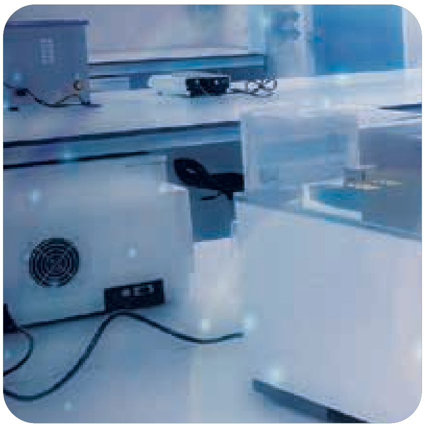
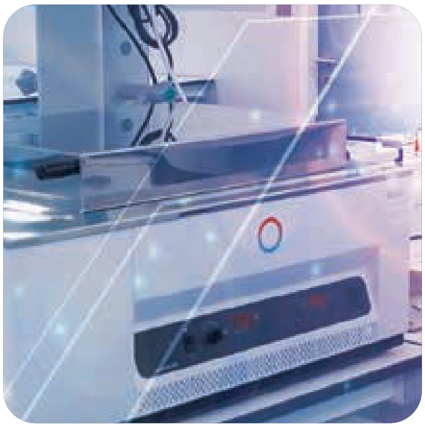
REDEFINING THE STANDARD





ANNUAL 2023 REPORT

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Specialist Engineering Service Provider for Controlled Environments

We are an established specialist engineering services provider in the field of controlled environments. Our expertise is in the design and construction of facilities requiring controlled environments such as laboratories, medical and sterile facilities, and cleanrooms.

We specialise in architectural, mechanical, electrical and process ("MEP") works within controlled environments, and provide integrated services through our two main business segments:

- **Engineering, procurement and construction**
- **Maintenance**

Our customers comprise mainly hospitals and medical centres, government agencies, research and development ("R&D") companies, agencies, multinational corporations, tertiary educational institutions, and companies in pharmaceutical, semiconductor manufacturing, and engineering.

Co-working Laboratory Space Provider

The Group has expanded and diversified its core business in FY2023 to include the operation and management of co-working laboratory space. The Group currently operates a 6,500 square feet of co-working laboratory space at The German Centre in Singapore. In October 2023, the Group entered into a Management Agreement with HB Universal Pte Ltd, a subsidiary of Mainboard-listed Ho Bee Land Limited, to operate and manage a 21,538 square feet co-working laboratory space at Elementum, One-North, a building in the heart of Singapore's biomedical industry district.

• OUR MISSION

To consistently create and deliver market leading Engineering Services ahead of competition at competitive price through excellence in our operations.

• OUR VISION

To be the leading Specialist Engineering Company in the field of controlled environment preferred by customers, employees and investors.

• OUR CORE VALUES

COMMITMENT

We devote ourselves completely to meet our commitments.

INTEGRITY

We hold ourselves to the highest standards of fairness and honesty in everything we do.

EMPATHY

We understand and share the feelings of one another.

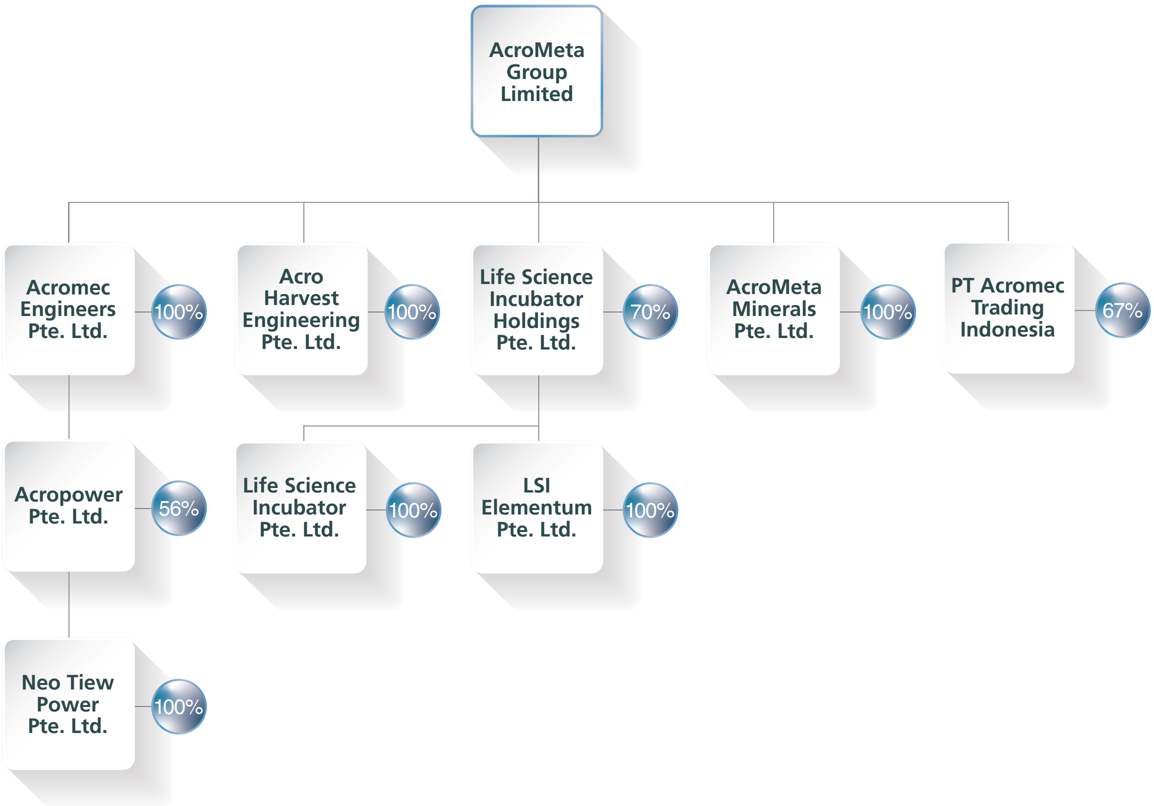
INNOVATION

We strive to create new ideas and translate them into value-added products and services to serve customers' needs.

RESPECT

We value each other and recognise that everyone has a unique set of strengths that complement each other as a team.

GROUP STRUCTURE



Our Subsidiaries

Name	Principal place of business	Principal business activities	Paid-up capital	Effective equity interest held by Group
Acromec Engineers Pte. Ltd.	Singapore	Specialist engineering services in the field of controlled environments	S$8,000,000	100%
Acro Harvest Engineering Pte. Ltd.	Singapore	Maintenance and installation services for air-conditioning and mechanical ventilation systems	S$170,000	100%
Acropower Pte. Ltd.	Singapore	Waste to energy	S$373,616	56%
PT Acromec Trading Indonesia	Indonesia	Import and distribution of laboratory furniture and accessories	IDR 2,626,000,000	67%
Neo Tiew Power Pte. Ltd.	Singapore	Waste to energy	S$2,300,000	56%
Life Science Incubator Holdings Pte. Ltd.	Singapore	Co-working laboratory space	S$50,000	70%
Life Science Incubator Pte. Ltd.	Singapore	Co-working laboratory space	S$50,000	70%
LSI Elementum Pte. Ltd.	Singapore	Co-working laboratory space	S$100	70%
AcroMeta Minerals Pte. Ltd.	Singapore	Manufacturing and wholesale trading of non-metallic mineral products	S$1,000	100%

GROUP PROPERTIES

Location	Description	Land area (sq. feet)	Tenure	Expiry date
51 Bukit Batok Crescent #02-22 Unity Centre Singapore 658077	Workshop and Office (own use)	3,681	Leasehold	March 2057
1 West Coast Drive #01- K15 NEWest Singapore 128020	Property held for investment	398	Leasehold	September 2884

WHAT WE DO

CLEANROOMS

A cleanroom is an enclosed space in which airborne particulates, contaminants and pollutants are kept within strict limits. Cleanrooms are typically used in manufacturing and scientific research.

Cleanrooms have various sizes and specifications which comply with Class 1 or ISO 3 to Class 100,000 or ISO 8 standards.

We build cleanrooms for customers such as STATS ChipPAC Ltd, A*Star, ASE Singapore Pte Ltd and ASM Front-End Manufacturing Singapore Pte. Ltd..

MEDICAL AND STERILE FACILITIES

Environmental parameters in medical and sterile facilities are controlled in order to provide clean environments that reduce the risk of infection to patients and/or contain infectious diseases.

These facilities include operating theatres, theatre sterile services units, intensive care units, isolation wards, and fertility centres.

Over the years, we have built medical and sterile facilities for hospitals and medical centres such as National University Hospital, Singapore General Hospital, Tan Tock Seng Hospital, Changi General Hospital, Virtus Fertility Centre, Aptus Surgery Centre and Novartus Surgery Centre.

SPECIALIST ENGINEERING

WHAT WE DO

LABORATORIES

Laboratories require environmental parameters that provide controlled conditions in which scientific or technological research, experiments or measurements can be performed.

