at the forthcoming Annual General Meeting of the Company ("**AGM**") under Two-Tiered Voting, to ensure his eligibility to continue to be designated as Independent Director from 1 October 2022 onwards and such designation to remain in force until the earlier of (i) his retirement or resignation as a Director, or (ii) the conclusion of the third AGM of the Company following the passing of the relevant resolutions at which such approvals are obtained. In the case that the Two-Tiered Voting for Mr Tay Kah Chye is not passed at the forthcoming AGM, he will cease to be considered independent for purposes of Rule 406(3)(d)(iii) of the Catalist Rules with effect from 1 October 2022, and accordingly, subject to his continuation as a Director of the Company, will be re-designated as a non-independent and non-executive director of the Company with effect from 1 October 2022.

For the re-election of incumbent directors, the NC would assess the performance of the director in accordance with the performance criteria set by the NC and also considers the current needs of the Board. Subject to the NC's satisfactory assessment, the NC would recommend the proposed re-appointment of the director to the Board for its consideration and approval.

The constitution of the Company (the "**Constitution**") provides that at least one-third (if the number is not a multiple of three, the number nearest to but not greater than one-third) of the Board is required to retire via rotation at each AGM and that each Director shall retire from office at least once every three (3) years. A retiring Director is eligible for re-appointment subject to his consent.

Mr Chia Soon Hin William is retiring by rotation in the forthcoming AGM and his re-election is subject to shareholders' approval at the forthcoming AGM pursuant to Regulation 103 of the Constitution. The NC, with Mr Chia Soon Hin William having abstained from the deliberations, recommended Mr Chia Soon Hin William be nominated for re-election at the forthcoming AGM. Mr Chia Soon Hin William has consented to continue in office. Mr Chia Soon Hin William will, upon re-election, remain as an Independent Director of the Company, the Chairman of ARC and a member of NC and RC of the Company.

Information pursuant to Rule 720(5) of the Catalist Rules on Mr Chia Soon Hin William and Mr Tay Kah Chye can be found on pages 54 to 58 of this Annual Report. The Board considers Mr Chia Soon Hin William and Mr Tay Kah Chye to be independent for the purpose of Rule 704(7) of the Catalist Rules, subject to the Two-Tiered Voting requirement for Mr Tay Kah Chye.

The Company currently does not have any alternate directors.

PRINCIPLE 5: BOARD PERFORMANCE

The NC has adopted a formal process to assess the performance and contributions of the Directors and the effectiveness of the Board as a whole, its Board Committees and each individual Director. The NC sets the objective performance criteria for the assessment which allow comparison with industry peers. The assessment criteria focus on the effectiveness and efficiency on the Board's access to information, evaluation of the size and composition of the Board, the Board's processes, procedures and compliance, accountability, the Board's performance in connection to discharging its responsibilities and duties, and Directors' standards of conduct including his/her interactive skills, participation level at the Board and Board Committees' meetings, insight knowledge and preparedness as well as availability to attend meetings. In addition, the qualitative measures include the effectiveness of the Board in its monitoring role and the attainment of the strategic objectives set by the Board.

The NC would review the criteria on a periodic basis to ensure that the criteria are able to provide an accurate and effective performance assessment taking into consideration industry standards and the economic climate with the objective to enhance long term shareholder value, thereafter propose amendments if any, to the Board for approval.

The NC did not propose any changes to the performance criteria for FY2022 as compared to the previous financial year as the Board composition and the Group's principal business activities remained the same as the financial year ended 31 March 2021 ("**FY2021**").

For FY2022, the review process involves:

1. All Directors individually and collectively as a whole completing a board evaluation questionnaire on the effectiveness of the Board, its Board Committees, the individual Directors and the Chairman based on the aforementioned performance criteria;

2. The Company Secretary will collate and present the questionnaire results to the NC Chairman in the form of a report; and

3. The NC will deliberate the report and opine on the performance results during the NC meeting.

All NC members have abstained from the voting or review process of any matters in connection with the assessment of his individual performance.

Following the completion of the assessment for FY2022, the NC is of the opinion that the Board, its Board Committees and each Director were satisfactory and had met their performance objectives during FY2022 notwithstanding that the Company was in loss-making position for FY2022. No external facilitator was engaged in the evaluation process for FY2022.

PRINCIPLE 6: REMUNERATION MATTERS
PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

Remuneration Committee

The composition of the RC is as follows. All members of the RC are independent and non-executive directors:

(i) Yip Mun Foong James (Chairman)

(ii) Tay Kah Chye (Member)

(iii) Chia Soon Hin William (Member)

The RC is guided by its terms of reference, including but not limited to the key responsibilities as follows:

- Reviews and recommends to the Board, a framework of remuneration for the Board and key management personnel;
- Recommends to the Board, the executives' and employees' share option schemes or any long-term incentive schemes which may be set up from time to time and does all acts necessary in connection therewith;
- Reviews the level of remuneration that is appropriate to attract, retain and motivate the Directors and key management personnel; and
- Reviews and recommends to the Board the terms of renewal of Directors' service contracts

The RC also administers the Asiatic Performance Share Plan which was approved and adopted at the Extraordinary General Meeting ("**EGM**") held on 15 August 2013.

The RC reviews and considers all aspect of remuneration, including termination terms to ensure they are fair. The RC's review of the remuneration packages as stipulated in the service agreements, takes into consideration the long-term interests and direction of the Group, the performance of the Group and the overall assessment of the Board (where applicable) and individual contribution of the Directors and key management personnel. The RC will also ensure that the Independent Directors are not over-compensated to the extent that their independence may be compromised. The RC has reviewed and assessed that the remuneration of the Independent Directors for FY2022 is appropriate, considering the effort, time spent and responsibilities.

In determining remuneration packages of Executive Directors and key management personnel, the RC reviews and ensure that (i) they are adequately but not excessively rewarded; and (ii) the level and mix of remuneration should be appropriate to attract, retain and motivate Directors and key management personnel to run the Company successfully and create long-term sustainable value for its stakeholders. The RC will also consider, in consultation with the Board, amongst other things, their responsibilities, skills, expertise and contribution to the Group's performance and whether the remuneration packages are competitive and sufficient to ensure that the Company is able to attract and retain executive talent.

Proposed salary increments, or bonus pay-outs, if any, are reviewed by the RC, taking into consideration factors such as the actual financial performance of the Group, vis-à-vis the contribution by the respective Executive Directors or key management personnel. All recommendations of the RC will be submitted for approval by the entire Board.

No Director is involved in deciding his own remuneration and Directors' fees are recommended by the Board for approval by the shareholders at the AGM.

The RC and the Board is of the view that the annual review of the remuneration of the Directors and key management personnel, which includes giving due regard to prevailing market conditions as well as the financial, commercial health and business needs of the Group is currently sufficient to ensure the continued relevance of such remuneration packages to the Group's long term strategic business objectives and alignment with market practices.

In discharging their duties, the RC may seek professional advice where necessary. For FY2022, RC had not sought external remuneration consultants to review the remuneration packages of directors and key management personnel. The RC had assessed and is satisfied that the appointment of an external remuneration consultant in FY2022 was not necessary after taking into consideration market conditions.

The Company currently does not have any contractual provisions which allow it to reclaim incentives from the Executive Directors and key management personnel 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 Directors and key management personnel, "claw-back" provisions in the service agreements may not be relevant or appropriate. Nevertheless, RC will review the inclusion of "claw-back" provision in future service agreements.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The total remuneration and breakdown (in percentage terms) of the remuneration of Directors of the Company for FY2022 is set out below:

Name of Director	Total Remuneration (S$)	Base/Fixed Salary	Directors' Fee	Bonus	Benefits	Total
Tan Boon Kheng	295,000	100%	–	–	–	100%
Tan Boon Siang	296,000	94%	–	6%	-	100%
Tay Kah Chye	40,700	–	100%	–	–	100%
Chia Soon Hin William	34,000	–	100%	–	–	100%
Yip Mun Foong James	30,300	–	100%	–	–	100%

The breakdown (in percentage terms) of the remuneration of the top 5 key management personnel of the Group for FY2022 is set out below:

Name of key management personnel[1]	Designation	Base/Fixed Salary	Bonus	Total
Below S$250,000				
Tan Boon Yew [2]	Director, Asiatic Fire System Pte Ltd	100%	–	100%
Wong Wai Cheong	Group Financial Controller	100%	–	100%
Lee Yoke Chun [3]	Group Admin & HR Manager	100%	–	100%
Ng Meng Cheng [4]	Director, Colben System Pte. Ltd	100%	–	100%

Notes:

1. *In FY2022, the Company has only four (4) key management personnel who are not directors or CEO of the Company, including Mr Ng Meng Cheng who had resigned and no longer a key management personnel of the Company with effect from 1 June 2021.*
2. *Tan Boon Yew is the brother of Tan Boon Kheng and Tan Boon Siang.*
3. *Lee Yoke Chun is the spouse of Tan Boon Kheng.*
4. *Ng Meng Cheng has resigned as Director of Colben System Pte Ltd with effect from 1 June 2021.*

The aggregate remuneration paid to the above key management personnel was approximately S$439,000 in FY2022.

No termination, retirement and post-employment benefits were granted to the Directors or key management personnel in FY2022.

The remuneration received by the Managing Director, Executive Director, and key management personnel takes into consideration his/her individual performance and contribution towards the overall performance of the Group for FY2022. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary. The variable compensation is determined based on the level of achievement of corporate objectives (such as financial performance) and individual performance objectives (such as project management, strategic and operational effectiveness).

The RC has reviewed and is satisfied that for FY2022, the remuneration received by the Managing Director, Executive Director, and key management personnel are commensurate with their efforts and achievements. The RC has also reviewed and is satisfied that the overall performance conditions were met for FY2022.

Remuneration of other employees related to a Director

Save as disclosed above, the following are other employees who are immediate family members of Tan Boon Kheng and Tan Boon Siang, the Managing Director and Executive Director of the Company respectively, but whose respective remuneration does not exceed S$100,000. The aggregate remuneration (including CPF contributions thereon and benefits) of these employees amounted to approximately S$243,000 for FY2022.

Names of Employees	Relationship with Tan Boon Kheng and Tan Boon Siang
Tan Ah Soi	Uncle
Tan Chee Meng	Cousin
Tan Tze Wee	Cousin

Save as disclosed, there are no other family relationships between any of our Directors, key management personnel, substantial shareholders and other employees. Besides the Managing Director, Mr Tan Boon Kheng and the Executive Director, Mr Tan Boon Siang, there are also no other employees who are substantial shareholders of the Company.

The Asiatic Performance Share Plan

The Company has adopted a performance share plan known as Asiatic Performance Share Plan (the "**Share Plan**") which was approved by the shareholders of the Company at the EGM held on 15 August 2013. The Share Plan is administered by the RC and no share award has been granted since its adoption.

The Share Plan is designed to provide the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve increased performance. The Directors believe that the Share Plan will provide the Company with a more comprehensive set of remuneration tools and further strengthen its competitiveness in attracting and retaining local and foreign talent.

The Share Plan allows the Company to provide an incentive for participants to achieve certain specific performance targets by awarding fully paid shares to participants after these targets have been met. The assessment criteria for granting of awards under the Share Plan will be based on specific performance targets or to impose time-based service conditions, or a combination of both.

The Share Plan allows for participation by the Group's employees (including the Managing Director and Executive Director, namely, Tan Boon Kheng and Tan Boon Siang respectively) and Non-Executive Directors (including Independent Directors) who have attained the age of 21 years on or before the relevant date of grant of the award provided that none shall be an undischarged bankrupt at the relevant time, and who, in the absolute discretion of the RC, will be eligible to participate in the Share Plan.

Subject to the absolute discretion of the RC, the controlling shareholders of the Company and their associates who meet the criteria as set out above are eligible to participate in the Share Plan, provided that (a) the participation of, and (b) the terms of each grant and the actual number of shares comprised in the share awards granted under the Share Plan to, a participant who is a controlling shareholder of the Company or his associate shall be approved by independent shareholders in a general meeting in separate resolutions for each such person.

Subject to the absolute discretion of the RC and prior to any grant of an award to any controlling shareholder of the Company or his associate, the Company will seek approval from its independent shareholders for the participation of such person in the Share Plan and/or the grant of an award to such person. Further details of the Share Plan are disclosed on page 60 of the Annual Report under the Directors' Statement.

PRINCIPLE 9: ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

The system of internal controls maintained by the Group includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulations and best practices, and the identification and containment of financial, operational, information technology and compliance risks. However, the Board notes that no system of internal control could provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities. The Board determines the nature and extent of the significant risks which the Group is willing to take in achieving its strategic objectives and value creation.

The Board of Directors and the ARC have reviewed the adequacy of the Group's internal controls addressing its financial, operational, compliance and information technology risk, relying on reports from external auditors and internal auditors. Any significant internal control weaknesses and non-compliance that are highlighted during the audit together with recommendations by the external auditors and internal auditors are reported to the ARC. The ARC will follow up and review the actions taken by Management to address the weaknesses highlighted based on the recommendations made by the external auditors and internal auditors.

Nexia TS Risk Advisory Pte. Ltd. ("**Nexia**") was the internal auditor for the Group for FY2022. Nexia performed an enterprise risk assessment for the Group to facilitate a refresh on the Group's risk profile. The risk assessment took into account the Group's strategic, operational, compliance, financial and IT risks and through interviews with the Board, management as well as working-level process owners. Nexia also performed review of previous internal audit reports of the Group to assess the status and completeness of the identified action plans.

Foo Kon Tan LLP was the external auditors for the Group for FY2022. As part of the annual statutory audit, the external auditors conducted an annual review, in accordance with their audit plan, of the effectiveness of the Group's material internal controls, including financial, operational, compliance, information technology controls, and risk management. Any material non-compliance or failures in internal controls and recommendations for improvements would be reported to the ARC. The ARC also reviewed the effectiveness of the actions taken on the recommendations made by the external auditors, if any.

For FY2022, the ARC had received assurance:

(i) from the Managing Director and Group Financial Controller that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

(ii) from the Managing Director and relevant key management personnel that the Company's risk management and internal control systems were adequate and effective.

Based on the risk management and internal controls system established and maintained by the Group and work performed on the review of key internal controls by the external auditors and internal auditors, reviews performed by the Management and the various Board Committees, the Board with the concurrence of the ARC, are of the view that the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2022.

PRINCIPLE 10: AUDIT AND RISK COMMITTEE

All members of the ARC, including the ARC Chairman are Independent Directors, and have recent and relevant accounting or related financial management expertise or experience which fulfill the requirements for the composition of the ARC pursuant to the Code. Members of the ARC were also provided with information such as updates on consultation papers issued by the SGX-ST as well as the changes to the Singapore's Financial Reporting Standards by external auditors.

The composition of the ARC is as follows:

(i) Chia Soon Hin William (Chairman)

(ii) Tay Kah Chye (Member)

(iii) Yip Mun Foong James (Member)

None of the ARC members were former partners or directors of the Company's external auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case (b) for as long as they have any financial interest in the auditor firm or auditing corporation.

The ARC is guided by its terms of reference, including but not limited to the key responsibilities as follows:

a) reviews the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Company's financial performance;

b) reviews at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;

c) reviews the assurance from the Managing Director and Group Finance Controller on the financial records and financial statements;

d) reviews the Company's Whistle-Blowing Policy and to ensure that arrangements are in place for concerns about possible improprieties in financial reporting or other matters to be safely raised and independently investigated, and for appropriate follow-up action to be taken;

e) reviews the audit plan of the external auditors and their evaluation of the system of internal controls and monitor Management's response and actions to correct any noted deficiencies;

f) reviews the internal audit plan and findings by the internal auditors;

g) reviews the adequacy, effectiveness, independence, scope and results of both the internal and external audit function. Where the external auditors also supply a substantial volume of non-audit services to the Company, the ARC shall keep the nature and extent of such services under review, seeking to balance the maintenance of objectivity and value for money;

h) determines that no unwarranted Management restrictions are being placed upon either the internal or external auditors;

i) reviews interested person transactions;

j) makes recommendations to the Board on (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors; and

k) generally undertakes such other functions and duties as may be required by statute, the Code and/or the Catalist Rules, and by such amendments made thereto from time to time.

The ARC meets at least four times a year and as frequently as required. In particular, the ARC meets to review the financial statements before they are circulated to the Board for approval and subsequently announced on SGXNet. In the financial year under review, the ARC has met to review and approve the internal and external audit plans as well as the quarterly, half-yearly and full-year unaudited results for announcement purposes. The ARC has also met once with the internal and external auditors in the absence of Management in FY2022.

To enable the ARC to discharge its function properly, the ARC has full access to and co-operation from Management and has full discretion to invite any director or executive officer to attend its meetings.