There are many types of laboratories such as forensic, diagnostic, and containment laboratories for biomedical research. The last of the three includes the more sophisticated and challenging Bio Safety Level 3 (BSL3) laboratories which are high containment laboratories that allow work to be done with indigenous or exotic agents that may cause serious or potentially lethal disease. Laboratories are also used for research in chemicals and materials, clean technology, electronics, and pharmaceutical products.

We have built laboratories for facility owners such as Procter & Gamble, Singapore General Hospital, National University of Singapore, Johnson Matthey Singapore Private Limited, Neste Asia Pacific Pte Ltd and Genscript Biotech (Singapore) Pte Ltd.

MAINTENANCE

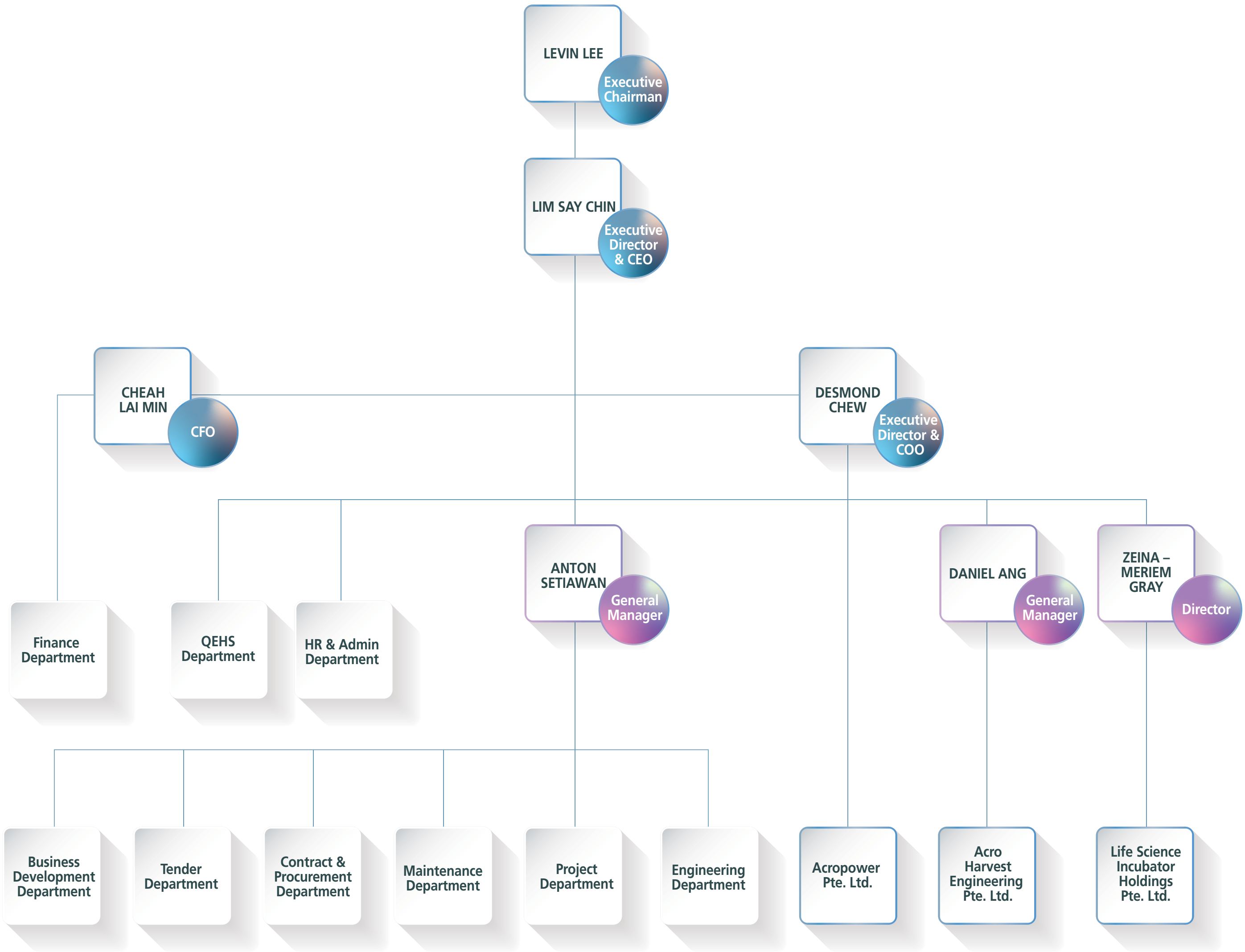
We provide maintenance and repair services for facilities and equipment of controlled environments as well as their supporting infrastructure. We provide corrective, preventive, and routine maintenance services to ensure reliability and minimal disruptions to our customer's operations. Our corrective maintenance services are available 24 hours a day, seven days a week, whereas our preventive maintenance work is carried out in accordance with an agreed schedule.

WHAT WE DO

CO-WORKING LABORATORY SPACE

We build and operate world-class co-working laboratory facilities, leasing bench and suite space in fully-fitted laboratories. Our customers are start-ups and businesses seeking independent, flexible, laboratory space to grow their own ideas and businesses. Our first co-working laboratory opened in September 2021 at The German Centre in Singapore. Fueled by strong demand, as more companies conduct R&D to bring innovative products into the market, LSI is looking to expand within Singapore and to other countries.

ORGANISATION CHART



MILESTONES

THE EARLY YEARS

1996-2001

Our Group's business was founded in 1996 by our Executive Directors, Lim Say Chin, Chew Chee Keong and our past director Goi Chew Leng who decided to venture into the engineering business, specialising in architectural and mechanical works within controlled environments.

We commenced business from a small office in Ubi Industrial Estate, where we initially took on sub-contracting works mainly for the electronics sector. By 2001, our work scope had expanded to include the full suite of engineering, procurement and construction services. We were awarded contracts from end-customers such as Chartered Silicon Partners Pte Ltd, Chartered Semiconductor Manufacturing Pte Ltd, and Hewlett Packard Singapore.

DIVERSIFYING OUR BUSINESS

2001-2007

In 2001, we decided to expand our business and explore other business opportunities to reduce our dependency on the electronics sector. In 2002, we made a breakthrough in the biomedical science and research and academia sectors by securing projects for Viacell Singapore Research Centre and Novartis Institute of Tropical Diseases, which were located in Science Park II.

In 2003, we entered into the high containment laboratory space as awareness for the need for such facilities increased with the severe acute respiratory syndrome ("**SARS**") epidemic hitting Singapore shores. We secured our maiden high containment Biosafety Level 3 ("**BSL3**") laboratory project, when we were commissioned by Novartis Institute of Tropical Diseases to set up their four-storey main research facility in Biopolis, which included a BSL3 laboratory.

Thereafter, we were subsequently commissioned to build two other BSL3 laboratories for Temasek Life Science Laboratory and the National Environment Agency at a time when there were few BSL3 laboratories in Singapore.

During this period, we continued to serve customers in the electronics sector, garnering repeat orders from existing customers and at the same time, securing orders from new customers such as ASE Singapore Pte Ltd, United Test and Assembly Centre Ltd, and ASM Technology Singapore Pte Ltd.

GROWING OUR BUSINESS, OPERATING ON A HIGHER PLATFORM

2007-2011

With our strong track record, we began to operate on a higher platform by undertaking bigger scale and more complex projects as a main contractor.

Some of the notable projects during this period include:

- Laboratory and support space over two levels at Immunos located in Biopolis for A*Star.
- Drug research facility for Lilly Singapore Centre for Drug Discovery Pte Ltd.
- NUS-GE Singapore Water Technology Centre for National University of Singapore.
- A 21,000 sqm semiconductor testing and assembly facility, which included Class 100, Class 1,000 and Class 10,000 cleanrooms, central cooling plant, process cooling system, clean compressed air system and central vacuum system for ASE Singapore Pte Ltd.
- A manufacturing facility which included Class 100 and Class 1,000 cleanrooms, waste water treatment plant, ultra clean water plant, processed air exhaust system, and bulk and specialty gas system for FormFactor Singapore Pte Ltd.
- State-of-the-art cleanroom facility at the NUS Graphene Centre, where research into graphene, a new material, is conducted.

Our business during this period also broadened to include the design, assembly and supply of laboratory furniture, so as to better manage its quality. A notable contract was the teaching and laboratory facilities for the School of Physical and Mathematical Science at Nanyang Technological University.

SCALING NEW HEIGHTS THROUGH ENTRY INTO THE HEALTHCARE SECTOR

2011-2012

In 2011, our Executive Directors saw tremendous growth potential in the healthcare sector due to the Singapore government's plans to build new hospitals and upgrade existing medical facilities.

Leveraging on our engineering expertise in controlled environments, we secured our maiden project in the healthcare sector where we were commissioned to construct ten operating theatres and a theatre sterile services unit for the ambulatory surgical centre at the NUH Medical Centre.

In 2012, we secured another contract for the construction of one of the largest BSL3 laboratories in Singapore at The Academia at the Singapore General Hospital ("**SGH**").

POISED FOR FURTHER GROWTH

2012-2018

From 2012 to 2014, we secured and completed our largest project worth more than S$20.0 million, which involved the fitting-out of a testing and assembly plant for a customer in the electronics sector.

Other notable projects during this period include:

- The fitting-out of BSL3 core facility at the NUS Yong Loo Lin School of Medicine.
- The construction of laboratories, including laboratories compliant with the Current Good Manufacturing Practice regulations and a technically challenging sniff sensory laboratory for research of fragrances used in personal products, at Procter & Gamble's Singapore Innovation Centre.
- The construction of facilities at Virtus Fertility Centre, including a fertility clinic and an embryology laboratory.
- The fitting-out of chemical processing laboratory at the Johnson Matthey Singapore Technology Centre.

POISED FOR FURTHER GROWTH
2012-2018 (continued)

- The fitting-out of fast-track state-of-the-art Class 1, Class 10 and Class 100 cleanrooms at Fusionopolis for A*Star.
- The fitting-out of state-of-the-art hybrid operating theatres at the National Heart Centre and Centre for Assisted Reproduction (Care) at Block 5 Level 1 at SGH.
- The construction and fitting-out of day surgery operation medical centre for Aptus Surgery Centre at Level 7 Paragon, Orchard.
- The supply, installation and fitting-out of laboratory furniture for the DuPont Company Analytical Lab and Food Research Lab.
- The construction and fitting-out of manufacturing cleanroom facility and office for Biotronik.
- The construction and fitting-out of Centre for Assisted Reproduction (Care) at Block 5 Level 1 of SGH.
- The supply and installation of laboratory furniture, fume hood and safety cabinet for DSO National Laboratories' new chemical research laboratory.
- The fitting-out of Galleria's chemical laboratory, office and technical test salon for Procter & Gamble.
- The refurbishment and upgrading of Ward 53 at National University Hospital ("**NUH**").
- The fitting out of the operating theatre facilities at Level 2, NUH Kent Ridge Wing.
- The fitting out of the BSL3 laboratory for National Centre for Infectious Diseases.
- The expansion of biopharmaceutical plant at Tuas for Lonza Biologics Tuas Pte Ltd.
- The conversion of general office to a Class 10,000 cleanroom, and upgrading existing Class 10,000 wafer level chip scale cleanroom to Class 1,000 cleanroom for ASE Singapore Pte Ltd.
- The construction and fitting-out of office and research laboratories for Evonik Innovation Centre.
- The construction and fitting-out of 3800 sqm BioReliance laboratory, M lab Collaboration Centre and Media Development Services Lab for MERCK Training & Collaboration Centre.

In 2015 and 2016, we received recognition as a Singapore SME 1000 Company. We also garnered two awards in 2016: Runners-up for the Most Transparent Company Award (New Offer category) at the 17th Securities Investors Association (Singapore) Investors' Choice Award; and the 2016 Enterprise 50 (E50) award before we listed in April 2016.

CONTINUED GROWTH IN THE SPECIALIST ENGINEERING CONTROLLED ENVIRONMENT BUSINESS & DIVERSIFICATION
2019 TO PRESENT

We are now managing projects of bigger size and complexity. This is despite facing the COVID-19 pandemic in early 2020. In February 2020, we have been awarded a S$19.5 million sizeable sub-contract for the supply of labour, tools, and materials for air conditioning and mechanical ventilation works at Plot H9A at SGH. The development comprises a 12-storey health and emergency medical care building with 4 basements. We are also executing a S$11.0 million project, awarded in April 2021, at Singapore Institute of Technology's new campus at Punggol North where we are responsible for the fitting out of the air conditioning and mechanical ventilation system. In December 2021, we are awarded by Neste Asia Pacific Pte Ltd ("**Neste**") a project of sizeable value. Neste has entrusted Acromec to design & build a R&D Laboratory and Regional Office. In line with Neste's strong position as the 4th most sustainable company globally, Acromec offers its expertise in sustainable laboratory solutions with strong emphasis in energy conservation, particularly in HVAC system.

We had built further inroads into the biotech and pharmaceutical sectors, especially during the COVID-19 pandemic and thereafter, through the award of contracts from customers in these sectors. We have secured a sub-contract work worth a cumulative amount of S$5.6 million for a customer in the biotechnology research and development sector to fit out for the customer's state-of-the-art production suites and distribution centres for gene expression solutions, including the production of test kits for distribution across Asia. The project involved fast-paced design and build of cleanrooms (Class 10,000 and 100,000) along with a controlled warehouse area. We continue as market leader in the construction of BSL3 laboratories in Singapore. In FY2022, we were awarded a S$31 million project for the fit-out of an additional floor of an advanced manufacturing facility in Singapore for a leading high-tech customer in the semiconductor industry. The project value is the largest in our Group's history.

We were awarded a S$19 million project for detailed engineering and construction of a 1,500 sqm high containment biosafety level research laboratory in August 2023. The facility is designed for research on highly infectious pathogens potentially carried by infected animals and spread through airborne transmission. The state-of-the-art project involves the construction of a high containment biosafety laboratory using modular panels for both reliability and durability to withstand long periods of hard usage and repeated commissioning. Construction would be carried out in a 'live' building with many existing tenants without affecting their operations. The facility is expected to be completed and certified by 2024 and will be compliant with WHO and MOH high containment facility standards.

We are now garnering more high containment laboratory projects, and continued momentum of executing bigger and larger scale projects.

Expansion into Co-Working Laboratory Space Business

In FY2023, AcroMeta has acquired controlling stake owning 70% of a co-working laboratory space company, Life Science Incubator Pte Ltd ("LSI"). LSI operates a 6,500 sq feet co-working laboratory space at The German Centre in Singapore serving SMEs and start-ups since September 2021. The Group has also entered into a Management Agreement with HB Universal Pte Ltd, a subsidiary of Mainboard-listed Ho Bee Land Limited, to operate and manage a 21,538 square feet co-working laboratory space at Elementum, One-North, a building in the heart of Singapore's biomedical industry district.

AcroMeta has incorporated a 70% owned subsidiary, known as Life Science Incubator Holdings Pte. Ltd., as the Group are looking to expand in Singapore as well as overseas. The remaining 30% shareholdings is owned by our business partner, Tako Ventures LLP. This business will add another dimension of growth to the Group's business as it becomes not only a builder of laboratories but also an operator of co-working laboratory space.

CHAIRMAN'S MESSAGE

LEVIN LEE
Executive Chairman

DEAR SHAREHOLDERS,

It gives me great pleasure to present the annual report of AcroMeta Group Limited, ("AcroMeta" or "the Company", and together with its subsidiaries, "the Group") for the financial year ended 30 September 2023 ("FY2023"). FY2023 has been an exciting year for the Group as we embarked on new ventures that will lay the foundation for the Group's sustainable growth. In addition to our core controlled environments Engineering, Procurement and Construction ("EPC") business, we had several opportunities to grow our new co-working laboratory space business.

Revenue for full year ended 30 September 2023 ("FY2023") improved by 12% to S$69.5 million, as compared with S$62.3 million for FY2022. This is the highest annual revenue achieved in the Group's history and is attributed to a strong order book in the EPC segment. The Group registered improved gross profit margin for FY2023 of 17% compared to the previous year's 16%, which is a notable achievement taking into consideration the rising cost of raw materials, labour, and fuel during the year.

Administrative expenses for FY2023 increased by 30% mainly due to higher staff salary and related expenses incurred to support revenue growth and expansion of new business segments. Other operating expenses for FY2023 increased by 22% mainly due to increase in worker accommodation caused by increase in bed space rental rates. Finance costs increased due to increase in interest rates and to support higher level of business activities.

DISCONTINUED OPERATIONS AND STRATEGIC SHIFT

The Group's controlled environments EPC, co-working laboratory space and maintenance and facilities businesses are profitable and cash flow positive. However, due to unforeseen circumstances its renewable energy venture was untenable, and the decision was made by the Board to implement a strategic shift and terminate financial support for this business to reallocate the Group's resources to the profitable business segments.

On 24 November 2023, the Company's indirect subsidiary, Acropower Pte. Ltd. in which it had an effective interest holding of 56%, had placed its wholly owned subsidiary, Neo Tiew Power Pte. Ltd. ("NTP") under creditors' voluntary winding up ("CVL"). NTP was incorporated in February 2020 to produce renewable energy by converting biomass poultry waste into green electricity through the process of pyrolysis. However, due to the Covid-19 pandemic and major changes to regulations for the safe handling of potentially dangerous animal waste products, it has not been able to commence operations.

Due to the impairment losses and provision of liability relating to the renewable energy business, the Group turned in a net loss attributable to shareholders in FY2023. But excluding the effects of the impairment losses and the provision of liabilities relating to the renewable energy business, the profit from continuing operations amounted to S$2.8 million.

I will now take you through a review of each of the Group's profitable business segments and their prospects in the year ahead.

CONTROLLED ENVIRONMENTS EPC

Our Order Book of EPC projects as of 30 September 2023 stands at a healthy S$30 million. The list of completed and ongoing projects can be viewed in the Operations Review section of this Annual Report. The demand for our specialist engineering capabilities in controlled environments remains robust. The companies in the biomedical sciences, public healthcare, and semiconductor sectors which require controlled environment facilities continue to grow.