The ARC may also examine any other aspects of the Company's affairs, as it deems necessary, where such matters relate to exposures or risks of regulatory or legal nature, and monitor the Company's compliance with its legal, regulatory and contractual obligations. The ARC has power to conduct or authorise investigations into any matters within the ARC's scope of responsibility. The ARC is authorised to obtain independent professional advice if deemed necessary to discharge its responsibilities properly. Such expenses would be borne by the Company.

Whistle-Blowing Policy

The Group is committed to the highest possible standards of ethical, moral and legal business conduct. The Group intends to promote consistent organizational behavior by providing guidelines and assigning responsibilities for the development of controls and conduct of investigations. The Company has put in place a whistle-blowing policy which provides employees and any other person with well-defined and accessible channels, including direct access to the Chairman of the ARC, to raise concerns about possible irregularities, wrongdoing or malpractice within or by the Group in confidence (the "**Whistle-Blowing Policy**").

The Whistle-blowing Policy defines the processes clearly to ensure independent investigation of such matters and permits whistle blowers to report directly to the Chairman of the ARC:

(i) by email to williamchiash@gmail.com; and/or

(ii) by hand or by post for the attention of the Chairman of ARC at 65 Joo Koon Circle, Singapore 629078.

To ensure that complaints can be submitted confidentially or anonymously, the complainant can address his/her complaint in a sealed envelope marked "Private and Strictly Confidential". The envelope shall be forwarded unopened to the ARC Chairman.

All information received will be treated as confidential. Every effort will be made to protect the complainant's identity and the complainant against detrimental or unfair treatment. Employees who raise a concern in good faith, which is shown to be unsubstantiated by subsequent investigation, will not have action taken against them.

The ARC is in charge of overseeing the function, monitoring and handling of matters being reported through the whistle-blowing system. The ARC may also review arrangements (in accordance with the Group's whistle-blowing policy) by which stage of the Company and external parties such as vendors and customers may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The ARC ensures that arrangements are in place for the independent investigation of such matters and that appropriate follow up actions are carried out. There were no complaints received under the whistle-blowing policy in FY2022.

External Audit

Pursuant to Rule 715(1) of the Catalist Rules, the ARC noted that the Company and its Singapore incorporated subsidiaries were audited by Messrs Foo Kon Tan LLP ("**FKT**") based in Singapore. The statutory auditors for the Company's subsidiaries in Cambodia were Messrs BDO (Cambodia) Limited based in Cambodia ("**BDO**"). For the purposes of the Group's audit and consolidation, FKT had also performed a full audit of the accounts of the Cambodian subsidiaries. Further information on the auditors' appointments can be found in Note 4 to the financial statements.

The Board and the ARC had reviewed the audit arrangements with FKT and BDO, and were satisfied that the current arrangement had not compromised the standard and effectiveness of the audit for the Group and that the auditors had no objection on the current arrangement. The Company has complied with Rules 712, 715 and 716 of the Catalist Rules.

The aggregate amount of audit fees paid/payable to FKT in FY2022 amounted to S$85,000. There were no non-audit services provided by FKT in FY2022.

The ARC has reviewed the independence and objectivity of the external auditors in FY2022 and is satisfied that the external auditors remain independent and objective. The ARC has also recommended the re-appointment of FKT as the external auditors for the ensuing financial year.

Internal Audit

The Group has outsourced its internal audit function and Nexia TS Risk Advisory Pte. Ltd. was the internal auditor ("**IA**") for the Group for FY2022.

The ARC will review the adequacy and effectiveness of the IA annually. The IA's primary line of reporting is to the ARC, which also decides on the appointment, termination and remuneration of the IA. However, the IA also has an administrative reporting function to Management where planning, coordinating, managing and implementing internal audit work cycle are concerned. The IA reports are also given to the external auditors to ensure effective use of resources and to avoid duplication of efforts.

The ARC is satisfied that the IA is independent, adequately qualified and resourced (as it is a member of the Singapore Institute of Internal Auditors) and adheres to the Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors). The IA has unfettered access to all the Group's documents, records, properties and personnel, including the ARC, and has the appropriate standing in the Company to discharge its duties effectively.

PRINCIPLE 11: SHAREHOLDER RIGHTS AND ENGAGEMENT
PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS
PRINCIPLE 13: MANAGING STAKEHOLDERS RELATIONSHIPS

Policy on dissemination of public information

The Company believes that a high standard of disclosure is crucial to raising the level of corporate governance. All information relating to the Group's new initiatives are first disseminated via SGXNet followed by a news release (if appropriate), which is also available on SGXNet. The Company ensures that it does not practice selective disclosure of material information. Price sensitive information is publicly released and results of the Group's financial performance are announced and/or issued within the mandatory periods.

The Company's corporate website (https://www.asiatic.com.sg/) has a dedicated "Contact Us" link, to enable shareholders to contact the Company, and also to allow for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

Apart from the SGXNet announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website at www.asiatic.com.sg.

Shareholders' Rights and Conduct of General Meetings

Shareholders are encouraged to attend and participate at the general meetings to ensure a greater level of shareholders' participation. Shareholders are informed of the rules, including voting procedures that govern the general meetings to enable them to participate effectively in and vote at the general meetings. Subject to the the Companies Act and Listing Rules, the Company's Constitution allows the Directors, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow members who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

The Company's forthcoming AGM to be held on 29 September 2022 will be conducted via electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Order**"). Alternative arrangements relating to the mode of publication of notice of AGM, dispatch of annual report and proxy form, attendance at the AGM via electronic means, submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM, will be put in place for the forthcoming AGM.

All documents related to the general meetings, including the Annual Report, the notice of general meeting and any other relevant documents (where applicable) are announced via SGXNet and published on the Company's website prior to the meeting with the details of the agenda of the general meeting.

Shareholders are given opportunities to ask the Board and Management questions regarding the operations of the Group and in relations to the meeting agenda prior to the meeting. All Directors attend the general meeting to answer any questions relating to the work of their respective Board Committees. The external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. All directors attended the last AGM of the Company held for FY2021.

At the AGM or other general meetings, separate resolutions will be set out as distinct issues for approval by shareholders. In the event of bundled resolutions, reasons and implications of why resolutions are bundled will be set out in the circulars sent out. All resolutions tabled at general meetings are put to vote by poll, and their detailed results will be announced via SGXNet after the conclusion of the general meetings. The Company prepares minutes of general meetings which includes key comments and queries from shareholders relating to the agenda of the meetings, and responses from the Board and Management. The Company's minutes of general meetings would be published in the Company's website as soon as practicable.

Investor relations policy

The Company currently does not have an investor relations policy but considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders. Should the need arise, the Company will consider the appointment of a professional investor relations officer to manage the function.

As the Company does not have a dedicated investor relations team, efforts by the Company in its engagement with investors (both present and prospective) are undertaken by the Managing Director and supported by the Group Financial Controller. In FY2022, such investor relations engagement efforts include meetings with investors and visits to the Group's plants or other places of operations.

Dividend policy

The Company does not have a fixed dividend policy. Dividend decisions are subject to review of the Group's financial performance, projected future capital needs and working capital requirements. The Company will communicate any dividend pay-outs to shareholders via announcements released on SGXNet.

Taking into consideration the Group's working capital requirements for the financial year ending 31 March 2023 ("**FY2023**"), no dividend has been recommended or declared by the Board in respect of FY2022 as the Company recorded a loss in FY2022.

DEALING IN SECURITIES

The Company has put in place an internal code on dealings with securities in accordance with Rule 1204(19) of the Catalist Rules, which has been issued to all Directors and employees, setting out the implications on insider trading. The internal code prohibits the dealing in securities of the Company by the listed issuer, its officers and employees whilst in possession of price-sensitive information, and during the period beginning two weeks before the announcement of the Company's results of each of the first three quarters of its financial year (if applicable) and one month before the announcement of the half yearly and full year results, and ending on the date of the announcement.

Directors are required to report securities dealings to the Company Secretary who will assist to make the required announcements. In addition, Directors and employees are reminded to observe insider trading laws at all times even when dealing in securities within permitted trading periods. The Company's officers are discouraged from dealing in the Company's shares on short-term considerations.

INTERESTED PERSON TRANSACTIONS

The Company has established internal control policies and procedures to ensure that transactions with interested persons are reviewed and approved by the ARC, and are conducted at arm's length basis. There were no interested person transactions of S$100,000 and above entered into during FY2022.

MATERIAL CONTRACTS

No material contracts, not being contracts entered into in the ordinary course of business, had been entered into by the Company and its subsidiaries involving the interest of any Executive Director, Non-Executive Director or controlling shareholder of the Company which are either subsisting at the end FY2022, or if not than subsisting, entered into since the end of the previous financial year.

NON-SPONSOR FEES

Pursuant to Rule 1204(21) of the Catalist Rules, there were no non-sponsor fees paid/payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd., in FY2022.

SUSTAINABILITY REPORT SUMMARY

Pursuant to Rules 711A and 711B of the Catalist Rules, the Company's sustainability report is set out from pages 15 to 37 of this Annual Report.

INFORMATION ON DIRECTORS AS SET OUT IN APPENDIX 7F OF THE CATALIST RULES

The following are information as set out in Appendix 7F to the Catalist Rules relating to (i) Mr Chia Soon Hin William, the Director seeking re-appointment pursuant to Rule 720(5) of the Catalist Rules, and (ii) Mr Tay Kah Chye, the Director seeking continued appointment as an independent director pursuant to Rule 406(3)(d)(iii) of the Catalist Rules:

Name of Person	**Chia Soon Hin William**	**Tay Kah Chye**
Date of Appointment	1 September 2018	1 October 2013
Date of last re-appointment (if applicable)	25 September 2019	24 September 2020
Age	69	75
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the experience, contribution and performance of Mr. Chia as a Non-Executive Independent Director of the Company, and thereafter recommended Mr. Chia be re-elected as Director of the Company. The Board considers Mr. Chia to be independent for the purpose of Rule 704(7) of the Catalist Rules.	The Board has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the experience, contribution and performance of Mr. Tay as a Non-Executive Independent Director of the Company, in the view that Mr. Tay has demonstrated strong independence of character and judgement in representing the interests of the minority shareholders, and recommended Mr. Tay to continue to act as an independent director of the Company. The Board considers Mr. Tay to be independent for the purpose of Rule 704(7) of the Catalist Rules.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Independent Director, Chairman of Audit and Risk Committee, Member of Nominating Committee and Remuneration Committee	Non-Executive Independent Director, Chairman of Board, Member of Audit and Risk Committee, Nominating Committee and Remuneration Committee
Professional qualifications	• Chartered Secretary and Associate of the Governance Institute of Australia • Fellow of the Chartered Institute of Marketing (UK) • Associate of the Chartered Institute of Bankers (UK) • Member of the London Institute of Banking & Finance • IBF Fellow of the Institute of Banking and Finance (Singapore)	Bachelor of Social Sciences (Economics) – University of Singapore

Name of Person	Chia Soon Hin William	Tay Kah Chye
Working experience and occupation(s) during the past 10 years	**(1) October 2014 – Present** Managing Director, Xie Capital Pte Ltd **(2) October 2014 – Present** Managing Director, Mitsuba Japanese Restaurant Pte Ltd **(3) 2015 – 2016** Director, MBZ International Exchange Pte Ltd **(4) March 2011 - October 2014** Executive Director, Group Commercial Banking, UOB Group Ltd	**(1) January 2012 to Present** Group CEO, Pata Group (Pata Int'l Enterprise Pte Ltd and Pata Consultancy Pte Ltd) **(2) March 2011 to Present** Executive Chairman of CLMV Consult (Net) Pte Ltd,
Shareholding interest in the listed issuer and its subsidiaries	Nil	1,600,000 ordinary shares in the Company
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
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships		
Past (for the last 5 years)	(1) MBZ International Exchange Pte Ltd (2) SinCap Group Limited	(1) Chemical Industries (Far East) Ltd (2) Academy of Water safety and Swimming Private Limited (3) Asiatravel.com Holdings Ltd
Present	(1) H2G Green Limited (fka P5 Capital Holdings Ltd) (2) Ley Choon Group Holdings Ltd. (3) Xie Capital Pte. Ltd. (4) Mitsuba Japanese Restaurant Pte. Ltd.	(1) CLMV Consult Net (Private Limited) (2) PATA Consultancy Pte. Ltd. (3) PATA International Enterprise Pte. Ltd. (4) Wilmar International Limited (5) Cambox Investment Pte Ltd (in voluntarily liquidation) (6) Cambox Pte Ltd (Cambodia) (in voluntarily liquidation)

Name of Person	Chia Soon Hin William	Tay Kah Chye
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
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was fi led against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c) Whether there is any unsatisfied judgment against him?	No	No
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
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

Name of Person	Chia Soon Hin William	Tay Kah Chye
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 fi nding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

Name of Person	Chia Soon Hin William	Tay Kah Chye
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Information Required **Disclosure applicable to the appointment of Director only.**		
Any prior experience as a director of an issuer listed on the Exchange?	Not Applicable. This disclosure relates to re-appointment of Director.	Not Applicable. This disclosure relates to re-appointment of Director.
If yes, please provide details of prior experience	Not Applicable.	Not Applicable.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not Applicable.	Not Applicable.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable	Not Applicable.	Not Applicable.

We are pleased to present this statement to the members together with the audited consolidated financial statements of Asiatic Group (Holdings) Limited (the "Company") and its subsidiaries (collectively, the "Group"), the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2022.

In the opinion of the Directors,

(a) the accompanying consolidated financial statements of the Group, statement of financial position and statement of changes in equity of the Company, are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2022 and the financial performance, and cash flows of the Group and the changes in equity of the Company and 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) ("SFRS(I)"); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due, as disclosed in Note 2(b)(i) Significant judgements used in applying accounting policies - (a) Going concern.

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

Names of Directors

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

Tay Kah Chye
Tan Boon Kheng
Tan Boon Siang
Chia Soon Hin William
Yip Mun Foong James

Arrangements to enable Directors to acquire shares or debentures

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

Directors' interests in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, none of the Directors who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations except as follows:

	Direct interest		Deemed interest	
	As at 1.4.2021	**As at 31.3.2022**	As at 1.4.2021	**As at 31.3.2022**
The Company	Number of ordinary shares			
Tay Kah Chye	1,600,000	**1,600,000**	–	**–**
Tan Boon Kheng	141,156,004	**141,156,004**	–	**–**
Tan Boon Siang	140,232,000	**140,232,000**	–	**–**

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 April 2022.

Except as disclosed in this statement, 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 companies, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

Share options and performance shares

Asiatic Performance Share Plan

The Asiatic Performance Share Plan (the "Plan") was approved and adopted by the members of the Company at the Extraordinary General Meeting held on 15 August 2013. The Plan is administered by the members of the Remuneration Committee (the "RC"). Under the Plan, all Group employees including Controlling Shareholders and their associates are eligible to participate at the discretion of the RC. The other information regarding the Plan is disclosed in Note 13 to the financial statements.

No share has been awarded to any directors or participants who are controlling shareholders and their associates under the Plan since adoption and for FY2021.

No shares have been awarded to any directors or participants who are controlling shareholders and their associates, which, in aggregate, represent five per centum (5%) or more of the aggregate number of new shares available under the Plan and as such, no vesting of shares has taken place.

Audit and Risk Committee ("ARC")

The ARC at the end of the financial year comprises the following members:

Chia Soon Hin William (Chairman)
Tay Kah Chye
Yip Mun Foong James

The ARC performs the functions set out in Section 201B (5) of the Act, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the committee reviewed the following:

Audit and Risk Committee ("ARC") (Cont'd)

(i) the overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. The ARC has also met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls;

(ii) the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;

(iii) the reliability and integrity of the interim and annual announcements of financial results and financial statements;

(iv) effectiveness of the Company's and the Group's material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews carried out by the internal auditor;

(v) met with the external and internal auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARC;

(vi) determined that no unwarranted management restrictions are being placed upon either the internal or external auditor;

(vii) reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

(viii) reviewed the cost effectiveness and the independence and objectivity of the external auditor;

(ix) reviewed the nature and extent of non-audit services provided by the external auditor;

(x) recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;

(xi) reported actions and minutes of the ARC to the board of directors with such recommendations as the ARC considered appropriate;

(xii) interested person transactions (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange); and

(xiii) undertook such other functions and duties as may be required by statute or the Catalist Rule and by such amendments made thereto from time to time.

The ARC has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any Director or executive officer to attend its meetings.

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

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

In appointing our auditors for the Company, its subsidiaries and significant associated companies, we have complied with Rules 712 and 715 as set out in the SGX Listing Manual.

Independent auditor

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

....
TAY KAH CHYE

....
TAN BOON KHENG

Dated: 13 September 2022

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Asiatic Group (Holdings) Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2022, the consolidated statement of profit or loss and comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Disclaimer of Opinion

(i) Going concern

For the financial year ended 31 March 2022, the Group reported a loss before tax from continuing operations of $11.4 million. As at that date, the Group's current liabilities (which includes loan and borrowings of $15.2 million) exceeded the Group's current assets by $10.1 million and the Company's current liabilities exceeded the Company's current assets by $9.9 million. As at 31 March 2022, the Group and the Company have short-term deposits of $3.5 million and $37K respectively.

In addition:

a) The Group and the Company has provided a financial guarantee to the lender of its associate, Maju Intan Biomass Energy Sdn Bhd ("MJE") in respect of the banking facilities extended to MJE. As at 31 March 2022, the outstanding balance owing by its associate is RM85.8 million (equivalent to $27.6 million) and as at 30 June 2022, the full repayment is RM122.2 million (equivalent to $39.3 million). Subsequent to the reporting date, the lender has appointed receivers on 14 July 2022 and put MJE under receivership due to the lender's disagreement over the proposed debt refinancing package.

b) The Group has breached a financial covenant on its overdraft facilities in one of its subsidiaries. The net outstanding overdraft exposure is $250,000 after taking into account the security placed with the bank in the form of a personal fixed deposit of a shareholder cum director.

These conditions and events indicate the existence of multiple material uncertainties which may cast significant doubt on the ability of the Group and the Company to continue as a going concern.

Notwithstanding the above, the Group has prepared the financial statements on a going concern basis based on the reasons as disclosed in Note 2(b)(i)(a) Going concern to the financial statements. However, based on the lack of information available to us particularly in relation to item (ii) below, we have not been able to obtain sufficient appropriate audit evidence to satisfy ourselves as to the appropriateness of the going concern assumption used in the preparation of these financial statements.

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

Basis for Disclaimer of Opinion (Cont'd)

(i) Going concern (Cont'd)

If the Group and the Company are unable to continue in operational existence for the foreseeable future, the Group and the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded on the Group's and the Company's statements of financial position. In addition, the Group and the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. The effects of these adjustments have not been reflected in these financial statements.

The audit opinion for the financial statements for the previous financial year was disclaimed for similar reason.

(ii) "Expected credit losses" (ECL) on financial guarantee extended to lender on behalf of its associate

The Company had not assessed the ECL arising from the financial guarantee extended to the lender on behalf of its associate because it was unable to quantify the financial guarantee exposure that the lender would be claiming against the Company. Consequently, we were unable to ascertain the adequacy of the ECL to be provided by the Company and the adjustment, if any, that was required.

The audit opinion for the financial statements for the previous financial year was disclaimed for the two similar reasons described above.

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Report on Other Legal and Regulatory Requirements

In our opinion, in view of the significance of the matters referred to in the Basis for Disclaimer of Opinion section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those affected subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Of another subsidiary incorporated in Singapore of which we are the auditors, in our opinion, the accounting and other records required by the Act to be kept by that subsidiary 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 Ho Teik Tiong.

Other Matter

The financial statements of the Group for the year ended 31 March 2022, were audited by another auditor who expressed a disclaimer of opinion on those statements on 16 August 2021.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore,
13 September 2022

STATEMENTS OF
FINANCIAL POSITION

As at 31 March 2022

	Note	The Group 2022 $'000	The Group 2021 $'000	The Company 2022 $'000	The Company 2021 $'000
Assets					
Non-Current					
Property, plant and equipment	3	**37,496**	51,370	**4**	5
Investment in subsidiaries	4	**–**	–	**23,787**	32,182
Right-of-use assets	17	**2,069**	2,180	**–**	–
Goodwill	5	**175**	175	**–**	–
Other investments	6	**161**	161	**–**	–
		39,901	53,886	**23,791**	32,187
Current					
Assets held for sale	7	**–***	–*	**–**	–
Inventories	8	**4,073**	3,753	**–**	–
Trade receivables	9	**7,280**	5,844	**–**	–
Other receivables	10	**1,379**	3,178	**–**	–
Prepayments		**331**	396	**21**	29
Cash and short-term deposits	12	**3,523**	1,633	**37**	23
		16,586	14,804	**58**	52
Total assets		**56,487**	68,690	**23,849**	32,239
Equity and Liabilities					
Equity					
Share capital	13	**50,585**	50,585	**50,585**	50,585
Accumulated losses		**(33,726)**	(25,528)	**(36,657)**	(28,232)
Foreign currency translation reserve	14	**(472)**	(924)	**–**	–
Equity attributable to equity holders of the Company		**16,387**	24,133	**13,928**	22,353
Non-controlling interests		**4,450**	7,162	**–**	–
Total equity		**20,837**	31,295	**13,928**	22,353
Liabilities					
Non-Current					
Loans and borrowings	15	**5,785**	4,096	**–**	–
Amount due to non-controlling interests	16	**1,485**	1,926	**–**	–
Lease liabilities	17	**1,570**	1,795	**–**	–
Deferred tax liabilities	18	**120**	1,316	**–**	–
		8,960	9,133	**–**	–
Current					
Trade payables	19	**5,643**	6,591	**–**	–
Provision for decommissioning costs	20	**–**	269	**–**	–
Provision for restructuring costs	21	**–**	226	**–**	–
Other payables and accruals	22	**4,870**	4,640	**565**	509
Amounts due to subsidiaries	11	**–**	–	**9,356**	9,371
Loans and borrowings	15	**15,170**	15,636	**–**	6
Lease liabilities	17	**287**	400	**–**	–
Provision for taxation		**720**	500	**–**	–
		26,690	28,262	**9,921**	9,886
Total liabilities		**35,650**	37,395	**9,921**	9,886
Total equity and liabilities		**56,487**	68,690	**23,849**	32,239

* Amount is less than $1,000

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

CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

	Note	Year ended 31 March 2022 $'000	Year ended 31 March 2021 $'000
Revenue			
Sale of goods		**17,786**	13,375
Services rendered		**18,927**	28,831
		36,713	42,206
Other income	23	**801**	3,430
Costs and expenses			
Cost of sales		**(25,811)**	(28,046)
Foreign exchange loss		**(232)**	(1,200)
Staff costs		**(5,737)**	(6,188)
Depreciation of property, plant and equipment	3	**(2,121)**	(2,572)
Depreciation of right-of-use assets	17	**(312)**	(318)
Impairment of property, plant and equipment	3	**(10,762)**	(2,603)
Impairment of right-of-use assets	17	**–**	(171)
Impairment of financial assets	25	**(108)**	(2,086)
Loss on liquidation of a subsidiary		**–**	(164)
Decommissioning costs		**–**	(273)
Restructuring costs		**–**	(229)
Other operating expenses		**(2,975)**	(3,543)
Finance costs	24	**(891)**	(671)
Loss before tax	25	**(11,435)**	(2,428)
Taxation	26	**601**	(1,193)
Loss for the year		**(10,834)**	(3,621)
Attributable to:			
- Owners of the Company		**(8,198)**	(3,686)
- Non-controlling interests		**(2,636)**	65
		(10,834)	(3,621)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation		**443**	(1,107)
Other comprehensive income for the year, net of tax (Nil)		**443**	(1,107)
Total comprehensive loss for the year		**(10,391)**	(4,728)
Attributable to:			
- Owners of the Company		**(7,746)**	(4,770)
- Non-controlling interests		**(2,645)**	42
		(10,391)	(4,728)
		Cents	Cents
Loss per share			
- Basic and diluted	27	**(0.53)**	(0.24)

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 March 2022

The Group	Attributable to owners of the Company					
	Share capital $'000	**Accumulated losses $'000**	**Foreign currency translation reserve $'000**	**Total equity attributable to owners of the Company $'000**	**Non-controlling interests $'000**	**Total equity $'000**
Balance at 1 April 2020	50,585	(21,842)	160	28,903	7,173	36,076
Loss for the year	–	(3,686)	–	(3,686)	65	(3,621)
Other comprehensive income						
Foreign currency translation	–	–	(1,084)	(1,084)	(23)	(1,107)
Total comprehensive loss for the year	–	(3,686)	(1,084)	(4,770)	42	(4,728)
Distribution to non-controlling interests						
Dividend	–	–	–	–	(53)	(53)
Total distribution to non-controlling interests	–	–	–	–	(53)	(53)
Balance at 31 March and 1 April 2021	**50,585**	**(25,528)**	**(924)**	**24,133**	**7,162**	**31,295**
Loss for the year	**–**	**(8,198)**	**–**	**(8,198)**	**(2,636)**	**(10,834)**
Other comprehensive income						
Foreign currency translation	**–**	**–**	**452**	**452**	**(9)**	**443**
Total comprehensive loss for the year	**–**	**(8,198)**	**452**	**(7,746)**	**(2,645)**	**(10,391)**
Distribution to non-controlling interests						
Dividend	**–**	**–**	**–**	**–**	**(67)**	**(67)**
Total distribution to non-controlling interests	**–**	**–**	**–**	**–**	**(67)**	**(67)**
Balance at 31 March 2022	**50,585**	**(33,726)**	**(472)**	**16,387**	**4,450**	**20,837**

STATEMENT OF
CHANGES IN EQUITY

For the financial year ended 31 March 2022

The Company	Share capital $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 April 2020	50,585	(28,590)	21,995
Profit for the year, representing total comprehensive income for the year	–	358	358
Balance at 31 March and 1 April 2021	**50,585**	**(28,232)**	**22,353**
Loss for the year, representing total comprehensive loss for the year	**–**	**(8,425)**	**(8,425)**
Balance at 31 March 2022	**50,585**	**(36,657)**	**13,928**

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 March 2022

The Group	Note	Year ended 31 March 2022 $'000	Year ended 31 March 2021 $'000
Cash Flows from Operating Activities			
Loss before taxation		**(11,435)**	(2,428)
Adjustments for:			
Depreciation of property, plant and equipment	3	**2,121**	2,572
Depreciation of right-of-use assets	17	**312**	318
Interest expense	24	**891**	671
Impairment of property, plant and equipment	3	**10,762**	2,603
Impairment of right-of-use assets	17	**–**	171
Decommissioning costs		**–**	273
Restructuring costs		**–**	229
Impairment of financial assets	25	**108**	2,086
Loss on liquidation of a subsidiary		**–**	164
Loss/(gain) on disposal of property, plant and equipment	23	**446**	(1)
Interest income		**(37)**	(46)
Write-back of stock obsolescence, net	8	**–**	(13)
Currency alignment		**156**	1,093
Operating profit before working capital changes		**3,324**	7,692
(Increase)/decrease in inventories		**(320)**	370
Decrease in trade and other receivables		**702**	1,186
Increase in amount due from associates	7	**(80)**	(2,239)
Decrease in provision for demobilisation cost		**(233)**	–
Decrease in provision for restructuring cost		**(185)**	–
Decrease in trade and other payables		**(969)**	(2,469)
Cash generated from operations		**2,239**	4,540
Interest received		**17**	46
Interest paid	24	**(891)**	(671)
Income taxes paid		**(348)**	(379)
Net cash generated from operating activities		**1,017**	3,536
Cash Flows from Investing Activities			
Purchases of property, plant and equipment	3	**(384)**	(413)
Purchase of right-of-use assets		**(72)**	(85)
Proceeds from sale of property, plant and equipment		**887**	10
Net cash generated from/(used in) investing activities		**431**	(488)
Cash Flows from Financing Activities			
Redemption of non-convertible bonds		**–**	65
Net repayment of shareholder loan		**–**	(780)
Proceeds from/(repayment of) trust receipts		**151**	(1,891)
Proceeds from interest bearing term loans		**1,728**	1,981
Repayment of principal portion of lease liabilities	17	**(468)**	(362)
Decrease in pledged fixed deposits		**81**	9
Repayment of amount due to non-controlling interests		**(452)**	(797)
Advances from/(repayment of) advances from related parties		**115**	(96)
Net cash generated from/(used in) financing activities		**1,155**	(1,871)
Net increase in cash and cash equivalents		**2,603**	1,177
Effect of exchange rate changes on cash and cash equivalents		**(12)**	24
Cash and cash equivalents at beginning of year		**(1,055)**	(2,256)
Cash and cash equivalents at end of year	12	**1,536**	(1,055)

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

Note A: Reconciliation of liabilities arising from financing activities

The following is the disclosures of the reconciliation of liabilities arising from financing activities, excluding equity items:

				Non-cash flows			
	As at 1 April 2021 $'000	**Cash flows $'000**	**Interest paid $'000**	**Accretion of interest $'000**	**New leases during the year $'000**	**Foreign exchange movement $'000**	**As at 31 March 2022 $'000**
Term loans from bank	**16,799**	**1,728**	**(752)**	**752**	**–**	**5**	**18,532**
Trust receipts	**623**	**151**	**–**	**–**	**–**	**–**	**774**
Non-convertible bonds (current)	**330**	**–**	**(32)**	**32**	**–**	**–**	**330**
Lease liabilities	**2,195**	**(468)**	**(107)**	**107**	**130**	**–**	**1,857**
Pledged fixed deposits (Note 12)	**(708)**	**81**	**–**	**(37)**	**–**	**(4)**	**(668)**
Amount due to non-controlling interests	**1,926**	**(452)**	**–**	**–**	**–**	**11**	**1,485**
Included in Other payables and accruals:							
- Advances from related parties	**851**	**115**	**–**	**–**	**–**	**–**	**966**
	22,016	**1,155**	**(891)**	**854**	**130**	**12**	**23,276**

				Non-cash flows			
	As at 1 April 2020 $'000	**Cash flows $'000**	**Interest paid $'000**	**Accretion of interest $'000**	**New leases during the year $'000**	**Foreign exchange movement $'000**	**As at 31 March 2021 $'000**
Term loans from bank	14,859	1,981	(534)	534	–	(41)	16,799
Trust receipts	2,514	(1,891)	–	–	–	–	623
Shareholder loan	780	(780)	–	–	–	–	–
Non-convertible bonds (current)	268	65	(26)	26	–	(3)	330
Lease liabilities	2,082	(362)	(111)	111	487	(12)	2,195
Pledged fixed deposits (Note 12)	(717)	9	–	–	–	–	(708)
Amount due to non-controlling interests	2,872	(797)	–	–	–	(149)	1,926
Included in Other payables and accruals:							
- Advances from related parties	947	(96)	–	–	–	–	851
	23,337	(1,871)	(671)	671	487	(205)	22,016

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

1 General information

The financial statements of the Group and the Company for the financial year ended 31 March 2022 were authorised for issue in accordance with a resolution of the Directors on the date of the Directors' statement.

The Company is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and principal place of business of the Company is located at 65 Joo Koon Circle, Singapore 629078.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 4 to the financial statements.

The Group mainly operates in Singapore, Cambodia and Malaysia.

2(a) Basis of preparation

The financial statements are prepared in accordance with the provisions of the Companies Act 1967 (the "Act"), and Singapore Financial Reporting Standards (International) ("SFRS(I)") including related Interpretations promulgated by the Accounting Standards Council ("ASC"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

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

2(b) Significant judgment and use of estimates

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.

(i) Significant judgement used 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.

(a) <u>Going concern</u>

For the year ended 31 March 2022, the Group incurred a net loss after tax of $10,834,000 (2021 - $3,621,000). As at that date, the Group's current liabilities (which includes loan and borrowings of $15,170,000) exceeded the Group's current assets by $10,104,000 (2021 - $13,458,000) and the Company's current liabilities exceeded the Company's current assets by $9,863,000 (2021 - $9,834,000).

2(b) Significant judgment and use of estimates (Cont'd)

(i) Significant judgement used in applying accounting policies (Cont'd)

(a) Going concern (Cont'd)

As disclosed in Note 30, the corporate guarantees provided by the Group and Company included a guarantee of up to RM 195.5 million given to the bank of its associate, Maju Intan Biomass Energy Sdn Bhd ("MJE"), in respect of banking facilities extended to MJE. As at 31 March 2022, the outstanding amounts owed by MJE to its bank amounted to RM85.8 million. On 19 March 2020, the Company entered into a sale and purchase agreement with Hualang Renewable Energy Sdn Bhd (the "Buyer") to sell all shares in MJE and its rights in the convertible bond issued by MJE at a nominal sum of RM1. As part of the transaction, the Buyer had submitted a debt restructuring proposal to MJE's bank.

On 10 February 2021, MJE's bank informed MJE that it was unable to accede to the debt restructuring proposal submitted by the Buyer and that no further utilisation of their existing facility arrangements (the "Facilities") shall be made and the same facilities were cancelled. On 8 November 2021, the Company was notified by the Buyer that it is in discussion and seeking to submit an alternative debt restructuring proposal for MJE's debt obligations to MJE's bank for acceptance and approval. Accordingly, the Company wrote to MJE's bank and received a confirmation in writing from the bank that they are agreeable to withholding legal action until 31 December 2021, subject to MJE continuing to service existing instalments until 31 December 2021. On 18 January 2022, the Company had obtained further extension from MJE's bank to withhold legal action until 28 February 2022, subject to MJE continuing to service existing instalments until 28 February 2022.