Post Covid-19 pandemic, the search for new vaccines and drugs has resulted in the establishment of new or the expansion of existing facilities by the multinational (MNCs) pharmaceutical and biotechnology companies in Singapore. Singapore research institutes such as those under A*Star and DSO are also expanding their research capabilities. Companies have to keep up with the ever-mutating variants of the Covid-19 virus and also be able to detect the appearance of new as yet unknown viruses. Their laboratories must comply with the highest bio-safety levels standards for containment of hazardous biological and chemical materials. AcroMeta is one of the few companies qualified and certified for the construction of such laboratories.

Singapore is now well-established as a biomedical sciences regional hub from which the MNCs do their R&D to bring forth new products, manufacture them and market to the booming Asia-Pacific region. During the year, the companies that set up or expanded their facilities here included Thermo-Fisher Scientific, Merck, Sanofi, Moderna, BioNTech and WuXi Bio.

The semiconductor industries' demand for construction of clean rooms also presents good opportunities. The increased demand for semiconductors, is driven by the ubiquitous use of chips in our daily lives from cell phones to automobiles, data centres hosting Cloud services, and wearables like Smart Watches. Singapore's importance as a key hub for semiconductor manufacturing in the global market is growing. Traditional supply chains for semiconductor chips have been disrupted due to global geopolitics and trade restrictions on certain categories of chips and chip-making machines. This resulted in some parts of the supply chain moving to Singapore. The semiconductor business has very distinct cycles, but the capital-intensive nature and long development period of investments in facilities means that through up or down cycles, as long fundamental demand is growing, companies must invest and build for the future.

In 2023 several MNCs including Global Foundries, Silicon Box, Analog Devices and United Microelectronics either set up or expanded their manufacturing facilities in Singapore. During the year, the Group completed a S$31 million project, the largest single contract in the Group's history, for a company whose machines play a pivotal role in the manufacture of advanced computer chips.

CHAIRMAN'S MESSAGE

In the healthcare industry we see demand for our EPC business coming from both the private and public sectors. In the private sector, affluent individuals' demand for high value medical services, including medical aesthetics means that specialist medical centres need day surgery controlled environments with state of the art equipment. In the public sector, the Singapore government is already implementing its long-term plan to make quality public healthcare accessible to all, and especially to cater to an aging population. By 2030, Singapore plans to build four more public hospitals and up to 12 polyclinics. New public healthcare facilities being constructed or in the pipeline include the Woodlands Health Hub, the redevelopment of Alexandra Hospital, Eastern Integrated Health Campus, TTSH Integrated Care Hub, new National Skin Center, and SGH Emergency Medicine Building. Operating theatres and laboratories, isolation rooms and sterile containment rooms are required. The advent of 5G also brings to healthcare the connection of many IoT (Internet of Things) sensors, and a myriad of devices to each other and to machines and high resolution screens. The Group's controlled environments EPC has the experience and expertise to such systems integration.

All these developments bode well for the continued growth of our controlled environments EPC business. As you can see from the list of projects in the Operations Review section of this Annual Report, the controlled environments EPC business caters to the needs of customers in future-economy industries from biotechnology to semiconductors, healthcare, pharmaceuticals, and food technology.

CO-WORKING LABORATORY SPACE BUSINESS

Away from the giant biomedical science MNCs with their huge funds for investing in research, manufacturing and distribution facilities, another group of companies with different needs fuel the growth of the Group's co-working laboratory space business which is conducted through its 70% owned subsidiary Life Science Incubator Holdings Pte Ltd ("LSI Holdings").

The co-working laboratory space business is a specialized niche of the co-working space business. As Singapore pivots its economy towards high-value innovation-driven sectors such as MedTech, BioTech, BioPharma, FoodTech, and Healthcare, more and more of the SMEs and startups that play a key role in this transformation need specialized workspaces to conduct their research and development (R&D) to bring their innovative products to the market.

Specifically, they need laboratory space that has specialized infrastructure and a comprehensive range of instruments and tools. But building a laboratory from scratch involves high CAPEX. Co-working laboratory spaces provide a welcome solution to the problem by providing flexible communal working space equipped with state-of-the art laboratory furniture, precision measuring equipment, and machines for controlled experiments. LSI currently operates a 6,500 square feet co-working laboratory space at The German Centre in Singapore, serving SMEs and startups.

What is notable about the co-working laboratory space business is that it is a scalable and replicable business thus making it eminently ideal for international expansion. During the year, we captured several business opportunities in the co-working laboratory space business:

6 October 2023: LSI entered into a Management Agreement (the "MA") with HB Universal Pte Ltd, a subsidiary of Mainboard-listed Ho Bee Land Limited. The MA engages LSI to operate and manage a 21,538 square feet co-working laboratory centre at Elementum, One-North, a building in the heart of Singapore's biomedical industry district.

Shortly after the closing of FY2023 on 17 November 2023 and subsequently on 12 December 2023: LSI entered into a strategic partnership via a non-binding Memorandum with Fenglin Healthcare Industry Development (Group) Co. Ltd. a company registered in the People's Republic of China ("PRC") to develop new business opportunities for co-working laboratory space in Shanghai. Subsequently on 12 December 2023, a strategic cooperation framework agreement was signed to further deepen their collaboration for the co-working laboratory space business in the PRC.

MAINTENANCE AND FACILITIES MANAGEMENT BUSINESS

The Group's maintenance and facilities management business is conducted via Acro Harvest Engineering Pte Ltd ("Acro Harvest"). On 23 April 2023, the Company entered into a binding letter of intent to acquire the remaining 10% interest of Acro Harvest. In FY2023 the maintenance and facilities management segment, which is a stable and profitable business, contributed S$6.8 million out of the Group's total revenue of S$69.5 million. There is potential to grow the higher value-add facilities management part of the business as there is a growing trend in the Singapore real estate industry to outsource the management of buildings for many functions including security, technical infrastructure, HVAC, lighting, IT-services, furniture, and grounds maintenance.

OTHER BUSINESS OPPORTUNITIES

Subsequent to the closing of FY2023, on 6 November, a non-binding non-exclusive MOU was signed between AcroMeta and PT Swadaya Buana Makmur ("PTSBM") for the supply of high-grade silica sand from West Kalimantan, Indonesia. There is high demand for high-grade 99.5% purity silica sand which is used in the manufacture of precision glass and ceramic instruments, ophthalmic lenses, and LCD screens required by many industries such as the biotechnology, electronics, and pharmaceutical industries. In construction, it is the main structural component in several construction products such as flooring, mortars, cement, roofing shingles, and asphalt. The Group is currently negotiating with potential international buyers before entering into formal offtake agreements with PTSBM.

OUTLOOK

While there is good potential for the Group's businesses to grow, we must remain vigilant against the many challenges that cloud the business environment. The Construction industry is still grappling with inflationary pressures. The cost of raw materials has increased. Wages for labour has increased as supply is constrained by various factors. New regulations on worker accommodation have resulted in a shortage of dormitories as well as higher rents for bed space. Fuel costs for vehicles have also risen. Heightened geopolitical risks and global economic slowdown amid a high interest rate environment mean that there may be storms on the horizon.

Nevertheless, the healthcare, biomedical and semiconductor industries are the fast-growing industries of the Singapore economy and the Group's controlled environments construction and co-working laboratory business will directly benefit from these developments. Additionally, the economic outlook for the Asia-Pacific region is relatively brighter as compared to other regions of the world due to its large population and demographic profile, rapid urbanisation, rising disposable income, and the proximity of the two large economies of China and India. Singapore, being an open economy and a manufacturing, logistical, financial services, and trading hub for the region stands to benefit from their economic growth.

The Group will intensify its business development and marketing efforts to expand its revenue not only by actively bidding for projects but also by contractors leveraging on its proven track record to have direct negotiations with owners and main contractors. I am confident that we are on the right path to sustainable growth and creating long-term shareholder value for our investors.

ACKNOWLEDGEMENTS

My sincere thanks are owed to my fellow Directors, whose invaluable advice has been key in guiding the Group through a challenging year. I also extend my appreciation to our partners and customers for their consistent support. Lastly, I am grateful to our shareholders for their enduring faith in us, which serves as a constant inspiration for us to aim higher.

Levin Lee

Executive Chairman

12 January 2024

**Sources of industry and economic statistics*
https://www.moh.gov.sg/upcoming-and-completed-healthcare-facilities
https://www.edb.gov.sg/en/our-industries/pharmaceuticals-and-biotechnology.html
https://www.edb.gov.sg/en/our-industries/electronics.html
https://www.mti.gov.sg/Resources/Key-Economic-Indicators
https://www.mordorintelligence.com/industry-reports/singapore-facility-management-market

BOARD OF DIRECTORS

MR. LEVIN LEE KENG WENG
(Executive Chairman)

Mr. Levin Lee Keng Weng was appointed to our Board on 30 January 2023 and is our Executive Chairman. Mr. Levin Lee is also the fund manager of Sino Pacific Capital Limited, a private equity fund based in Hong Kong and investing mainly in equities in Malaysia, Singapore, Thailand and Hong Kong, and a Director of Ace Peak Capital Group Pte Ltd, Singapore private equity investment company, advising on strategic investments and operational activities. He was an Advisor to the board of directors of Grand Ages Precious Metals Ltd, a Hong Kong based gold bullion trader, where he advises the board on investment strategies and advisor (Trading and Operations) to Wincash Apolo Gold & Energy Inc, a US company with principal activities in gold and precious metals exploration and mining and is traded on the Nasdaq OTC market, where he advised the company on fund raising and corporate strategies. Mr. Levin Lee, with his vast experience and expertise in the finance and investment industry, is overseeing our business strategy and leading business development activities to explore and assess new business for future expansion, corporate finance function in fund raising activities, and managing investor relations and shareholder communication.