On 14 March 2022, the Company obtained a final extension from MJE's bank to withhold legal action until 31 May 2022, subject to MJE making an upfront payment of RM300,000 by 15 March 2022, MJE continuing to servicing existing instalments until May 2022 and submission of documentary evidence in regard to concurrence/ consent by Tenaga Nasional Berhad, Energy Commission and other authorities as required on changes of shareholdings of MJE by 30 April 2022. On 9 May 2022, the Group had terminated the sale and purchase agreement with Hualang Renewable Energy Sdn Bhd and instead entered into a restructuring framework agreement with Lecca Group Pte. Ltd. ("Lecca") on 10 May 2022 for the sale and purchase of at least 85% of the shares in MJE, discharge by MJE's bank of existing security they hold and fundraising of up to $3 million by the Group from Lecca or its associates. On 6 July 2022, the debt restructuring proposal submitted to MJE's bank was rejected via a letter in writing from MJE's bank solicitor, Messrs. Ramesh Dipendra Jeremiah Law for failing to comply with the following terms and conditions imposed by MJE's bank where MJE's bank had agreed to withhold legal action against MJE and the security parties until 31 May 2022:

(i) submission of substantive and concrete documentary evidence acceptable to the MJE's bank with regard to the source of financing in relation to the proposed full and final settlement of the said banking facilities, together with the payment of non-refundable deposit of RM2,000,000, both by 31 May 2022; and

(ii) submission of documentary evidence with regards to concurrence/ consent by Tenaga Nasional Berhad, Energy Commission and other authorities as required on changes of shareholdings of MJE, by 30 April 2022.

2(b) Significant judgment and use of estimates (Cont'd)

(i) Significant judgement used in applying accounting policies (Cont'd)

(a) Going concern (Cont'd)

MJE's bank had vide its email dated 5 July 2022 informing MJE that they are not agreeable to the debt settlement proposal as set out in a letter dated 25 May 2022 issued by Lecca's representative. Accordingly, a letter of demand dated 6 July 2022 (the "Letter of Demand") was served in writing to the Company which was received on 7 July 2022, demanding the repayment of RM122,176,395.90 (calculated as at 30 June 2022) (the "Repayment Amount") together with the applicable profit and late payment charges within 7 days from the receipt of the Letter of Demand, failing which, the MJE's bank have been instructed to proceed with legal proceedings against MJE, and/or other security parties; and/or take any action as their client thinks fit.

As the Repayment Amount is substantial and may have a material impact on the going concern of the Company, Lecca has through its representative submitted a revised counter proposal to the MJE's bank on 8 July 2022 to seek their approval to consider a revised settlement sum as the full and final settlement to the amount owing by MJE. On 13 July 2022, MJE's bank rejected Lecca's counter proposal and had appointed Dato' Adam Primus Varghese bin Abdullah and Macpherson Anak Simon as Receivers and Managers (the "Receivers") of all the assets and undertakings of MJE with effect from 14 July 2022. The Company had received a copy of the notification letter of the appointment of the Receivers on 14 July 2022.

The Board of Directors has also assessed the Repayment Amount and is of the view that they are not able to quantify the exact liabilities resulting from the Letter of Demand or the appointment of Receivers as at the date of this announcement as any potential repayment by the Group to the MJE's bank arising from its corporate guarantee obligations as demanded in Letter of Demand shall be the difference after taking into account and/or deducting any residual value from MJE (including the value of the land held by MJE and its assets), and the discharge of other guarantees from governmental agenc(ies) in Malaysia or guarantees provided by other individuals.

The above matters represent material uncertainties which may cast significant doubt on the ability of the Group and Company to continue as a going concern.

Notwithstanding the above, in the opinion of the directors, the Group and the Company are able to continue as a going concern as the directors are of the view that the Group will continue to receive financial support from the banks and generate positive cash flows from its operations in the next twelve months. Furthermore, Asiatic and Lecca had submitted a revised debt settlement scheme to the Receivers of MJE on 31 August 2022 to restructure the Repayment Amount and part of the terms of the restructuring scheme includes discharging of the corporate guarantees (Note 30) the Company had provided to MJE's bank.

If the Group and Company are unable to continue in operational existence for the foreseeable future, the Group and Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded on the Group and Company's balance sheets. In addition, the Group and Company may have to reclassify non-current assets and liabilities as current assets and liabilities. The effect of these adjustments has not been reflected in the financial statements.

2(b) Significant judgment and use of estimates (Cont'd)

(i) Significant judgement used in applying accounting policies (Cont'd)

(b) Income taxes

The Group has exposure to income taxes in several 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.

(c) Determination of cash-generating units (CGU)

A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Significant judgement is required by management to determine whether multiple assets should be grouped to form a CGU. Management has identified the appropriate CGU level to be either at the business segment or at the entity level for the purpose of its assessment of impairment in non-financial assets and its investments in subsidiary companies.

(d) Determination of indications of impairment of non-financial assets

Management assesses whether there are any indications of impairment of non-financial assets by reviewing internal and external factors/sources of information like economic, financial, industry, business etc affecting the assets. Where there are mixed indicators, management will exercise their judgement to determine, whether these events or circumstances indicate that the carrying amount may not be recoverable and accordingly the assets will be tested for impairment.

(ii) Critical accounting estimates and assumptions used in applying accounting policies

The critical accounting estimates and assumptions used are discussed below.

(a) Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate expected credit losses (ECLs) for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 9. The carrying amount of trade receivables as at 31 March 2022 is $7,280,000 (2021 - $5,844,000).

2(b) Significant judgment and use of estimates (Cont'd)

(ii) Critical accounting estimates and assumptions used in applying accounting policies (Cont'd)

(b) Incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease. Therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group 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. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available.

(c) Impairment of non-financial assets

The Group – Property, plant and equipment
The carrying amount of property, plant and equipment as at 31 March 2022 is $37,496,000 (2021 - $51,370,000) which represent approximately 66.4% (2021 - 74.8%) of total assets on the Group's balance sheet.

The Company – Investment in subsidiaries
The carrying amount of investment in subsidiaries as at 31 March 2022 is $23,787,000 (2021 - $32,182,000) which represent approximately 99.7% (2021 - 99.8%) of total assets on the Company's balance sheet.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the forecast for the over the useful lives of the assets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(d) Provision for taxation and deferred tax liabilities

The taxation system in some of the jurisdictions that the Group operate in are relatively new and characterized by numerous taxes and frequently changing legislation, which is often unclear, contradictory, and subject to interpretation. These determination of the Group's tax positions in these jurisdictions require significantly more judgment than other countries. Management 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, deferred tax assets and deferred tax liabilities in the period in which such determination is made. The carrying amounts of the Group's income tax payable and deferred tax liabilities as at 31 March 2022 were $720,000 (2021 - $500,000) and $120,000 (2021 - $1,316,000) respectively.

2(b) Significant judgment and use of estimates (Cont'd)

(ii) Critical accounting estimates and assumptions used in applying accounting policies (Cont'd)

(e) Impact of Covid-19 on the financial statements

The COVID-19 pandemic that has been declared globally and has shown indication of its end with global economy opening up. While the Group have considered the financial impact of the COVID-19 pandemic in the preparation of the financial statements, any potential escalation from new variants and its impact to the Group remains uncertain. Accordingly, there is a possibility that factors not currently anticipated by management could occur in the future and result in adjustments to the carrying amounts of the Group's assets and liabilities.

2(c) Adoption of new and revised SFRS (I) effective in 2021/2022

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group and the Company have adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2021. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2(d) SFRS(I) issued but not yet effective

The Group has not adopted the following standards (which may be early adopted) applicable to the Group that have been issued but not yet effective:

Reference	**Description**	**Effective date (Annual periods beginning on or after)**
Amendments to *SFRS(I) 3*	Reference to the Conceptual Framework	1 April 2022
Amendments to *SFRS(I) 1-16*	Property, Plant and Equipment-Proceeds before Intended Use	1 April 2022
Amendments to *SFRS(I) 1-37*	Onerous Contracts-Cost of Fulfilling a Contract	1 April 2022
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2	Disclosure of Accounting Policies	1 April 2023
Amendments to *SFRS(I) 1-8*	Definition of Accounting Estimates	1 April 2023
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 directors expect that the adoption of the above standards will have no material impact on the financial statements in the period of their initial application.

2(e) Significant accounting policies

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at balance sheet date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

2(e) Significant accounting policies (Cont'd)

Basis of consolidation (Cont'd)

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Foreign currency

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at each balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at each balance sheet date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

2(e) Significant accounting policies (Cont'd)

Foreign currency (Cont'd)

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of each balance sheet date and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit or loss. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2(e) – *Borrowing costs*. 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.

When significant parts of property, plant and equipment are required to be replaced in 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 plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Factory buildings	60 years
Motor vehicles	5 years
Office equipment, computers, furniture and fittings	3 to 10 years
Plant and machinery	5 years
Renovations	3 to 5 years
Power plant	10 to 50 years

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

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

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2(e) Significant accounting policies (Cont'd)

Intangible assets

Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

Impairment of non-financial assets

The Group assesses at each balance sheet date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

2(e) Significant accounting policies (Cont'd)

Impairment of non-financial assets (Cont'd)

For assets excluding goodwill, an assessment is made at each balance sheet date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

Associates

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group accounts for its investments in associates using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities represents goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of the operations of the associates or joint ventures. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate or joint venture are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2(e) Significant accounting policies (Cont'd)

Financial instruments

(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.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables 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 trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

<u>Investments in debt instruments</u>

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

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.

(ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual 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. 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.

(iii) Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. 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 in the period in which it arises.

2(e) Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Subsequent measurement (Cont'd)

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

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.

De-recognition

A financial liability is de-recognised 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 de-recognition 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.

2(e) Significant accounting policies (Cont'd)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. 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-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. 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 Group considers a financial asset in default when contractual payments are 365 days past due with no recent transactions. 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and fixed deposits. These also include bank overdrafts that form an integral part of the Group's cash management.

Inventories

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

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

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

Provisions

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

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2(e) Significant accounting policies (Cont'd)

Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Government grants related to income

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as "Other income". Alternatively, they are deducted in reporting the related expenses.

Financial guarantee

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

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in *Impairment of financial assets* and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Employee benefits

Defined contribution plan

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

Revenue

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 or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

2(e) Significant accounting policies (Cont'd)

Revenue (Cont'd)

(a) Sale of goods

Revenue from sale of goods is recognised at a point in time when the goods are delivered to the customer and all criteria for acceptance have been satisfied, usually on delivery of goods. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(b) Rendering of services

Revenue from distribution services of electricity are recognised over time and is accounted for on a straight-line basis over the contract period as it best represents the pattern of benefits derived from the services contract by the customers. The Group's sales of service generated from its maintenance services performed on its firefighting equipment are recognised at a point in time when services are rendered.

(c) Interest income

Interest income is recognised using the effective interest method.

(d) Rental income

Rental income arising from operating leases on equipment is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Leases

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

(a) As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land	- Over the lease term to 2053
Motor vehicles	- Over the lease term to 2024
Office and warehouse	- Over the lease term to 2021
Office equipment	- Over the lease term to 2024

The right-of-use assets are also subject to impairment. Refer to the accounting policies in 2(e) - *Impairment of non-financial assets*.

2(e) Significant accounting policies (Cont'd)

Leases (Cont'd)

(a) As lessee (Cont'd)

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

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

(b) As lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Assets held for sale

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

2(e) Significant accounting policies (Cont'd)

Taxes

(a) Current income tax

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

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax asset is reviewed at the end of each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each balance sheet date.

2(e) Significant accounting policies (Cont'd)

Taxes (Cont'd)

(b) Deferred tax (Cont'd)

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 31, including the factors used to identify the reportable segments and the measurement basis of segment information.

Share capital and share issuance expense

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

Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

2(e) Significant accounting policies (Cont'd)

Contingencies (Cont'd)

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present.

3 Property, plant and equipment

The Group	Factory buildings $'000	Motor vehicles $'000	Office equipment, computers, furniture and fittings $'000	Plant and machinery $'000	Renovations $'000	Power plant[1] $'000	Total $'000
Cost							
At 1 April 2020	4,821	992	902	338	286	100,761	108,100
Additions	–	16	160	237	–	–	413
Disposal	–	(558)	–	–	–	–	(558)
Translation	–	–	–	–	–	(6,542)	(6,542)
At 31 March 2021	**4,821**	**450**	**1,062**	**575**	**286**	**94,219**	**101,413**
Additions	**–**	**26**	**69**	**287**	**2**	**–**	**384**
Disposal	**–**	**(369)**	**(40)**	**–**	**(59)**	**(51,622)**	**(52,090)**
Translation	**–**	**–**	**–**	**–**	**–**	**772**	**772**
At 31 March 2022	**4,821**	**107**	**1,091**	**862**	**229**	**43,369**	**50,479**
Accumulated depreciation and impairment							
At 1 April 2020	1,605	896	645	254	206	45,521	49,127
Depreciation for the year	95	42	98	48	36	2,253	2,572
Impairment loss for the year	–	–	5	–	–	2,598	2,603
Disposal	–	(549)	–	–	–	–	(549)
Translation	–	–	–	–	–	(3,710)	(3,710)
At 31 March 2021	**1,700**	**389**	**748**	**302**	**242**	**46,662**	**50,043**
Depreciation for the year	**95**	**31**	**113**	**113**	**34**	**1,735**	**2,121**
Impairment loss for the year	**–**	**–**	**–**	**–**	**–**	**10,762**	**10,762**
Disposal	**–**	**(359)**	**(40)**	**–**	**(59)**	**(49,997)**	**(50,455)**
Translation	**–**	**–**	**–**	**–**	**–**	**512**	**512**
At 31 March 2022	**1,795**	**61**	**821**	**415**	**217**	**9,674**	**12,983**
Net book value							
At 31 March 2022	**3,026**	**46**	**270**	**447**	**12**	**33,695**	**37,496**
At 31 March 2021	3,121	61	314	273	44	47,557	51,370

(1) Included in power plant is land with carrying value of $3,561,000 (2021 - $3,428,000).

3 Property, plant and equipment (Cont'd)

Assets held under lease

Refer to Note 17 for information on the right-of-use assets.

The leased assets are pledged as security for the related lease liabilities.

Assets pledged as security

As at 31 March 2022, the Group's power plant with carrying amount of $33,637,000 (2021 - $45,886,000) are subject to a first charge to secure the bank loans (Note 15).

In addition to assets held under lease, the Group's factory buildings with a carrying amount of $3,026,000 (2021 - $3,121,000) are mortgaged to secure the Group's bank loans (Note 15).

Impairment of assets

The Group evaluates if there is any indication of impairment in the property, plant and equipment at the end of reporting period. Carrying values of property, plant and equipment are reviewed for any impairment and possible write-down of carrying values whenever events or changes in circumstances indicate that their carrying values may not be fully recoverable. An impairment loss of $10,762,000 (2021 - $2,603,000) was recognised, representing the write-down of certain assets to their recoverable amount. The recoverable amount was determined based on fair value less costs of disposal ("FVLCD") of the assets that was based on valuations performed by Asian Appraisal Co. Pte. Ltd. and Bonna Realty Group, independent firms of valuers, on 8 September 2022 and 21 June 2022 respectively. The FVLCD is determined using a combination of investment income approach and market comparison techniques, including adjustments to reflect the specific use of the property, plant and equipment, which is a fair value hierarchy Level 3 measurement.

4 Investment in subsidiaries

The Company	**2022 $'000**	2021 $'000
Shares, at cost	**38,133**	38,133
Amounts due from a subsidiary [(1)]	**4,350**	4,049
	42,483	42,182
Impairment loss	**(18,696)**	(10,000)
	23,787	32,182

(1) Amounts due from a subsidiary represent extension of net investments in the subsidiary. The repayment of the amounts due from the subsidiary is at the sole discretion of the subsidiary.

Impairment loss

In 2022, the impairment loss of $8,696,000 (2021 - $Nil) was made during the year, relating to the Company's investment in a subsidiary that holds an equity investment in an energy related business in Cambodia. The recoverable amount of the investment was determined based on fair value less costs of disposal ("FVLCD"). The FVLCD is determined using a revalued net assets approach comprising mainly of the valuation of property, plant and equipment (Refer to Note 3 – Property, plant and equipment) of the subsidiary as at the reporting date under the fair value hierarchy Level 3 measurement.

4 Investment in subsidiaries (Cont'd)

(a) Composition of the Group

Name of subsidiary	Principal place of business/ Country of incorporation	Cost of investment 2022 $'000	Cost of investment 2021 $'000	Ownership interest 2022	Ownership interest 2021	Principal activities
Held by the Company						
Asiatic Fire System Pte Ltd *	Singapore	**8,284**	8,284	**100%**	100%	Supply, installation and maintenance of firefighting and protection equipment
Colben System Pte Ltd *	Singapore	**19,849**	19,849	**100%**	100%	Business of controlled power supply, engineering and procurement and construction in power generation projects and precision gear products
Colben Energy (Singapore) Pte Ltd *	Singapore	**10,000**	10,000	**100%**	100%	Holding company for the Group's investments in energy related business in the region
		38,133	38,133			

Held by subsidiaries	Principal place of business/ Country of incorporation	Ownership interest 2022	Ownership interest 2021	Principal activities
Colben Energy Holdings (Cambodia) Ltd #	British Virgin Islands	**85%**	85%	Investment holding company
Colben Energy Holdings (PPSEZ) Ltd #	British Virgin Islands	**95%**	95%	Investment holding company
Colben Energy Holdings (Maju Intan) Ltd #	British Virgin Islands	**100%**	100%	Investment holding company and construction of power generation facilities
Colben Energy (Cambodia) Limited **+	Cambodia	**85%**	85%	Operate power plant
Colben Energy (Cambodia) PPSEZ Limited **##+	Cambodia	**49%**	49%	Operate power plant

* Audited by Foo Kon Tan LLP, Singapore
** Audited by BDO (Cambodia) Ltd, Cambodia
+ Audited by Foo Kon Tan LLP, Singapore for the purpose of consolidation of the Group
# Not required to be audited by the law of its country of incorporation
Classified as subsidiary as the Company has effective control over the board of directors of this company

4 Investment in subsidiaries (Cont'd)

(b) Interest in subsidiary with material non-controlling interest ("NCI")

Name of subsidiary	Principal place of business	Proportion of ownership interest held by non-controlling interest		(Loss)/profit allocated to NCI during the reporting period		Accumulated NCI at the end of the reporting period	
		2022	2021	**2022**	2021	**2022**	2021
		%	%	**$'000**	$'000	**$'000**	$'000
Colben Energy (Cambodia) PPSEZ Limited	Cambodia	**27##**	27##	**(2,563)**	176	**4,281**	6,806

Due to a shareholder loan agreement which allows the conversion of shareholder's loan into shares, the effective proportion of ownership interest held by non-controlling interest is deemed to be at 27%.

(c) Summarised financial information about subsidiary with material NCI

Summarised financial information including consolidation adjustment but before intercompany eliminations of subsidiaries with material non-controlling interest are as follows:

Summarised balance sheet

	Colben Energy (Cambodia) PPSEZ Limited	
	2022	2021
	$'000	$'000
Current:		
Assets	**3,004**	3,013
Liabilities	**(28,418)**	(29,754)
Net current liabilities	**(25,414)**	(26,741)
Non-current:		
Assets	**36,469**	48,837
Liabilities	**(1,485)**	(3,123)
Net non-current assets	**34,984**	45,714
Net assets	**9,570**	18,973

Summarised statement of comprehensive income

	Colben Energy (Cambodia) PPSEZ Limited	
	2022	2021
	$'000	$'000
Revenue	**16,527**	21,189
(Loss)/profit before income tax	**(10,451)**	1,651
Taxation	**958**	(999)
(Loss)/profit after tax	**(9,493)**	652
Other comprehensive income	**90**	(1,072)
Total comprehensive income	**(9,403)**	(420)

Other summarised information

Net cash flows from operations	**1,997**	2,147
Repayment of amount due to non-controlling interests	**(452)**	(797)

5 Goodwill

The Group	2022 $'000	2021 $'000
Goodwill	**175**	175

Goodwill acquired through business combinations have been allocated to cash-generating unit ("CGU"), Colben System Pte Ltd ("Colben"), a subsidiary whose principal activities are to carry on the business as distributors and representatives of controlled power supply and precision gear products.

The Board of Directors has assessed that the goodwill allocated to the CGU is not significant and accordingly an assessment of the goodwill has not been performed.

6 Other investments

The Group	2022 $'000	2021 $'000
Non-current:		
At fair value through profit or loss		
- key-man insurance product	**161**	161

Key-man insurance product
The Group has entered into a life insurance policy with an insurance company to insure the director of a subsidiary. The Group paid upfront premiums for this policy and may surrender any time by filing a written request and receive cash based on the surrender value of the policy at the date of withdrawal, which is calculated by the insurer.

7 Assets held for sale

On 19 March 2020, the Company entered into a sale and purchase agreement ("SPA") with Hualang Renewable Energy Sdn Bhd ("Buyer" or "Hua Lang") to sell all shares in MJE and its rights in the convertible bond issued by MJE (the "MJE Interests") at a nominal sum of RM1. Subsequent developments thereafter following the termination of the SPA with Hua Lang on 9 May 2022, new restructuring framework agreement with Lecca Group Pte Ltd on 10 May 2022 and the appointment of the receivers by MJE's bank on 14 July 2022 is detailed in Note 2(b)(i)(a) Going concern.

The major classes of assets classified as held for sale as at 31 March 2022 are as follows:

The Group	2022 $'000	2021 $'000
Assets		
Investment in associate	–*	–*
Other investments - 12% p.a. convertible bonds (unquoted)	–	–
Amounts due from associate	–	–
	–*	–*

* Amount is less than $1,000

7 Assets held for sale (Cont'd)

Amounts due from associate

During the year, the Group provided advances of $80,000 (2021 - $2,239,000) to an associate that is classified as held for sale. These advances were fully impaired as management viewed these balances to be irrecoverable in view of the latest developments that MJE has went into receivership (Note 2(b)(i)(a) – Going concern).

The Group	**2022 $'000**	2021 $'000
Amounts due from associate	24,346	24,428
Less: Allowance for impairment	(24,346)	(24,428)
	–	–
Movement in allowance accounts:		
At beginning of year	24,428	22,570
Charge for the year	80	2,239
Foreign exchange movement	(162)	(381)
At end of year	24,346	24,428

Convertible bonds

In 2010, the Group entered into a convertible bond agreement with the other shareholders of an associate, Maju Intan Biomass Energy Sdn. Bhd. ("MJE") in which the shareholders issued an aggregate principal amount of RM12 million 12% p.a. convertible bonds with maturity date on the twelve-anniversary date of the issue date at an issue price of 100% of the principal amount of the bonds. The convertible bonds are convertible into ordinary shares of the associate and/or new ordinary shares of the issuer only on certain events of redemption such as initial public offering and insolvency of the associate.

In 2017, the Group entered into a bond sale agreement with one of the bondholders, who held the convertible bonds of the other shareholders of MJE, to acquire RM1.2 million of the convertible bonds. The convertible bonds acquired have the same terms as the bonds acquired through the convertible bond agreement in 2010.

Interest is waived until the underlying project for which the proceeds of the bonds to be utilised is completed.

8 Inventories

The Group	**2022 $'000**	2021 $'000
Balance sheet:		
Trading stocks, at cost	**4,121**	3,801
Less: Allowance for stock obsolescence	**(48)**	(48)
	4,073	3,753
Income statement:		
Inventories recognised as an expense in cost of sales (Note 25)	**11,125**	10,333
Write-back for stock obsolescence, net	**–**	(13)

9 Trade receivables

The Group	2022 $'000	2021 $'000
Trade receivables	**7,490**	6,050
Less: Impairment losses		
At beginning of year	**206**	383
Charge for the year	**35**	18
Write-back	**(6)**	(171)
Write-off	**(25)**	(24)
At end of year	**210**	206
	7,280	5,844

Trade receivables are non-interest bearing and are generally on 30 to 60-day terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Trade receivables denominated in foreign currencies at 31 March are as follows:

The Group	2022 $'000	2021 $'000
United States Dollar	**161**	146

	The Group		The Company	
	2022 $'000	2021 $'000	**2022 $'000**	2021 $'000
Trade receivables	**7,280**	5,844	**–**	–
Other receivables (Note 10)	**1,379**	3,178	**–**	–
Cash and short-term deposits (Note 12)	**3,523**	1,633	**37**	23
	12,182	10,655	**37**	23
Less:				
Grant receivables (Note 10)	**–**	(140)	**–**	–
Advances to supplier (Note 10)	**(650)**	(588)	**–**	–
GST receivables (included in Sundry debtors (Note 10))	**(14)**	(23)	**–**	–
Total financial assets carried at amortised cost	**11,518**	9,904	**37**	23

10 Other receivables

The Group	2022 $'000	2021 $'000
Deposits	**203**	190
Compensation receivable	**–**	1,753
Grant receivables	**–**	140
Advances to supplier	**650**	588
Sundry debtors	**526**	507
	1,379	3,178

Compensation receivable arose in connection with the shortening of the PPA (Note 23).

11 Amounts due to subsidiaries

Amounts due to subsidiaries are non-trade in nature, unsecured, interest-free and repayable in cash upon demand.

12 Cash and short-term deposits

	The Group		The Company	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Cash at banks and on hand	**2,855**	925	**37**	23
Short-term deposits	**668**	708	**–**	–
Cash and short-term deposits	**3,523**	1,633	**37**	23

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between three and six months, depending on the immediate cash requirement of the Group and the Company, and earn interests at the respective short-term deposit rates. The fixed deposits have effective interest rate at 5.00% (2021 - 5.00%) p.a. Short-term deposits amounting to $668,000 (2021 - $708,000) are pledged to secure banking facilities (Note 15) granted to certain subsidiaries.

Cash and short-term deposits denominated in foreign currencies at 31 March are as follows:

	The Group		The Company	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
United States Dollar	**484**	561	**13**	13
Cambodian Riel	**193**	181	**–**	–

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise of the following at the balance sheet date:

	2022	2021
The Group	**$'000**	$'000
Cash at banks and on hand	**2,855**	925
Short-term deposits	**668**	708
Bank overdrafts (Note 15)	**(1,319)**	(1,980)
	2,204	(347)
Less:		
Pledged short-term deposits	**(668)**	(708)
	1,536	(1,055)

13 Share capital

	The Group and The Company			
	No. of ordinary share		Amount	
	2022	2021	**2022**	2021
			$'000	$'000
Issued and fully paid ordinary shares:				
At beginning and at end of year	**1,556,463**	1,556,463	**50,585**	50,585

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.

The Asiatic Performance Share Plan 2013 (the "Plan")

On 15 August 2013, the shareholders approved the Asiatic Performance Share Plan (the "Plan") at the Extraordinary General Meeting. Participation in the Plan will not restrict eligible Group employees from the existing Asiatic Share Option Scheme.

13 Share capital (Cont'd)

The Asiatic Performance Share Plan 2013 (the "Plan") (Cont'd)

The Plan shall continue in force for a maximum period of 10 years commencing from 15 August 2013, provided always that the Plan may continue beyond the stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The information regarding the Plan is as follows:

(a) All Group employees are eligible participants of the Plan to receive Awards, which represent the right to receive fully paid shares of the Company free of charge.

(b) The number of shares which may be vested is limited to the following:

  (i) The aggregate number of shares over which Awards may be granted, when added to the number of shares issued and issuable in respect of all Awards granted under the Plan shall not exceed 15% of the issued shares of the Company on the day preceding the grant of the Award.
  (ii) The aggregate number of Shares that are available to the Controlling Shareholders (defined generally as a person who holds directly or indirectly a shareholding of 15% of more of the Company's total number of issued shares) and their Associates shall not exceed 25% of the total number of shares available under the Plan.
  (iii) The number of shares that are available to each Controlling Shareholder or his Associate under the Plan shall not exceed 10% of the shares available under the Plan.

(c) The terms of the Award, including performance targets, performance period, number of shares to be vested and the date by which the Award shall be vested will be determined by the Remuneration Committee for each eligible participant.

(d) Awards will be vested by way of issue of new shares or the transfer of existing shares held as treasury shares.

Since the date of approval of the Plan up to the financial year end, the Company has not granted any Awards to the employees.

14 Foreign currency translation reserve

The Group	2022 $'000	2021 $'000
At beginning of year	(924)	160
Net effect of exchange differences arising from translation of financial statements of foreign operations	452	(1,084)
At end of year	(472)	(924)

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

15 Loans and borrowings

		The Group		The Company	
		2022	2021	**2022**	2021
	Maturity	**$'000**	$'000	**$'000**	$'000
Current:					
Bank overdrafts (Note 12)	On demand	**1,319**	1,980	**–**	6
Term loans from banks	FY2023	**12,747**	12,703	**–**	–
Trust receipts	FY2023	**774**	623	**–**	–
Non-convertible bonds					
- Guaranteed bonds	FY2023	**200**	200	**–**	–
- Non-guaranteed bonds	FY2023	**130**	130	**–**	–
		15,170	15,636	**–**	6
Non-current:					
Term loans from banks	FY2024 - FY2026	**5,785**	4,096	**–**	–
Total loans and borrowings		**20,955**	19,732	**–**	6

Bank overdrafts

Bank overdrafts bear interest at 5.75% to 9.75% p.a. (2021 - 5.75% to 9.75% p.a.), are repayable on demand and are secured by corporate guarantee provided by the Company. Bank overdrafts amounting to $Nil (2021 - $412,000) are also secured by first fixed charge over certain property, plant and equipment (Note 3) and $849,000 (2021 - $1,079,000) are secured by fixed deposit (Note 12) amounting to $247,000 (2021 - $309,000).

Term loans from banks

Term loans from banks bear interest ranging from 1.44% to 9.50% p.a. (2021 - 1.42% to 9.50% p.a.) and are secured by corporate guarantee provided by the Company. Term loans amounting to $10,683,000 (2021 - $8,372,000) are also secured by first fixed charge over certain property, plant and equipment (Note 3) and $677,000 (2021 - $672,000) are secured by fixed deposits (Note 12) amounting to $421,000 (2021 - $399,000).

Trust receipts

Trust receipts bear interest ranging from 1.94% to 2.61% p.a. (2021 - 1.90% to 3.27% p.a.) and are secured by first fixed charge over certain property, plant and equipment (Note 3) and corporate guarantee provided by the Company.

Guaranteed bonds

As at 31 March 2022, the Group had non-convertible guaranteed bonds amounting to $50,000, $100,000 and $50,000 which are due on 30 June 2022, 30 April 2022 and 31 December 2021 respectively (2021 - $50,000, $100,000 and $50,000 which are due on 30 June 2021, 30 April 2021 and 31 December 2021). These bonds bear interest at 10% (2021 - 10%) per annum. The interest is payable semi-annually in arrears. The bonds are guaranteed by the Company and a subsidiary.

Subsequent to year-end, the maturity of the bonds due on 30 June 2022 amounting to $50,000 was extended till 31 December 2022 while the bonds due on 30 April 2022 amounting to $100,000 was extended till 30 April 2023.

Non-guaranteed bonds

As at 31 March 2021, the Group had non-convertible non-guaranteed bonds amounting to $130,000 which were due on 14 November 2022. This bond bears interest of 10% per annum which is payable semi-annually in arrears.

16 Amount due to non-controlling interests

Amount due to non-controlling interests are non-trade in nature, unsecured, interest-free and not repayable within 12 months from the date of issue of these financial statements.

17 Leases

The Group has lease contracts for motor vehicles, equipment, land, office and warehouse space used in its operations.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios.

The Group also has certain leases of residential space and motor vehicles with lease terms of 12 months. The Group applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

The Group	Leasehold land $'000	Office and warehouse $'000	Motor vehicles $'000	Office equipment $'000	Total $'000
At 1 April 2020	1,632	62	394	19	2,107
Additions	–	297	271	4	572
Depreciation expense	(90)	(102)	(123)	(3)	(318)
Impairment of right-of-use assets	(145)	(26)	–	–	(171)
Translation	(8)	(2)	–	–	(10)
At 31 March 2021	**1,389**	**229**	**542**	**20**	**2,180**
Additions	**–**	**–**	**198**	**4**	**202**
Depreciation expense	**(42)**	**(149)**	**(117)**	**(4)**	**(312)**
Translation	**(1)**	**–**	**–**	**–**	**(1)**
At 31 March 2022	**1,346**	**80**	**623**	**20**	**2,069**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

The Group	**2022 $'000**	2021 $'000
At beginning of year	**2,195**	2,082
Additions	**130**	487
Accretion of interest	**107**	111
Payments of principal	**(468)**	(362)
Payments of interest	**(107)**	(111)
	(575)	(473)
Exchange differences	**–**	(12)
At end of year	**1,857**	2,195
Current	**287**	400
Non-current	**1,570**	1,795
	1,857	2,195

The maturity analysis of lease liabilities based on contractual undiscounted repayment obligations are disclosed in Note 32.3.

17 Leases (Cont'd)

The following are the amounts recognised in profit or loss:

The Group	2022 $'000	2021 $'000
Depreciation expense of right-of-use assets	**312**	318
Impairment of right-of-use assets	**–**	171
Interest expense on lease liabilities (Note 24)	**107**	111
Expense relating to short-term leases	**19**	42
Total amount recognised in profit or loss	**438**	642

Lease liabilities bear interest ranging from 2.70% to 5.25% per annum (2021 - 2.70% to 10.81% per annum).