MR. LIM SAY CHIN
(Executive Director and Chief Executive Officer)

Mr. Lim Say Chin was appointed to our Board on 22 December 2015 and is our Executive Director and Chief Executive Officer. Lim Say Chin co-founded our Group with our Executive Director, Chew Chee Keong and our past director, Goi Chew Leng. Lim Say Chin has been instrumental in successfully leading our Group to become an established player in our industry. He started his career as an engineering assistant in Singapore Aero-Components Overhaul Pte Ltd in August 1983 before he became a technical officer in INDECO Engineers Pte Ltd in May 1985, overseeing the maintenance team at the National University Hospital. He then joined NEXUS Technology Pte Ltd in May 1987 as a design draftsmen and left as a project engineer in February 1988. Between March 1988 and April 1991, Lim Say Chin was a project engineer of SUPERSYMMETRY Services Pte Ltd and helped to set up and operate the company’s office in Thailand. In May 1991, Lim Say Chin joined Kyodo-Allied Industrials Pte Ltd as a sales manager where he was responsible for the business development of the company’s cleanroom business and related products. From September 1994 to August 1996, Lim Say Chin was a project manager in Hopkinson Engineering Pte Ltd where he was responsible for submission of tenders, design and management of projects. Since December 1996, Lim Say Chin has been the Managing Director of Acromec Engineers Pte Ltd and has been responsible for formulating corporate strategies as well as ensuring the smooth operation of our Group. Lim Say Chin graduated with a Technical Diploma in Mechanical Engineering in August 1983 and an Advanced Diploma in Building Services Engineering in August 1991, both from Ngee Ann Polytechnic. He subsequently obtained a Bachelor of Engineering degree with Honours in Mechanical Engineering from University of Glasgow in July 1994. He currently oversees the project management, contract and procurement activities, human resources & admin and quality environment healthy safety department of the Group.

MR. CHEW CHEE KEONG
(Executive Director and Chief Operating Officer)

Mr. Chew Chee Keong was appointed to our Board on 22 December 2015 and is our Executive Director and Chief Operating Officer. Together with Lim Say Chin, our Executive Director and Chief Executive Officer, and Goi Chew Leng, our past director, Chew Chee Keong co-founded our Group. He currently oversees the business development, tender and engineering functions of the Group. He started his career as a mechanical engineer and was responsible for project planning, building services system design, project coordination as well as testing and commissioning of building services for residential and commercial buildings. In July 1996, Chew Chee Keong joined Acromec Engineers Pte Ltd as a director. Chew Chee Keong graduated with a Diploma in Mechanical Engineering from Singapore Polytechnic in May 1989 and a Bachelor of Engineering degree with Honours in Mechanical Engineering from the University of Glasgow in July 1994.

MR. CHEONG KENG CHUAN ALFRED
(Lead Independent Director)

Mr. Cheong Keng Chuan Alfred is our Lead Independent Director and was appointed to our Board on 17 February 2023. Alfred is the Deputy Managing Partner of Crowe Horwath First Trust LLP, a local firm of certified public accountants. He has over 25 years of experience in the audit and financial consulting services industry including serving six years at Arthur Andersen from 1996 to 2001 and two years at Protiviti Pte Ltd from 2003 to 2005. Alfred also has extensive experience in commercial financial management having held the post of regional financial manager at Linklaters Allen & Gledhill Pte Ltd, an international legal firm from 2001 to 2002 and as the financial controller of Aztech Systems Ltd., a publicly-listed company in Singapore from June 2002 to October 2002. Alfred graduated from Deakin University Australia with degree in Bachelor of Commerce (Accountancy and Economics). He is a member of CPA Australia and a practicing member of the Institute of Singapore Chartered Accountants.

MR. MAHTANI BHAGWANDAS
(Independent Director)

Mr. Mahtani Bhagwandas is our Independent Director and was appointed to our Board on 25 November 2022. Mahtani was practicing as an advocate and solicitor of the Supreme Court of Singapore from 1993 to June 2021. He graduated from National University of Singapore with a Bachelor of Laws (Hons) degree in 1992. He is currently an independent director of GRP Limited.

MR. CHAN TZE CHOONG ERIC
(Independent Director)

Mr. Chan Tze Choong Eric is our Independent Director and was appointed to our Board on 28 April 2023. He was previously with Jardine Cycle & Carriage Limited for 27 years holding last appointment as the Regional Managing Director – South East Asia responsible for the motor operations in Singapore, Malaysia, Myanmar and Indonesia. His listed company Board experience included Board Chairman of Bursa Malaysia listed Cycle & Carriage Bintang Berhard and Commissioner on PT Tunas Ridean Tbk, a listed motor dealership group in Indonesia. He graduated from National University of Singapore with a Bachelor of Arts Degree – Economics & Sociology. He has attended IMD Business school Switzerland, London Business School and Executive Programmes, SID-SMU: Executive certificate in Directorship programme.

SENIOR MANAGEMENT

MS. CHEAH LAI MIN
Chief Financial Officer

Ms. Cheah Lai Min is our Chief Financial Officer and a key executive of our Group. She is responsible for the Group's overall finance functions including accounting, financial reporting, treasury, tax, internal controls, corporate governance, and ensuring compliance with regulations. She joined the Group in May 2021 as Financial Controller and was promoted to CFO in July 2023. She has more than 15 years of experience spanning audit, finance, accounting and compliance, having work experience in industries such as manufacturing, healthcare, project management, engineering and construction. Prior to joining the Group, she was the Group Financial Controller in a precision component manufacturing group. She had also held a senior finance position with iX Biopharma Ltd, a listed company on Catalist of SGX-ST, overseeing the accounting, compliance and financial reporting matters for the group. Ms. Cheah graduated with a Diploma in Accountancy (with Merit) from Singapore Polytechnic in June 2003. She holds a Bachelor of Science with first class honours in applied accounting from Oxford Brookes University and is a Chartered Accountant with the Institute of Singapore Chartered Accountants since 2009.

MR. ER. ANTON SETIAWAN
General Manager,
Acromec Engineers Pte Ltd,
Country Manager (Indonesia)

Mr. Er. Anton Setiawan is our General Manager, Acromec Engineers Pte Ltd, a principal subsidiary of AcroMeta Group Limited, and Country Manager for Indonesia, based in Singapore. As the General Manager, he is responsible for the business and operations of Acromec Engineers. He is also in charge of overseeing the operations of our Indonesia business. He was instrumental in leading the team to spearhead and expand our presence in Indonesia. He has more than 15 years of experience in mechanical & electrical ("M&E"), laboratory, and mission critical building design and fit-out. Prior to joining the Group in November 2016, Anton has completed various ranges of building and fit-out projects in Singapore and Southeast Asia, including laboratories, healthcare facilities, and mixed developments. As Principal Engineer, he provides his expertise in heating, ventilation and air conditioning, compressed gases, and laboratory design which are in compliance with the Building and Construction Authority Regulation. As a certified Green Mark Professional and holding a Master of Science in Sustainable Building Design from University of Nottingham, Anton possesses know-how in holistic sustainable design which helps to reduce client's operational cost. Back in 2005, he joined Shinryo Corporation Singapore Pte Ltd as a mechanical engineer where he generally supports the engineering design, calculations and site testing and commissioning works. In 2008, he worked as an associate in the M&E Group at T.Y. Lin International Pte Ltd, supporting the delivery of multiple projects. Anton graduated with a Bachelor Degree in Mechanical Engineering from Nanyang Technological University in June 2005 and Master of Science in Sustainable Building Design from University of Nottingham in October 2012.

MR. DANIEL ANG

General Manager,
Acro Harvest Engineering Pte Ltd

Mr. Daniel Ang is our General Manager, Acro Harvest Engineering Pte Ltd, a principal subsidiary of AcroMeta Group Limited. Prior to joining Acro Harvest, he is the Senior Manager of Maintenance in Acromec Engineers. As the General Manager, he is responsible for the business and operations of Acro Harvest. He has more than 25 years of experience in the service and maintenance of HVAC, Smoke Control and Power Protection Solutions with reputable companies. During the course of his career, he has held the position of Service Business Manager with Daikin and Senior Service Manager with Mitsubishi Electric. He has also held the position of Service Manager with Colt Ventilation which is an expert in smoke control and with Critical System Services which is in Power Protection Solutions. Daniel graduated with a Bachelor Degree with Honours in Mechanical Engineering from the University of Glasgow, UK in June 1994 and a Graduate Diploma in Business Administration from Singapore Institute of Management in December 1997.