18 Deferred tax liabilities

Movements in deferred tax liabilities during the financial year were as follows:

The Group	2022 $'000	2021 $'000
Deferred tax liabilities:		
Balance at beginning of year	**1,316**	120
(Reversal)/charge for the year (Note 26)	**(1,199)**	1,212
Translation	**3**	(16)
Balance at end of year	**120**	1,316

Deferred tax as at 31 March relates to the following:

The Group	2022 $'000	2021 $'000
Deferred tax liabilities		
Differences in depreciation for tax purposes	**120**	1,316

Unrecognised temporary differences relating to investments in subsidiaries and associates

As at 31 March 2022 and 31 March 2021, there are no unrecognised temporary differences relating to investments in subsidiaries as the Group has determined that the portion of the undistributed earnings of its subsidiaries that will be distributed in the foreseeable future is insignificant.

19 Trade payables

	The Group		The Company	
	2022 $'000	2021 $'000	**2022 $'000**	2021 $'000
Trade payables	**5,643**	6,591	**–**	–
Other payables and accruals (Note 22)	**4,870**	4,640	**565**	509
Total trade and other payables	**10,513**	11,231	**565**	509
Less:				
Withholding tax payable (Note 22)	**(387)**	(388)	**–**	–
Deferred income (Note 22)	**(173)**	(288)	**–**	–
Advances from customers (Note 22)	**(36)**	(94)	**–**	–
GST payables (included under Sundry payables (Note 22))	**(117)**	(75)	**(23)**	(26)
Total trade and other payables, at amortised cost	**9,800**	10,386	**542**	483

19 Trade payables (Cont'd)

These amounts are non-interest bearing and are normally settled on 60-day terms.

Included in trade payables are amounts due to a licensed transmission services provider (the "supplier") owned by the son of a former director (resigned with effect from 1 June 2021) of Colben Systems Pte Ltd, amounting to $1,440,000 (2021 - $1,477,000) as at 31 March 2022. During the year, the Group procured electricity transmission services from the supplier amounting to $902,000 (2021 - $1,244,000) pursuant to an electricity supply contract between the Group and the supplier dated 22 December 2009. The Group also incurs electricity tariffs that are paid through the supplier to a state-owned utility company amounting to $13,586,000 (2021 - $15,603,000). The rates for both transmission services and electricity tariffs are regulated by the local authorities.

Trade payables denominated in foreign currencies at 31 March are as follows:

The Group	**2022** **$'000**	2021 $'000
United States Dollar	**29**	240
Euro	**35**	157
British Pound	**21**	76

20 Provision for decommissioning costs

The Group
Provision for decommissioning costs relates to costs to be incurred for the decommissioning of power plant assets of a subsidiary (Note 23 – Compensation income).

21 Provision for restructuring costs

The Group
Provision for restructuring costs relates to cost to be incurred for the restructuring of the operations of a subsidiary (Note 23 – Compensation income).

22 Other payables and accruals

	The Group		The Company	
	2022 **$'000**	2021 $'000	**2022** **$'000**	2021 $'000
Accruals	**1,861**	1,666	**243**	285
Deferred income	**173**	288	**–**	–
Sundry payables	**1,447**	1,447	**208**	224
Advances from customers	**36**	94	**–**	–
Withholding tax payable	**387**	388	**–**	–
Advances from related parties	**966**	851	**114**	–
	4,870	4,640	**565**	509

Advances from related parties

These relates to amounts advanced by directors and parties related to them. The amounts are unsecured, non-interest bearing and repayable on demand.

23 Other income

The Group	2022 $'000	2021 $'000
Interest income	**37**	46
Government grants	**684**	1,143
Compensation income	**1**	2,174
Sale of fuel and lubricant oil	**–**	8
Others	**79**	59
	801	3,430

Compensation income

On 10 February 2021, a subsidiary received a letter from Electricite Du Cambodge ("EDC"), a state-owned electricity company in Cambodia, to shorten the term of the power purchase agreement (the "PPA"), which was originally extended to 30 April 2022. In connection with this, EDC agreed to pay the subsidiary 65% of the contracted capacity up to 31 August 2021 and allowed the subsidiary to ceased operations immediately. These expected payments were recognized as compensation income in 2021.

Government grants

Government grant mainly relates to COVID-19 relief provided by the Singapore government to ease the financial strain on the Group.

24 Finance costs

The Group	2022 $'000	2021 $'000
Interest expense on:		
- Bank loans	**(752)**	(534)
- Non-convertible bonds	**(32)**	(26)
- Lease liabilities (Note 17)	**(107)**	(111)
	(891)	(671)

25 Loss before taxation

The Group	2022 $'000	2021 $'000
Loss before taxation is arrived at after charging:		
Audit fees payable to:		
- Auditors of the Company	**(84)**	(108)
- Other auditors	**(17)**	(45)
Non-audit fees payable to:		
- Auditors of the Company	**–**	(10)
Impairment of financial assets	**(108)**	(2,086)
Contributions to defined contribution plans	**(388)**	(337)
Insurance	**(211)**	(228)
Inventories recognised as an expense in cost of sales (Note 8)	**(11,125)**	(10,333)
Legal compensation (Note 30)	**(625)**	-.
Legal fees	**(986)**	(379)
Expense relating to short term leases (Note 17)	**(19)**	(42)
Travelling and transportation	**(97)**	(105)

26 Taxation

The major components of taxation for the financial years ended 31 March 2022 and 2021 are:

The Group	2022 $'000	2021 $'000
Current income tax:		
Current taxation	**(541)**	(525)
(Under)/overprovision in respect of previous years	**(57)**	544
Deferred tax:		
Relating to origination and reversal of temporary differences	**498**	–
Over/(under) provision in respect of previous years	**701**	(1,212)
(Note 18)	**1,199**	(1,212)
Tax credit/(expense) recognised in profit or loss	**601**	(1,193)

The tax expense on the results of the financial year varies from the amount of income tax determined by applying each entity's domestic income tax rate on the accounting loss as a result of the following:

The Group	2022 $'000	2021 $'000
Loss before taxation	**11,435**	2,428
Income tax at 17% tax rate (2021: 17%)	**1,944**	413
Effect of different tax rates in foreign countries	**157**	(502)
Income not subject to tax	**89**	662
Expenses not deductible for tax purposes	**(1,918)**	(330)
Minimum tax imposed	**(183)**	–
Effect of partial tax exemption and tax relief	**17**	17
Deferred tax assets not recognised	**(133)**	(731)
Over/(under) provision in respect of previous years	**644**	(668)
Others	**(16)**	(54)
	601	(1,193)

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

For the financial year ended 31 March 2022, expenses not deductible for tax purposes mainly relate to impairment of property, plant and equipment and depreciation of non-qualifying assets.

As at 31 March 2022, the Group has unutilised tax losses of approximately $7,937,000 (2021 - $7,907,000) that are available for offset against future taxable profit of the companies in which the losses arose, for which no deferred tax asset has been recognised due to uncertainty of its recoverability. The use of these unutilised tax losses is subject to the agreement of the tax authorities and compliance with certain provision of the tax legislation of the respective countries in which the companies operate.

27 Loss per share

Basic earnings per share amounts are calculated by dividing loss, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by dividing loss, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. There are no dilutive potential ordinary shares as at 31 March 2022 and 2021.

27 Earnings per share (Cont'd)

The following reflects the profit and loss and share data used in the computation of basic and diluted earnings per share for the years ended 31 March:

The Group	2022 $'000	2021 $'000
Loss for the year attributable to owners of the Company	(8,198)	(3,686)

The Group	No. of shares 2022 '000	 2021 '000
Weighted average number of ordinary shares for basic and diluted earnings per share computation*	1,556,463	1,556,463

* The weighted average number of shares takes into account the weighted average effect of potential common shares that may be converted during the year.

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

The basic and diluted earnings per share are calculated by dividing the loss for the year attributable to owners of the Company by weighted average number of ordinary shares for basic earnings per share computation and weighted average number or ordinary shares for diluted earnings per share computation respectively. These profit and loss and share data are presented in table above.

28 Related party transactions

(a) Sale and purchase of goods and services

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 on terms agreed between the parties during the financial year:

The Group	2022 $'000	2021 $'000
Purchase of goods from a firm related to a director	186	114
Sale of goods to a firm related to a director	90	55

(b) Key management personnel *

The Group	2022 $'000	2021 $'000
Directors' remuneration	696	711
Executive officers' remuneration	439	617

* Included in the above remuneration for the Group is payment for defined contribution plans of $39,000 as at 31 March 2022 (2021 - $41,000).

29 Directors' remuneration

The number of directors of the Company whose total remuneration from the Group falls into the following bands is as follows:

The Group	2022	2021
	Number of directors	
$250,000 - $499,999	**2**	2
Below $250,000	**3**	3
Total	**5**	5

30 Commitments and contingencies

Corporate guarantees

Corporate guarantees amounting to US$2.2 million (2021 - US$2.2 million), $31.7 million (2021 - $28.8 million) has been provided by the Company to financial institutions to secure banking facilities granted to its subsidiaries. The Company had also provided a corporate guarantee of RM198.0 million (2021 - RM195.5 million) to MJE's bank to secure banking facilities granted to MJE (Note 2(b)(i)(a) – Going concern).

The Board of Directors has assessed the expected credit losses on the corporate guarantees provided to MJE's bank and is of the view that they are not able to quantify the exact liabilities resulting from the Letter of Demand or the appointment of Receivers as at the date of this announcement as any potential repayment by the Group to the MJE's bank arising from its corporate guarantee obligations as demanded in Letter of Demand shall be the difference after taking into account and/or deducting any residual value from MJE (including the value of the land held by MJE and its assets), and the discharge of other guarantees from governmental agenc(ies) in Malaysia or guarantees provided by other individuals.

Legal claims

Claims by Guan Heng Construction Sdn Bhd

Colben Energy Holdings (Maju Intan) Ltd, an indirect wholly owned subsidiary which is registered as a foreign branch in Malaysia, had on 18 March 2020 received a writ of summons to attend in the High Court of Ipoh, Perak, Malaysia from Guan Heng Construction Sdn Bhd for the recovery of their principal sum for civil & construction, piling cost, accrued interest and any other cost amounting to approximately $1,174,000 (equivalent to RM3,646,000). A Statement of Defence and Counterclaim has been filed by Colben Energy Holdings (Maju Intan) Ltd on 22 September 2020 to make a counterclaim against Guan Heng Construction Sdn Bhd. As at 31 March 2022, there are no further development on the claims and counterclaims filed, and the matter was set for trial on 16 to 18 January 2023.

30 Commitments and contingencies (Cont'd)

Legal claims (Cont'd)

Claims against Phnom Penh Special Economic Zone Plc

On 19 November 2020, two subsidiaries of the Group, Colben System Pte Ltd ("Colben") and Colben Energy Holdings (PPSEZ) Limited ("CEZH") commenced arbitration proceedings (the "Arbitration") against Phnom Penh Special Economic Zone Plc ("PPSEZ") in respect of a dispute arising out of or in connection with a power plant project in the Phnom Penh Special Economic Zone, Cambodia (the "Zone"), which was jointly developed by Colben, CEZH and PPSEZ. Colben and CEZH were seeking relief in the Arbitration for a minimum of US$14.41 million. On 25 April 2022, the Arbitration was concluded, and the Tribunal issued its final award as follows:

(a) Colben and CEZH are to pay to PPSEZ the sums of $472,500 and US$112,576.57 in relation to the costs incurred by PPSEZ in consequence of Colben's and CEZH's withdrawal of its claims in the Arbitration;
(b) PPSEZ's Counterclaim is dismissed;
(c) PPSEZ is to pay Colben and CEZH's costs incurred in defending the Counterclaim in the sum of $104,510.47; and
(d) the fees and expenses of the arbitral institution and the Tribunal incurred in the Arbitration are to be shared between the parties to the Arbitration in the proportions of 75% by Colben and CEZH, i.e. $87,853.75, and 25% by PPSEZ, i.e. $29,284.58.

On 20 May 2022, the Group has made full payment pursuant to the final award to PPSEZ in the sums of $472,500 and US$112,576.57 (equivalent to $152,496) in relation to the costs incurred by PPSEZ in consequence of Colben's and CEZH's withdrawal of its claims in the Arbitration.

As at 31 March 2022, the above amounts were included in the "Other operating expenses" under the consolidated statement of profit or loss.

31 Segment information

(a) Business segment

For management purposes, the Group is organised into business units based on their products and services, and has two reportable segments as follows:

(i) Firefighting and protection

Supply, installation and maintenance of firefighting and protection equipment

(ii) Power related

Power generation and distribution of controlled power supply and equipment

31 Segments information (Cont'd)

(a) Business segment (Cont'd)

The Group	Note	Firefighting		Power-related		Adjustments and eliminations		Total	
		2022	2021	**2022**	2021	**2022**	2021	**2022**	2021
		$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Revenue	A	**20,134**	15,651	**16,579**	26,555	**–**	–	**36,713**	42,206
Results:									
Other income	B	**802**	1,179	**71**	2,297	**(46)**	(46)	**827**	3,430
Interest income		**–**	–	**37**	46	**–**	–	**37**	46
(Impairment)/write-back of financial assets		**(28)**	153	**(80)**	(2,239)	**–**	–	**(108)**	(2,086)
Depreciation of property, plant and equipment		**(383)**	(314)	**(1,738)**	(2,258)	**–**	–	**(2,121)**	(2,572)
Impairment of property, plant and equipment		**–**	–	**(10,762)**	(2,603)	**–**	–	**(10,762)**	(2,603)
Finance costs		**(181)**	(186)	**(710)**	(485)	**–**	–	**(891)**	(671)
Segment profit/(loss)	C	**2,143**	2,016	**(12,687)**	(3,773)	**(891)**	(671)	**(11,435)**	(2,428)
Assets:									
Additions to property, plant and equipment		**384**	406	**–**	7	**–**	–	**384**	413
Additions to right-of-use assets		**202**	572	**–**	–	**–**	–	**202**	572
Segment assets	D	**30,583**	27,258	**39,850**	54,487	**(13,946)**	(13,055)	**56,487**	68,690
Segment liabilities	E	**17,288**	15,759	**57,895**	59,198	**(39,533)**	(37,562)	**35,650**	37,395

31 Segments information (Cont'd)

(a) Business segment (Cont'd)

A Revenue from firefighting segment is recognised at a point in time while revenue from power-related segment is over time.

B Inter-segment revenues are eliminated on consolidation.

C The following items are deducted from segment profit/(loss) to arrive at "loss before tax" in the consolidated income statement:

The Group	2022 $'000	2021 $'000
Finance costs	(891)	(671)

D The following items added to/(deducted from) segment assets to arrive at total assets reported in the consolidated balance sheet:

The Group	2022 $'000	2021 $'000
Inter-segment assets	(14,183)	(13,287)
Goodwill	175	175
Unallocated assets	62	57
	(13,946)	(13,055)

E The following items are added to/(deducted from) segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

The Group	2022 $'000	2021 $'000
Inter-segment liabilities	(40,938)	(39,893)
Income tax payables	720	500
Unallocated liabilities	565	515
Deferred tax liabilities	120	1,316
	(39,533)	(37,562)

(b) Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Singapore $'000	Cambodia $'000	Other countries $'000	Total $'000
2022				
Revenues	18,509	16,579	1,625	36,713
Non-current assets	8,468	31,433	–	39,901
2021				
Revenues	13,774	26,555	1,877	42,206
Non–current assets	8,728	45,158	–	53,886

Non–current assets information presented above consist of property, plant and equipment, investment in associates, amounts due from associate, goodwill and other investments.

31 Segments information (Cont'd)

Information about major customers

Revenue from two major customers amount to $4,036,041 (2021 – $7,733,000), arising from sales by the firefighting and power related segment.

32 Financial risk management objectives and policies

The Group and the Company have financial risk management policies setting out the Group's and the Company's overall business strategies and its risk management philosophy. The Group and the Company are exposed to financial risks arising from its diversified operations and the use of financial instruments. The financial risks included market price risk, foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Group's and the Company's overall risk management programme focuses on the unpredictability of financial markets on the Group's and the Company's financial performance.

The Company co–ordinates, under the directions of the directors, financial risk management policies and their implementation on a group–wide basis. The Group's policies are designed to manage the financial impact of fluctuations in interest rates and exchange rates and to minimise the Group's financial risks. It is the Group's policy not to enter into derivative transactions for speculative purposes.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

32.1 Market risk

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

32.1.1 Interest rate risk

Interest rate risk is the risk arising from the changes in market interest rates which leads to the fluctuation of the fair value or future cash flows of the financial instruments.

The Group's and the Company's exposure to interest rate risk arises primarily from their interest–bearing loans and fixed deposits. The Group obtains additional financing through bank borrowings. The Group's policy is to obtain the most favourable interest rates available.

Sensitivity analysis for interest rate risk

As at 31 March 2022, if SGD and USD interest rates had been 75 basis points lower/higher with all other variables held constant, the Group's loss net of tax for the year ended 31 March 2022 would have been $64,000 and $2,000 lower/higher (2021 – $109,000 and $9,000) respectively, arising mainly as a result of lower/higher interest expense on floating rate interest–bearing loans and borrowings and higher/lower interest income from fixed deposits. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility as in prior years.

32 Financial risk management objectives and policies (Cont'd)

32.1.2 Foreign exchange risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Group has transactional currency exposure arising from purchases that are denominated in a currency other than the functional currency of the group of companies.

The Group and the Company also hold cash and short–term deposits, trade receivables, trade payables and loans and borrowings denominated in foreign currencies for working capital purposes. At the balance sheet date, such foreign currency balances (mainly in USD) amount to a net asset of $613,000 (2021 – $467,000) for the Group. The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Cambodia and Malaysia.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's loss before tax to a reasonably possible change in the USD exchange rates (against SGD), with all other variables held constant.

The Group	2022 $'000	2021 $'000
USD		
– strengthened by 5% (2021 – 5%)	**(31)**	(23)
– weakened by 5% (2021 – 5%)	**31**	23

32.1.3 Price risk

Price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices.

The Group does not have any exposure to market price risks. Accordingly, no sensitivity analysis is disclosed.

32.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group or the Company to incur a financial loss.

The Group's exposure to credit risk arises primarily from trade receivables and amounts due from associates. The Company's exposure to credit risk arises from amounts due from subsidiaries. For other financial assets (including investment securities and cash and short–term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Group has determined the default event on the trade receivables to be 365 days past due with no recent transactions.

32 Financial risk management objectives and policies (Cont'd)

32.2 Credit risk (Cont'd)

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forward–looking information which includes the following indicators:

– Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
– Actual or expected significant changes in the operating results of the borrower
– Significant increases in credit risk on other financial instruments of the same borrower

The Group determined that its financial assets are credit–impaired when:

– There is significant financial difficulty of the issuer or the borrower
– A breach of contract, such as a default or past due event
– It is becoming probable that the borrower will enter bankruptcy or other financial reorganization

The Group considers categorising a loan or receivables for potential write–off when a debtor fails to make contractual payments for receivables that are more than a year past due. Financial assets are written off when there is no reasonable expectation of recovery. When loans and receivables have been written off, the company continues to engage enforcement activity to attempt to recover the receivable due. When recoveries are made, these are recognised in profit or loss.

<u>Amounts due from associate</u>

The Group provides for full impairment on the amounts due from associate as management has assessed that these balances are irrecoverable in view that MJE has went into receivership subsequent to the 31 March 2022.

<u>Trade receivables</u>

The Group has determined that the expected credit losses for all trade receivables from the Power–related segment to be insignificant.

The Group provides for lifetime expected credit losses for all trade receivables from the Fire–fighting segment using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due. The loss allowance provision as at 31 March 2022 is determined as follows, the expected credit losses below also incorporate forward looking information such as forecast industry performance.

Summarised below is the information about the credit risk exposure on the Group's trade receivables from the Fire–fighting segment using provision matrix:

	Current $'000	Past due less than 30 days $'000	Past due more than 30 days $'000	Past due more than 60 days $'000	Past due more than 90 days $'000	Total $'000
2022						
Gross carrying amount	**1,670**	**1,039**	**634**	**226**	**517**	**4,086**
Loss allowance provision	**(8)**	**(1)**	**(3)**	**(13)**	**(185)**	**(210)**

32 Financial risk management objectives and policies (Cont'd)

32.2 Credit risk (Cont'd)

Trade receivables (Cont'd)

	Current $'000	Past due less than 30 days $'000	Past due more than 30 days $'000	Past due more than 60 days $'000	Past due more than 90 days $'000	Total $'000
2021						
Gross carrying amount	1,713	704	320	179	416	3,332
Loss allowance provision	(9)	(4)	(9)	(10)	(174)	(206)

Information regarding loss allowance movement of trade receivables is disclosed in Note 9.

Excessive risk concentration

Concentration arises when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

At the end of the balance sheet date, the Group's and the Company's maximum exposure to credit risk are represented by:

– The carrying amount of each class of financial assets recognised in the balance sheets.

– Notional amounts of US$2.2 million (2021 – US$2.2 million), $31.7 million (2021 – $28.8 million) and RM198.0 million (2021 – RM195.5 million) relating to corporate guarantees provided by the Company to financial institutions.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and business segment of its trade receivables on an on–going basis. The credit risk concentration profile of the Group's trade receivables at the balance sheet date is as follows:

	2022		2021	
	$'000	**% of total**	**$'000**	**% of total**
By country:				
Singapore	**3,577**	**49**	2,873	49
Cambodia	**3,403**	**47**	2,718	47
Indonesia	**161**	**2**	186	3
Others	**139**	**2**	67	1
	7,280	**100**	5,844	100
By industry sectors:				
Firefighting and protection	**3,877**	**53**	3,126	53
Power related	**3,403**	**47**	2,718	47
	7,280	**100**	5,844	100

As at balance sheet date, approximately 22% (2021 – 15%) of the Group's trade receivables were due from 2 major customers who are located in Cambodia.

32 Financial risk management objectives and policies (Cont'd)

32.3 Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or other financial assets. 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 the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand–by credit facilities.

Liquidity risk is managed in accordance with a framework of policies, controls and limits approved by Board of Directors. These policies, controls and limits ensure that the Group monitors and manages liquidity risk in a manner that ensures sufficient sources of funds are available over a range of market conditions.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

The Group	Less than 1 year $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total $'000
31 March 2022				
Financial liabilities:				
Trade and other payables	**9,800**	**–**	**–**	**9,800**
Loans and borrowings	**15,868**	**6,101**	**–**	**21,969**
Lease liabilities	**382**	**456**	**2,913**	**3,751**
Amount due to non–controlling interests	**–**	**1,485**	**–**	**1,485**
Total undiscounted financial liabilities	**26,050**	**8,042**	**2,913**	**37,005**
31 March 2021				
Financial liabilities:				
Trade and other payables	10,386	–	–	10,386
Provision for decommissioning costs	269	–	–	269
Provision for restructuring costs	226	–	–	226
Loans and borrowings	16,456	4,315	–	20,771
Lease liabilities	501	708	2,979	4,188
Amount due to non–controlling interests	–	1,926	–	1,926
Total undiscounted financial liabilities	27,838	6,949	2,979	37,766

The Company	Less than 1 year $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total $
31 March 2022				
Financial liabilities:				
Other payables	**542**	**–**	**–**	**542**
Amount due to a subsidiary	**9,356**	**–**	**–**	**9,356**
Total undiscounted financial liabilities	**9,898**	**–**	**–**	**9,898**
31 March 2021				
Financial liabilities:				
Other payables	483	–	–	483
Amount due to a subsidiary	9,371	–	–	9,371
Loans and borrowings	6	–	–	6
Total undiscounted financial liabilities	9,860	–	–	9,860

The table below shows the contracted expiry by maturity of the Group and Company's contingent liabilities.

32 Financial risk management objectives and policies (Cont'd)

32.3 Liquidity risk (Cont'd)

The Group	Callable* $'000	Less than 1 year $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total $'000
31 March 2022					
Financial guarantees	**27,612**	**–**	**–**	**–**	**27,612**
31 March 2021					
Financial guarantees	29,894	–	–	–	29,894
The Company					
31 March 2022					
Financial guarantees	**27,612**	**15,040**	**5,785**	**–**	**20,825**
31 March 2021					
Financial guarantees	29,894	15,500	4,096	–	49,490

* The corporate guarantees provided by the Group to MJE's bank (Note 30) are classified as callable as MJE's bank has cancelled the facilities (Note 2(b)(i) – Going concern)

33 Capital management

The Group's and Company's objectives when managing capital are:

(a) To safeguard the Group's and the Company's abilities to continue as a going concern;
(b) To support the Group's and the Company's stabilities and growth;
(c) To provide capital for the purpose of strengthening the Group's and the Company's risk management capabilities; and
(d) To provide an adequate return to shareholders.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders' returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group and the Company currently do not adopt any formal dividend policy.

The Group and the Company monitor capital net debt ratio, which is net debt divided by total capital plus debt. Net debt refers to all borrowings including lease liabilities, less bank balances and short–term deposits. Capital represents total equity of the Group. The Group and the Company do not have a defined gearing ratio benchmark or range.

33 Capital management (Cont'd)

The capital net debt ratios at 31 March 2022 and 2021 were as follows:

The Group	2022 $'000	2021 $'000
Loans and borrowings (Note 15)	**20,955**	19,732
Trade and other payables (Note 19)	**10,513**	11,231
Provision for decommissioning costs	**–**	269
Provision for restructuring costs	**–**	226
Lease liabilities (Note 17)	**1,857**	2,195
Amount due to non–controlling interests	**1,485**	1,926
Less: Cash and short–term deposits (Note 12)	**(3,523)**	(1,633)
Net debt	**31,287**	33,946
Total equity	**20,837**	31,295
Capital and net debt	**52,124**	65,241
Gearing ratio	**60.0%**	52.0%

There were no changes in the Group's and the Company's approach to capital management during the year.

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

34 Fair value measurement

Definition of fair value

SFRS(I) define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statements of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 : unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

34 Fair value measurement (Cont'd)

Assets and liabilities measured at fair value

The following table presents the assets measured at fair value at the end of each reporting period:

The Group	**2022**	2021
	$	$
Assets measured at fair value (Level 3)		
Financial assets:		
Other investments		
Key–man insurance	**161**	161

The Group does not have any liabilities measured at fair value.

There have been no transfers between Level 1, Level 2 and Level 3 for the Group.

Level 3 fair value measurements

Unquoted convertible bonds

Following the proposed disposal of the MJE Interests (Note 7) for a nominal sum of RM1, the fair value of the unquoted convertible bonds as at 31 March 2022 was assessed to be immaterial.

Key–man insurance

The fair value of the key–man insurance is based on total surrender value of the contract stated in the annual statement of the policies, which is categorised within Level 3 of the fair value hierarchy. An increase/decrease of 5% in the surrender value of the policy would result in an increase/decrease of $8,000 in loss after tax (2021 – $8,000 in loss after tax).

The above unlisted investment at 31 March 2022 was classified as financial asset at fair value through profit or loss as its contractual cash flows are not solely payments of principal and interest.

Fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Cash and cash equivalents, trade and other receivables, amounts due to subsidiaries, trade and other payables and accruals, provision for decommissioning costs, provision for restructuring costs and loans and borrowings

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short–term nature or that they are floating rate instruments that are re–priced to market interest rates on or near the balance sheet date.

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

Amount due to non–controlling interests

Amount due to non–controlling interests has no fixed terms of repayment and are repayable only when the cash flow of the entity permits. Accordingly, the fair value of the amount is not determinable as the timing of the future cash flow arising from the balance cannot be estimated reliably.

Issued and fully Paid-up Capital	:	S$52,262,469.75
Number of Ordinary Shares in Issue (excluding Treasury Shares)	:	1,556,462,688
Number of Treasury Shares held	:	Nil
Number of Subsidiary Holdings held	:	Nil
Class of Shares	:	Ordinary
Voting Rights (on a poll)	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	78	6.22	2,403	0.00
100 - 1,000	106	8.46	82,053	0.00
1,001 - 10,000	178	14.21	887,753	0.06
10,001 - 1,000,000	777	62.01	151,075,055	9.71
1,000,001 AND ABOVE	114	9.10	1,404,415,424	90.23
TOTAL	1,253	100.00	1,556,462,688	100.00

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders as at 31 August 2022[1])

	Direct Interest		Deemed Interest	
Name of Substantial Shareholder	No. of shares	%	No. of Shares	%
SINCOM HOLDINGS PTE. LTD.	232,000,000	14.91	–	–
TWINKLE INVESTMENT PTE. LTD.	194,000,000	12.46	–	–
TAN BOON KHENG	141,156,004	9.07	–	–
TAN BOON SIANG	140,232,000	9.01	–	–
STEPHEN LEONG[2]	–	–	232,000,000	14.91
NEO KAH KIAT[3]	–	–	194,000,000	12.46
LIEW OI PENG[3]	–	–	194,000,000	12.46

Notes:

(1) Based on the total issued share capital of 1,556,462,688 ordinary shares of the Company as at 31 August 2022.

(2) Mr Stephen Leong is sole director and sole shareholder of Sincom Holdings Pte. Ltd. and is deemed interested in 232,000,000 shares held by Sincom Holdings Pte. Ltd.

(3) Mr Neo Kah Kiat and Ms Liew Oi Peng are the directors and shareholders of Twinkle Investment Pte. Ltd. and is deemed interested in 194,000,000 shares held by Twinkle Investment Pte. Ltd.

SHAREHOLDERS' **INFORMATION**

As at 31 August 2022

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	SINCOM HOLDINGS PTE. LTD.	232,000,000	14.91
2	TWINKLE INVESTMENT PTE LTD	194,000,000	12.46
3	TAN BOON KHENG	141,156,004	9.07
4	TAN BOON SIANG	140,232,000	9.01
5	TAN AH KAN @TAN KOW LA	74,526,700	4.79
6	TAN BOON YEW	69,836,000	4.49
7	BRIAN CHANG HOLDINGS (S) PTE LTD	61,419,344	3.95
8	TAN AH SOI	32,435,996	2.08
9	TNG BENG CHOON	30,000,000	1.93
10	TOH TIEW KEONG	25,480,100	1.64
11	CHEN PENG SONG	23,510,500	1.51
12	TAN ENG CHUA EDWIN	16,155,300	1.04
13	UOB KAY HIAN PRIVATE LIMITED	15,075,400	0.97
14	DBS NOMINEES (PRIVATE) LIMITED	14,821,366	0.95
15	PHILLIP SECURITIES PTE LTD	14,227,364	0.91
16	RAFFLES NOMINEES (PTE.) LIMITED	12,222,500	0.79
17	LINDA YEO YUEK LAN	11,612,000	0.75
18	TAN BOON SAI (CHEN WENSAI)	10,299,000	0.66
19	CHEW GIM THONG @ CALVIN CHEW	10,000,000	0.64
20	THAM WENG CHEONG STEVEN	10,000,000	0.64
	TOTAL	1,139,009,574	73.19

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on the information available to the Company as at 31 August 2022, approximately 43.14% of the Company's shares are held in the hands of the public.

Accordingly, the Company has complied with Rule 723 of the Singapore Exchange Securities Trading Limited (SGX-ST) Listing Manual Section B: Catalist Rules.

NOTICE IS HEREBY GIVEN that the annual general meeting ("**AGM**") of Asiatic Group (Holdings) Limited (the "**Company**") will be convened and held by way of electronic means on Thursday, 29 September 2022 at 3.00 p.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 March 2022 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr. Chia Soon Hin William, a Director who is retiring in accordance with Regulation 103 of the Company's Constitution.
[See Explanatory Note 1] **(Resolution 2)**

3. To approve the payment of Directors' fees of up to S$105,000 for the financial year ending 31 March 2023. (FY2022: S$105,000). **(Resolution 3)**

4. To re-appoint Messrs Foo Kon Tan LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 4)**

5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as ordinary resolutions, with or without any modifications:

6. **Approval for the continued appointment of Mr Tay Kah Chye for purposes of Rule 406(3)(d)(iii) of the Catalist Rules**

Ordinary Resolution 5A – Tier 1 and Ordinary Resolution 5B – Tier 2 are inter-conditional.