MS. ZEÏNA – MERIEM GRAY

Director,
Life Science Incubator Holdings Pte Ltd

Ms. Zeïna-Meriem Gray is our Director, Life Science Incubator Holdings Pte Ltd, a principal subsidiary of AcroMeta Group Limited. She additionally acts as Director for other associated LSI businesses. In her role as Director, Zeïna overseas all operations at existing facilities, and manages the group's expansion both in Singapore and the region. She has 23 years experience in property and construction, having started her career in Property and Asset Management in London after graduating in 2000, before moving to Singapore in 2008 to work as part of the construction team at the iconic Marina Bay Sands Integrated Resort. She has since worked in project management on a number of high profile commercial and laboratory projects, and served in several leadership roles in Construction Project Management, including Director level roles at Procore, Mace and Colliers International.

OPERATIONS REVIEW

FINANCIAL PERFORMANCE

The Group's revenue for the year ending September 30, 2023 ("FY2023") saw a 12% increase to S$69.5 million, a record high for the Group, primarily attributed to a robust order book in the EPC segment.

Cost of sales was broadly aligned with the uptrend in revenue increasing by 10% for the full year. Gross profit margins improved to 17% in FY2023, compared to 16% in the corresponding period of the previous year.

Administrative expenses rose by 30% in FY2023, largely due to increased staff costs associated with revenue growth and new business expansion. Other operating expenses grew by 22% in FY2023, primarily due to higher worker accommodation costs. Finance costs also rose, reflecting increased interest rates and business activities.

The Group has recorded under discontinued operations in 2H2023 total impairment losses and provision of liability of S$13.4 million due to Neo Tiew Power Pte. Ltd. ("NTP") being placed into creditors voluntary winding up ("CVL") on 24 November 2023. NTP is a wholly owned subsidiary of AcroPower Pte. Ltd., in which the Company has an effective interest of 56%.

The impairment is analysed into S$12.3 million in property, plant and equipment, S$0.1 million in other receivables relating to NTP and a S$1.0 million provision for liability payable to Chew's Agriculture Pte Ltd. It was decided by the Board that NTP cannot by reason of its liabilities, and with no favourable changes in its business environment expected in the future, was unable to continue as a going concern. While there are reasons to believe some potential returns from the liquidation, the Group has taken a conservative position that no amounts are recoverable.

Non-controlling interests mainly relate to the share of results from the Group's subsidiary, NTP. The effect of non-controlling interest related to the above impairment losses in NTP amounted to S$4.6 million. The net financial impact of the impairment losses and provision of liability attributable to owners of the Company amounted to S$8.8 million.

Due to the impairment losses and provision of liability relating to the renewable energy business, the Group turned in a net loss attributable to shareholders in FY2023. Excluding the effects of the impairment losses and the provision of liabilities relating to the renewable energy business, the profit from continuing operations amounted to S$2.8 million.

FINANCIAL POSITION

Non-current assets decreased, mainly due to impairment losses on property, plant, and equipment related to construction of the plant for the renewable energy venture. Current assets declined due to improved trade receivables collections and the completion of a major project. Current liabilities decreased due to quicker settlements and project completion.

Non-current liabilities were reduced following bank loan repayments. Loans from non-controlling interests were for the plant construction of the renewable energy venture.

As of September 30, 2023, the Group faced a net current liabilities position of S$6.9 million, including S$2.8 million from the disposal group classified as held-for-sale. Taking into consideration the projects order book and projected cash flows the Board is of the opinion that the Group can meet its short-term obligations.

CASH FLOW

The Group's cash and cash equivalents in FY2023 remained stable. Net cash from operations, amounting to approximately S$1.7 million, resulted from operational profits and positive working capital changes. Net cash used in investing activities amounting to S$1.0 million involved property, plant and equipment purchases and subsidiary acquisitions. Net cash used in financing activities, totalling S$0.4 million, was primarily for loan repayments and lease liabilities payments, partially offset by S$2.6 million raised from the rights issue.

The CVL of NTP did not negatively affect the cashflow of the Group as NTP had been negative cashflow since inception and loss-making to-date. Instead, the Group expects its group's cashflow position to improve with the CVL of NTP.

OPERATIONS REVIEW

CORPORATE DEVELOPMENTS

On May 26, 2023, the Company announced the completion of its acquisition of an additional 40% stake in Life Science Incubator Pte Ltd ("LSI"), making LSI a 70% owned subsidiary of the Group. The S$1.6 million consideration for this acquisition, based on the sales and purchase agreement with Tako Ventures LLP, is structured in tranches tied to specific milestones in LSI's expansion plan. Further details can be found in the Company's announcements to SGXNet on February 20 and March 31, 2023.

On June 2, 2023, the Company acquired an additional 10% stake in Acro Harvest Engineering Pte Ltd ("Acro Harvest") from a strategic partner for S$174,209, based on the company's net tangible assets and current earnings, thus making Acro Harvest a wholly owned subsidiary of the Group.

On August 22, 2023, the Company formed a 70% owned subsidiary, Life Science Incubator Holdings Pte. Ltd. ("LSI Holdings"), with Tako Ventures LLP owning the remaining 30%. LSI Holdings will focus on investment holdings and the renting of fitted-up laboratory spaces for research and development activities.

On October 5, 2023, LSI Holdings incorporated LSI Elementum Pte. Ltd. in Singapore with a share capital of S$100,000. The next day, the Group announced a management agreement with HB Universal Pte Ltd to operate a co-working laboratory space at Elementum, One-North.

On November 15, 2023, the Company incorporated AcroMeta Minerals Pte. Ltd., for business primarily related to the manufacturing and wholesale trading of non-metallic mineral products.

EPC PROJECTS

Despite the recovery of construction activities after the Covid-19 pandemic, the Group continues to anticipates ongoing margin pressures and challenging operating conditions, primarily due to increased costs in energy, manpower and construction materials. In particular, the availability of skilled manpower poses a challenge together with higher wages and higher dormitory space rental cost. These operating challenges are exacerbated by heightened trade tensions and geopolitical risks, resulting in a business environment fraught with uncertainties.

Nevertheless, the Group's controlled environments EPC business had a busy year in FY2023. As projects can take several months and overlap the Group's financial year end, here is a list of notable completed and ongoing projects that span FY2022 and FY2023. The order book as of 30 September 2023 stands at S$30 million.

OPERATIONS REVIEW

COMPLETED PROJECTS

In FY2023, the Group, through its wholly owned subsidiary, Acromec Engineers Pte Ltd (“Acromec”) completed several notable projects.

1. Genscript Biotech (Singapore) Pte Ltd – Phase 2

Acromec was appointed as main contractor by Genscript Biotech (Singapore) Pte Ltd (“Genscript”), for the expansion of its laboratory facility at Solaris @ Kallang 164 which was built by Acromec a year ago. Genscript’s R&D and production laboratory facilities are used for the manufacture of the first-in-world C-Pass Serological Test Kit by the Duke University-NUS Medical School collaboration. C-Pass is a game-changing blood-testing kit that determines a person’s level of immunity against COVID-19 after vaccination.

2. ASM Front-End Manufacturing Singapore Pte Ltd (ASM)

Acromec was appointed as main contractor for the fit-out of an additional floor within an existing integrated advanced manufacturing facility in Singapore. After completion in 2023, the expansion has substantially increased ASM’s manufacturing capacity. ASM’s machines play a vital role in the manufacture of the advanced computer chips that are now embedded in many items of our everyday life from smart phones to electric vehicles to laptops; as well as in advanced industrial applications such as in aerospace, Artificial Intelligence and the Metaverse.

3. Integrated DNA Technologies Pte Ltd (IDT) – Phase 2

Acromec was appointed as design and build contractor for Integrated DNA Technologies Pte Ltd’s fit-up of laboratory and Clean Room at Science Park. The facility provides high valued reagent substances for diagnostic equipment and test kits, including SARS-CoV-2 test kits. IDT is a company at the forefront of biotechnology providing a host of high-tech services from gene editing, and sequencing to gene fragments for Covid-19 R&D and the manufacture of customised DNA strands for biotechnology researchers.

4. Medpace Singapore Pte Ltd (Medpace)

Acromec was appointed as design and build contractor for Medpace’s new laboratories and support facilities. Medpace conducts clinical trials for biotechnology, pharmaceutical and medical devices companies and provides the supporting services for clinical trials. Such services include study management, clinical monitoring, data management, and regulatory submissions.

ONGOING PROJECTS

1. Singapore General Hospital

Acromec has been appointed as a sub-contractor by Kurihara Kogyo Co., Ltd (Singapore branch) for the supply of labour, tools, and materials for air conditioning and mechanical ventilation works at Singapore General Hospital. The development comprises a 12-storey Emergency Medical Care building with 4 basements. The Emergency Medical Care unit is part of the Singapore government’s long term strategy to make good healthcare available and affordable to all Singapore citizens.

2. Singapore Institute of Technology (SIT)

Acromec has been appointed as a sub-contractor by Kurihara Kogyo Co., Ltd (Singapore branch) for the supply of labour, tools, and materials for air conditioning and mechanical ventilation works at SIT Plot 1. Kurihara Kogyo is an established Japanese M&E contractor with several big projects in the South-East Asia region. The project also involves piping works for Block W5 and JTC Space, ductworks for Blocks W3, W5, W7 carpark and JTC Space, as well as lab ductworks for Blocks W3 and W5.

3. AHS (Bideford)

Acromec has been selected to fit up health screening facilities for Doctor Anywhere’s executive health screening programme at 30 Bideford Rd, off Orchard Road. The facility has a total area of 1,100 sqm and is equipped with state-of-the-art health screening machines and equipment including separate radiology and endoscopy suites.

4. Avant

FoodTech company Avant set up its pilot plant at Senoko, Singapore for production of cell-cultivated fish and seafood. Avant awarded Acromec a multiphase contract for the design and build of energy-efficient and critical efficiency Clean Room grade laboratory and cell cultivation plant. Acromec implemented the complex integration of architectural, ACMV, electrical, process water, compressed gas, as well as effluent disinfection systems for the entire plant. The design also took into account the need for ease of expansion in future phases of the project that will also be designed and built by Acromec.

OPERATIONS REVIEW

5. A*Star BSL3

Acromec has been awarded a S$19 million contract for the design and construction of a 1,500 sqm biosafety level BSL-3/ABSL-3 and ABSL-2 research laboratory. The facility is designed for research on deadly diseases potentially carried by infected animals and spread through airborne transmission. ABSL-3/ABSL-2 (Animal Biosafety Level) are laboratory standards for handling and containing air-borne deadly infectious diseases utilizing animals as test subjects. Construction would be carried out in a 'live' building with many existing tenants without affecting their operations. The facility is expected to be completed and certified by 2024 and will be compliant with WHO and MOH high containment facility standards.

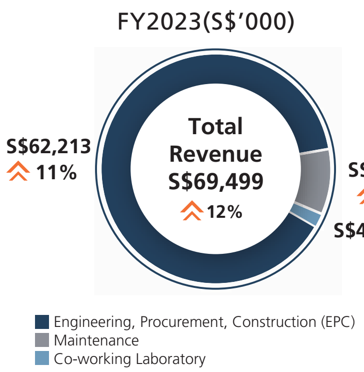
6. Biosyngen

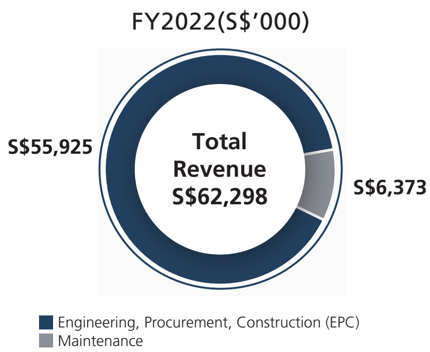
Acromec has been appointed to provide time-critical HVAC solutions to improve on temperature, humidity, and reliability of existing Clean Room for high tech cell and gene therapy production facility. Biosyngen is a leading biotechnology company with proprietary technology for immune-oncology therapies. The environment for human cell cultivation to be used in Cancer therapeutics requires very stringent adherence to temperature, humidity, and Clean Room standards.

CO-WORKING LABORATORY SPACE

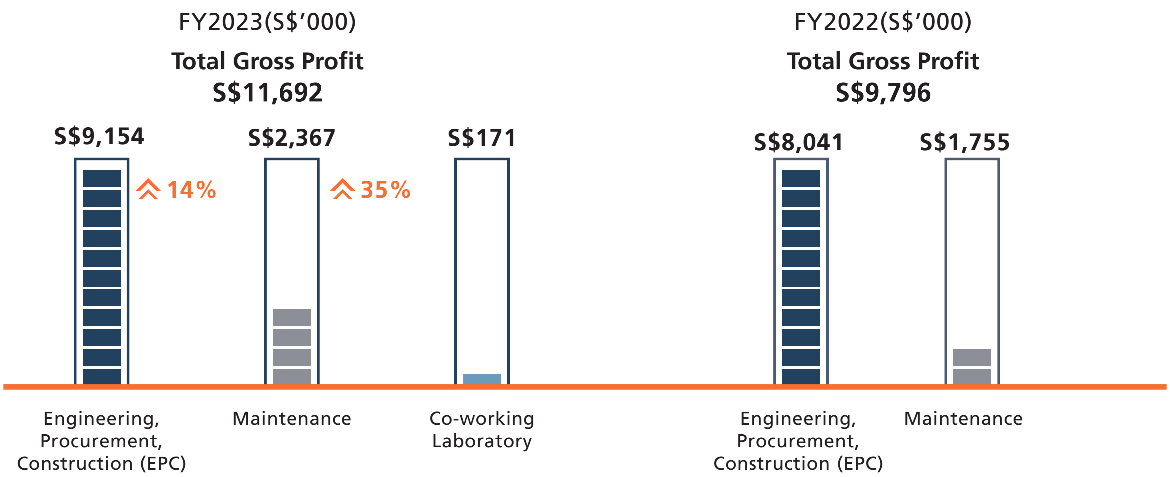
In 2023, the Group has expanded and diversified its core business to include the operation and management of co-working laboratory space through the acquisition of a majority stake in LSI and with the incorporation of LSI Holdings. The Group currently operates a 6,500 square feet of co-working laboratory space at The German Centre in Singapore. In October 2023, the Group entered into a Management Agreement with HB Universal Pte Ltd, a subsidiary of Mainboard-listed Ho Bee Land Limited, to operate and manage a 21,538 square feet co-working laboratory space at Elementum, One-North, a building in the heart of Singapore's biomedical industry district. The Group is currently focus in expanding the co-working laboratory space business.

REVENUE

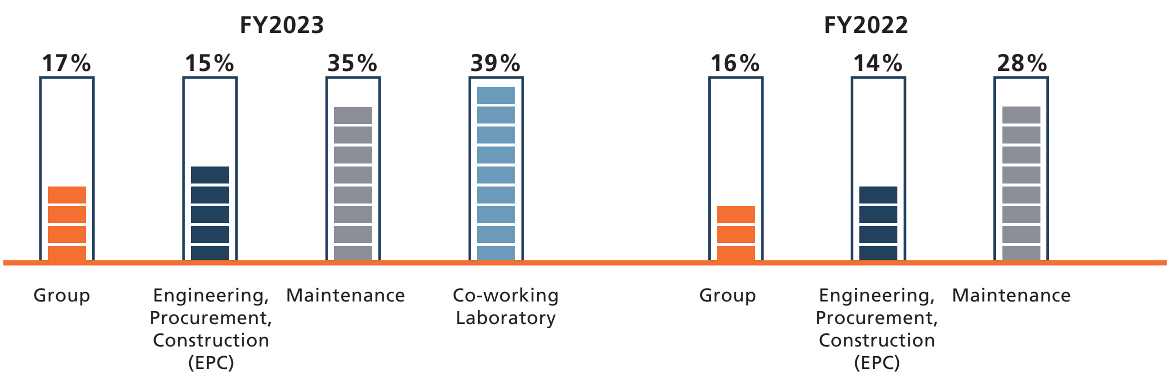




GROSS PROFIT



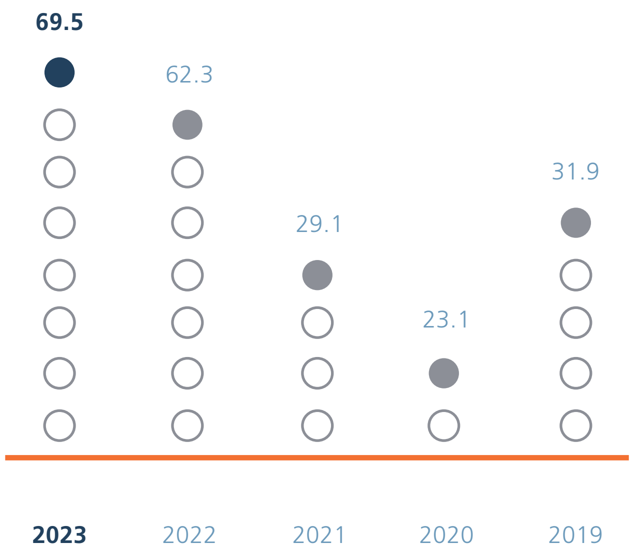
GROSS PROFIT MARGIN



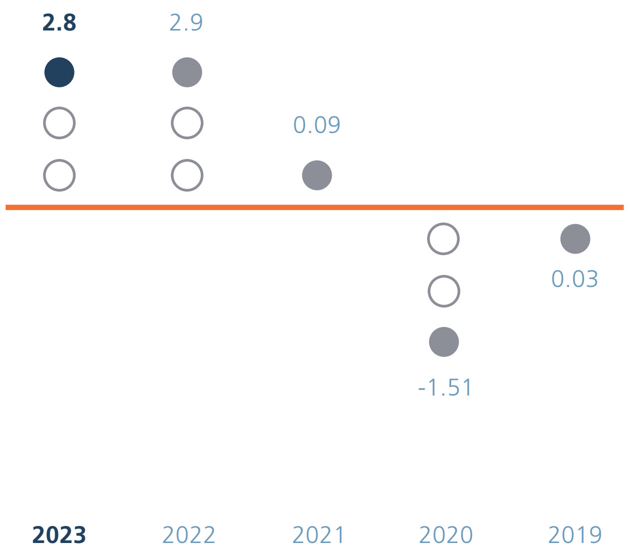
*Renewable energy segment is under discontinuing operations in FY2023.