That subject to the passing of Ordinary Resolution 5B – Tier 2 below, approval be and is hereby given for Mr Tay Kah Chye who has served as Independent Director of the Company since 1 October 2013, to continue to act as an Independent Director of the Company pursuant to Rule 406(3)(d)(iii)(A) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") by all shareholders of the Company with effect from 1 October 2022 (for an aggregate period of more than nine years from the date of his first appointment), until (i) the conclusion of the Company's third annual general meeting following the passing of this Resolution; or (ii) the retirement or resignation of Mr Tay Kah Chye, whichever is earlier.
(Resolution 5A – Tier 1)

That subject to the passing of Ordinary Resolution 5A – Tier 1 above, approval be and is hereby given for Mr Tay Kah Chye who has served as Independent Director of the Company since 1 October 2013, to continue to act as an Independent Director of the Company pursuant to Rule 406(3)(d)(iii)(B) of the Catalist Rules of the SGX-ST by all shareholders of the Company (excluding the Directors and the Chief Executive Officer ("CEO") of the Company, and the respective associates of such Directors and CEO) with effect from 1 October 2022 (for an aggregate period of more than nine years from the date of his first appointment), until (i) the conclusion of the Company's third annual general meeting following the passing of this Resolution; or (ii) the retirement or resignation of Mr Tay Kah Chye, whichever is earlier.
[See Explanatory Note 2] **(Resolution 5B – Tier 2)**

7. **Authority to allot and issue shares**

That pursuant to Section 161 of the Companies Act 1967 (the "**Companies Act**") and subject to Rule 806 of the Catalist Rules of the SGX-ST, authority be given to the Directors of the Company to allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise, and/or make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be allotted and issued, including but not limited to 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 to such persons as the Directors may, in their absolute discretion, deem fit, and (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 of the Company while this Ordinary Resolution was in force, provided that:

(a) the aggregate number of Shares (including Shares to be issued in pursuance of 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) in the capital of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares to be issued other than on a pro rata basis to all shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with subparagraph (b) below);

(b) (subject to such manner 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 (a) 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) in the capital of the Company at the time of the passing of this Ordinary Resolution, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities;

(ii) new Shares arising from exercise of share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

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

(iv) 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 for the time being of the Company; and

(v) (unless revoked or varied by the Company in general meeting), the authority conferred by this Ordinary Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.
[See Explanatory Note 3] **(Resolution 6)**

By Order of the Board

Yoo Loo Ping
Company Secretary

Singapore
14 September 2022

Explanatory Notes:

1. Mr. Chia Soon Hin William, if re-elected, will remain as an Independent Director, the Chairman of the Audit and Risk Committee, and a member of the Remuneration Committee and Nominating Committee of the Company. He is considered independent for the purposes of Rule 704(7) of the Catalist Rules. His profile can be found under the sections entitled "Board of Directors" and "Corporate Governance Report" in the Annual Report.

2. Pursuant to Rule 406(3)(d)(iii) of the Catalist Rules of the SGX-ST, a director will not be independent if he has been appointed as director of the Company for more than nine years from the date of his first appointment unless his continued appointment as an independent director be sought and approved by shareholders via ordinary resolution(s) through a Two-Tiered Voting process, whereby voting will be carried out in the following manner:

   (a) Voting by all shareholders in accordance with Rule 406(3)(d)(iii)(A) of the Catalist Rules of the SGX-ST (Tier 1); and

   (b) Voting by shareholders, excluding shareholders who also serve as the directors or the CEO of the company, and the respective associates of such directors and CEO, in accordance with Rule 406(3)(d)(iii)(B) of the Catalist Rules of the SGX-ST (Tier 2).

   As Mr Tay Kah Chye has been appointed as director of the Company since 1 October 2013, Mr Tay Kah Chye would be a director who has been appointed for an aggregate period of more than nine years from the date of his first appointment with effect from 1 October 2022. As such, his continued appointment as Independent Director of the Company with effect from 1 October 2022 will require to be sought and approved by shareholders via ordinary resolution(s) through a Two-Tiered Voting process mentioned above.

   The Ordinary Resolution 5A – Tier 1 and Ordinary Resolution 5B – Tier 2 proposed in item 6 above, if passed, will allow Mr Tay Kah Chye to continue in office as an Independent Director of the Company, and such approval shall continue in force until (i) the conclusion of the Company's third AGM following the passing of both Ordinary Resolutions 5A and 5B; or (ii) the retirement or resignation of Mr Tay Kah Chye, whichever is earlier.

   In the case if Ordinary Resolution 5A – Tier 1 and/or Ordinary Resolution 5B – Tier 2 is not passed, Mr Tay Kah Chye will cease to be considered independent for purposes of Rule 406(3)(d)(iii) of the Catalist Rules of the SGX-ST with effect from 1 October 2022. Accordingly, subject to the continuation of Mr Tay Kah Chye as a Director of the Company, he will be re-designated as a non-independent and non-executive director of the Company with effect from 1 October 2022.

   For avoidance of doubt, in the case if Ordinary Resolution 5A – Tier 1 and/or Ordinary Resolution 5B – Tier 2 is not passed, Mr Tay Kah Chye will remain as an Independent Director and will be considered independent until 30 September 2022. Mr Tay Kah Chye will also remain as the Chairman of the Board, and a member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee of the Company. The Company will make the necessary announcement if there is change to the composition of the Board and its Board Committees from time to time when occurs.

   In the case if Ordinary Resolution 5A – Tier 1 and/or Ordinary Resolution 5B – Tier 2 is not passed, the Company shall endeavour to search for suitable candidate(s) and fill the vacancies of the independent director(s) within as soon as possible, to fulfil the requirements of the Catalist Rules of the SGX-ST, where applicable.

3. The Ordinary Resolution 6 proposed in item 7 above, if passed, will authorise and empower the Directors of the Company, from the date of the AGM 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, and/or grant Instruments convertible into Shares, and to issue Shares pursuant to such Instruments, without seeking any further approval from shareholders in general meeting but within the limitation imposed by this Ordinary Resolution, for such purposes as they consider would be in the interests of the Company, up to an amount not exceeding in aggregate one hundred per cent (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to fifty per cent (50%) may be issued other than on a pro-rata basis to shareholders.

   For the purpose of this Ordinary Resolution, the total number of issued shares (excluding treasury shares and subsidiary holdings) is based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for (i) new shares arising from the conversion or exercise of convertible securities; (ii) new shares arising from exercise of share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and (iii) any subsequent bonus issue, consolidation or subdivision of shares. The adjustments in accordance with (i) and (ii) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of passing of this Ordinary Resolution 6.

NOTICE OF
ANNUAL GENERAL MEETING

IMPORTANT NOTICE FOR SHAREHOLDERS:

The Company's AGM is being convened, and will be held, by electronic means pursuant to the provisions of the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 ("**Order**") and the Joint Statement by Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation titled "Additional Guidance on the Conduct of General Meetings During Elevated Safe Distancing Period".

In line with the provisions under the Order, printed copies of the documents and information relating to the AGM (including the Annual Report FY2022, Notice of AGM and Proxy Form) will not be despatched to shareholders of the Company. These documents have been made available on SGXNet and the Company's corporate website and may be accessed at the following URLs:

(a) https://www2.sgx.com/securities/company-announcements; or

(b) https://www.asiatic.com.sg/.

Shareholders should take note of the following arrangements for the AGM:

(a) **Participation in the AGM via live webcast**

The AGM will be conducted only by electronic means, and shareholders will not be able to attend the AGM in person. Shareholders will also not able to vote online on the resolutions to be tabled for approval at the AGM. Shareholders may participate in the AGM by:-

(i) Observing and/or listening to the proceedings of the AGM through a "live" webcast comprising both video (audio-visual) and audio-only feeds ("**Live Webcast**");

(ii) Submitting questions in relation to any agenda item in this notice of AGM in advance of the AGM; and

(iii) Appointing the chairman of the AGM ("**Chairman**") as proxy to vote on their behalf in accordance with their vote instructions.

Details of the steps for pre-registration, pre-submission of questions and voting at the AGM are set out in items (b) to (e) below.

(b) **Pre-registration for AGM Live Webcast**

All Shareholders as well as investors who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore), including Central Provident Fund ("**CPF**") and Supplementary Retirement Scheme ("**SRS**") investors ("**Investors**") and who wish to follow the proceedings of the AGM through the Live Webcast must pre-register online at https://conveneagm.sg/AGH_AGM2022 by **26 September 2022**, **3.00 p.m.** ("**Pre-Registration Deadline**") for verification purposes. Following successful verification, an email with instruction on how to join the Live Webcast will be sent to the registered Shareholders and Investors via email by 28 September 2022, 3.00 p.m.. Shareholders must not forward the email instruction to other persons who are not shareholders and who are not entitled to attend the AGM Live Webcast. This is also to avoid any technical disruptions or overload to the Live Webcast.

Shareholders and Investors who have pre-registered by the Pre-Registration Deadline but did not receive the aforementioned email by 28 September 2022, 3.00 p.m. should contact the Company by email to agm@asiatic.com.sg.

(c) **Submission of Questions**

Shareholders and Investors will not be able to ask questions during the AGM Live Webcast.

Shareholders and Investors who have questions in relation to any agenda item in this notice of AGM can submit their questions to the Company in advance, latest by **22 September 2022, 3.00 p.m.**, through the any of the following means:

(i) Via the pre-registration website at the URL https://conveneagm.sg/AGH_AGM2022;

(ii) by email to agm@asiatic.com.sg; or

(iii) by post, to be deposited at the Company's registered office at 65 Joo Koon Circle, Singapore 629078.

Shareholders and Investors must identify themselves when posting questions through email or mail by providing the following details:

(i) Full Name;

(ii) Contact Telephone Number;

(iii) Email Address; and

(iv) The manner in which you hold shares (if you hold shares directly, please provide your CDP account number; otherwise, please state if you hold your shares through CPF or SRS, or are a relevant intermediary shareholder).

Shareholders and Investors are strongly encouraged to submit their questions via the pre-registration website or by email. The Company will endeavour to respond to all substantial and relevant questions through an announcement on SGXNet and the Company's corporate website by 24 September 2022, 3.00 p.m.

Follow up questions which are submitted after 22 September 2022, 3.00 p.m. will be consolidated and addressed either before the AGM via an announcement on SGXNet and the Company's website or at the AGM. The Company will publish the minutes of the AGM, which will include responses from the Board and management of the Company on the substantial and relevant questions received from Shareholders and Investors via an announcement on SGXNet and the Company's corporate website within one (1) month after the AGM.

(d) **Voting at the AGM by appointing Chairman as Proxy (Submit a Proxy Form)**

For Investors who hold shares through relevant intermediaries please refer to item (e) for the procedures to vote at the AGM.

Shareholders will only be able to vote at the AGM by appointing the Chairman as proxy to vote on their behalf. Duly completed Proxy Forms must be submitted through any of the following means not later than **26 September 2022, 3.00 p.m.** (being no later than seventy-two (72) hours before the time appointed for holding the AGM):

(i) by email, a copy to **agm@asiatic.com.sg**; or

(ii) by post, be deposited at the Company's registered office at 65 Joo Koon Circle, Singapore 629078.

The proxy form has been made available on SGXNet and the Company's corporate website and may be accessed at the URLs https://www2.sgx.com/securities/company-announcements and https://www.asiatic.com.sg/. A printed copy of the proxy form will NOT be despatched to shareholders.

In appointing the Chairman as proxy, the Shareholder (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid.

(e) **Voting at the AGM by Relevant Intermediary Investors and CPF/SRS Investors**

Relevant Intermediary Investors (including CPF/SRS investors) who wish to appoint the Chairman as their proxy to vote at the AGM should not make use of the Proxy Form and should instead approach their respective relevant intermediary as soon as possible to specify voting instructions. CPF/SRS investors who wish to vote should approach their respective CPF Agent Bank or SRS Operators to submit their votes by **19 September 2022, 3.00 p.m.**, being at least seven (7) working days before the AGM, in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman to vote on their behalf not later than 26 September 2022, 3.00 p.m.

Personal Data Privacy

"Personal data" in this notice of AGM has the same meaning as "personal data" in the Personal Data Protection Act 2012, which includes your name, address and NRIC/Passport number. By submitting (a) an application to pre-register for participation in the AGM via the Webcast; (b) questions relating to the resolutions to be tabled for approval at the AGM; and/or (c) an instrument appointing Chairman of the meeting as proxy to vote at the AGM and/or any adjournment thereof, a member of the Company hereby consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers including any organisations the Company has engaged to perform any function related to the AGM) for the purposes of, (i) verifying the member's information and processing of the member's application to pre-register to participate in the AGM via the Webcast and providing the member with any technical assistance where possible; (ii) addressing any selected questions submitted by the member and following up with the member where necessary, and responding to, handling, and processing queries and requests from the member; (iii) the processing and administration by the Company (or its agents or service providers including any organisations the Company has engaged to perform any function related to the AGM) of proxy forms appointing Chairman of the meeting for the AGM (including any adjournment thereof); and (iv) the preparation, compilation and disclosure (as application) of the attendance lists, minutes, questions from members and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers including any organisations the Company has engaged to perform any function related to the AGM) to comply with any applicable laws, listing rules, regulations and/or guidelines.

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ASIATIC GROUP (HOLDINGS) LIMITED

(Company Registration No: 200209290R)
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING
PROXY FORM

IMPORTANT:

1. The Annual General Meeting ("AGM" or the "Meeting") is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM are set out in the Notice of AGM dated 14 September 2022 which has been uploaded on SGXNet and the Company's website on the same day.
2. A shareholder WILL NOT be able to attend the AGM in person. If a shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM. In appointing the Chairman of the Meeting as proxy, a shareholder (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
3. For CPF, or SRS investors who wish to appoint the Chairman of the Meeting as their proxy, they should approach their CPF and/or SRS Approved Nominees to submit their votes at least seven (7) working days before the AGM. This Proxy Form is not valid for use by CPF and/or SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. By submitting an instrument appointing the Chairman of the Meeting as proxy, the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 September 2022.
5. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a shareholder's proxy to vote on his/her/ its behalf at the AGM.

*I/We, ______________________ (Name) ______________________ (*NRIC/Passport/Registration No.)

of ____ (Address)

being a *shareholder/shareholders of **ASIATIC GROUP (HOLDINGS) LIMITED** (the "**Company**"), hereby appoint the Chairman of the Meeting as *my/our *proxy/proxies to attend and to vote for *me/us on *my/our behalf at the AGM of the Company to be held by way of electronic means via live webcast on Thursday, 29 September 2022 at 3.00 p.m. and at any adjournment thereof. *I/We direct the Chairman of the Meeting to vote for or against the Resolutions to be proposed at the AGM as indicated hereunder.

 # (Voting will be conducted by poll. If you wish the Chairman of the Meeting as your proxy to cast all your votes for or against a resolution to be proposed at the AGM, please indicate with a "√" in the space provided under "For" or "Against". If you wish the Chairman of the Meeting as your proxy to abstain from voting on a resolution to be proposed at the Meeting, please indicate with a "√" in the space provided under "Abstain". Alternatively, please indicate the number of shares that the Chairman of the Meeting as your proxy is directed to vote "For" or "Against" or to abstain from voting. In the absence of specific directions, the appointment of the Chairman of the Meeting as your proxy for that resolution will be treated as invalid.)

No.	Ordinary Resolutions relating to	FOR#	AGAINST#	ABSTAIN#
1.	Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2022			
2.	Re-election of Mr. Chia Soon Hin William as a Director			
3.	Approval of Directors' fees for the financial year ending 31 March 2023 amounting to S$105,000, payable quarterly in arrears			
4.	Re-appointment of Messrs Foo Kon Tan LLP as Auditors			
5A.	Approval for the continued appointment of Mr Tay Kah Chye as Independent Director for purposes of Rule 406(3)(d)(iii)(A) of the Catalist Rules (Tier 1 Voting)			
5B.	Approval for the continued appointment of Mr Tay Kah Chye as Independent Director for purposes of Rule 406(3)(d)(iii)(B) of the Catalist Rules (Tier 2 Voting)			
6.	Authority to allot and issue Shares			

** Delete where inapplicable*

Dated this ____________ day of September 2022

Total Number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Shareholder(s)
or Common Seal of Corporate Shareholder

IMPORTANT: Please read the notes overleaf for this Proxy Form.

Notes:

(1) Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Future Act 2001), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number of shares is inserted, this proxy form will be deemed to relate to all shares held by you.

(2) A shareholder will not be able to vote through the live webcast and voting is only through submission of proxy form. If a shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM. In appointing the Chairman of the Meeting as proxy, a shareholder (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

(3) The Chairman of the Meeting, as a proxy, need not be a shareholder of the Company.

(4) The instrument appointing Chairman of the Meeting as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

(5) Where this instrument appointing Chairman of the Meeting as proxy is signed on behalf of the appointor by an attorney, the power of attorney or a notarially certified copy thereof (failing previous registration with the Company) must be lodged with this instrument of proxy, failing which this instrument of proxy may be treated as invalid.

(6) If the Chairman of the Meeting as proxy is to be appointed, the instrument appointing the Chairman of the Meeting as proxy, duly executed, must be submitted through any of the following means not later than seventy-two (72) hours before the time appointed for holding the AGM:

(i) by email a copy to agm@asiatic.com.sg; or

(ii) by post, be deposited at the Company's registered office at 65 Joo Koon Circle, Singapore 629078.

(7) The Company shall be entitled to reject the instrument appointing Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing Chairman of the Meeting as proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointment the Chairman of the Meeting as proxy lodged if the shareholder being the appointor, is not shown to have shares entered against his/her/its name in the Depositor Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) to the Company.

Personal Data Privacy:

By submitting a proxy form appointing Chairman of the Meeting as proxy, the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 14 September 2022.

Asiatic Group

ASIATIC GROUP (HOLDINGS) LIMITED

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