FINANCIAL HIGHLIGHTS

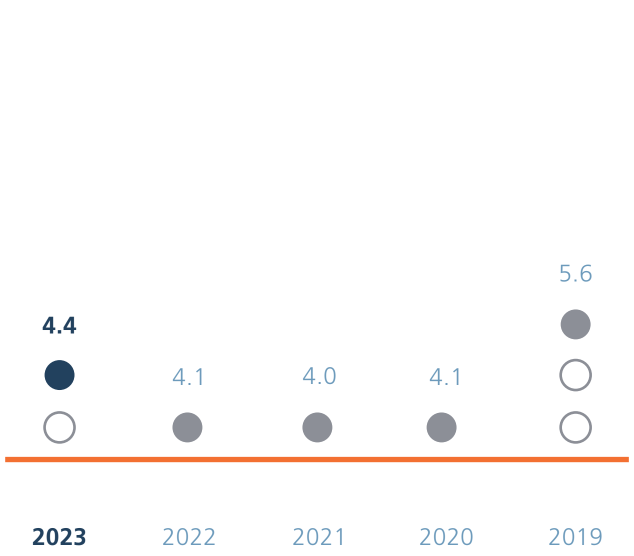
REVENUE (S$'M)



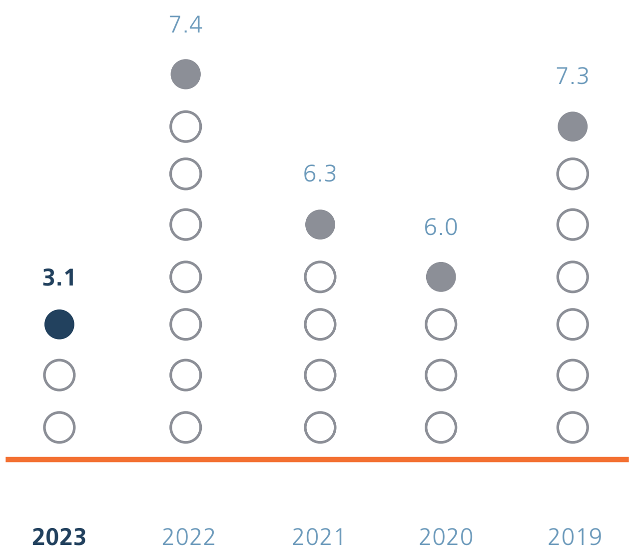
PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY – CONTINUING OPERATIONS (S$'M)



CASH AND CASH EQUIVALENTS (S$'M)



NET ASSETS (S$'M)



CORPORATE INFORMATION

BOARD OF DIRECTORS:

LEVIN LEE KENG WENG
(Executive Chairman)

LIM SAY CHIN
(Executive Director and Chief Executive Officer)

CHEW CHEE KEONG
(Executive Director and Chief Operating Officer)

CHEONG KENG CHUAN, ALFRED
(Lead Independent Director)

MAHTANI BHAGWANDAS
(Independent Director)

CHAN TZE CHOONG ERIC
(Independent Director)

AUDIT COMMITTEE:

CHEONG KENG CHUAN, ALFRED
(Chairman)
MAHTANI BHAGWANDAS
CHAN TZE CHOONG ERIC

NOMINATING COMMITTEE:

MAHTANI BHAGWANDAS
(Chairman)
CHEONG KENG CHUAN, ALFRED
CHAN TZE CHOONG ERIC

REMUNERATION COMMITTEE:

CHAN TZE CHOONG ERIC
(Chairman)
MAHTANI BHAGWANDAS
CHEONG KENG CHUAN, ALFRED

COMPANY SECRETARY:

Siau Kuei Lian

REGISTERED OFFICE:

4 Kaki Bukit Avenue 1
#04-04 Kaki Bukit Industrial Estate
Singapore 417939
Tel: 67431300
Fax: 67431159

SHARE REGISTRAR:

IN.CORP CORPORATE SERVICES PTE. LTD.
30 Cecil Street
#19-08 Prudential Tower
Singapore 049712

AUDITORS:

DELOITTE & TOUCHE LLP
6 Shenton Way
#33-00 OUE Downtown 2
Singapore 068809

Partner in charge:
Chua How Kiat
(from financial year 2019)

PRINCIPAL BANKER:

DBS BANK LTD

THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED

CONTINUING SPONSOR:

EVOLVE CAPITAL ADVISORY PRIVATE LIMITED
138 Robinson Road
#13-02
Oxley Tower
Singapore 068906

FINANCIAL CONTENTS

AcroMeta Group Limited (the "**Company**") and together with its subsidiaries (the "**Group**") is committed to maintaining a high standard of corporate governance. The Company understands that good corporate governance is an integral element of a sound corporation and enables it to be more transparent and forward-looking. In addition, sound corporate governance is an effective safeguard against fraud and dubious financial engineering, and hence helps to protect shareholders' interests. This also helps the Company to create long-term value and returns for its shareholders.

The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") requires all listed companies to describe in their Annual Reports, their corporate governance practices, with specific reference to the Principles and Provisions of the Code of Corporate Governance dated 6 August 2018 (last amended on 11 January 2023) (the "**Code**") and accompanying Practice Guidance (last amended on 11 January 2023).

The Company is pleased to report on its corporate governance processes and activities as required by the Code ("**Report**"). For easy reference, sections of the Code under discussion in this Report are specifically identified. However, this Report should be read as a whole as other sections of this Report may also have an impact on the specific disclosures.

Statement of Compliance

The Board of Directors of the Company (the "**Board**" or the "**Directors**") confirms that for the financial year ended 30 September 2023 ("**FY2023**"), the Company has generally adhered to the Principles and Provisions as set out in the Code, save as otherwise explained below.

BOARD MATTERS

The Board's Conduct of Affairs

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

As at the date of this Report, the Board comprises the following members, all of whom have the appropriate core competencies and diversity of experience needed to enable them to effectively contribute to the Group.

Levin Lee Keng Weng	Executive Chairman
Lim Say Chin	Executive Director & Chief Executive Officer
Chew Chee Keong	Executive Director & Chief Operating Officer
Cheong Keng Chuan, Alfred	Lead Independent Director
Mahtani Bhagwandas	Independent Director
Chan Tze Choong Eric	Independent Director

Provision 1.1 – Principle Duties of the Board

The principal functions of the Board, in addition to carrying out its statutory responsibilities, *inter alia*, are as follows:

- overseeing and approving the formulation of the Group's overall long-term strategic objectives and directions, corporate strategy and objectives as well as business plans, taking into consideration sustainability issues;
- overseeing and reviewing the management of the Group's business affairs and financial controls, performance and resource allocation, including ensuring that the required financial and human resources are available for the Group to meet its objectives;
- establishing a framework of prudent and effective controls to assess and manage risks and safeguard shareholders' interests and the Group's assets;
- to review the Management's performance;
- to set the Group's values and standards and ensure that obligations to shareholders and other stakeholders are understood and met;
- to approve the release of the Group's half-year and full-year financial results and related party transactions of a material nature; and
- to assume the responsibilities for corporate governance.

Independent Judgement

All Directors exercise due diligence and independent judgment in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interest of the Group. The Directors on the Board have the appropriate core competencies and diversity of experience that enable them to contribute effectively. They are able to objectively raise issues and seek clarification as and when necessary, from the Board and the Management on matters pertaining to their area of responsibilities and actively help the Management in the development of strategic proposals and oversees the effective implementation by the Management to achieve the objectives set. The Board puts in place a code of conduct and ethics, set appropriate tone-from-the-top and desired organisation culture and ensure proper accountability within the Company.

Conflict of Interest

Every Director of the Company is required to disclose any conflict or potentially conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Group as soon as practicable after the relevant facts have come to his or her knowledge. On an annual basis, each Director is also required to submit details of his or her associates for the purpose of monitoring interested persons transactions. When there is an actual or potential conflict of interest, the concerned Directors shall, abstain from voting, and recuse themselves from discussion or decision making involving the issue of conflict and related matters.

Provision 1.2 – Directors' Orientation and Training

The Company will provide a comprehensive orientation programme for incoming Directors upon them joining the Board to familiarize them with the Company's businesses and governance practices, accounting control policies, procedures and the risk management framework and internal control policies and procedures as well as industry-specific knowledge so as to assimilate them into their new roles. The Company will also arrange for any new Director with no prior experience as a director of a listed company in Singapore to undergo the mandatory training as prescribed by the SGX-ST and other appropriate courses or seminar, training conducted by the Singapore Institute of Directors or other training institutions in areas such as accounting, legal and industry specific knowledge, where appropriate, in connection with their duties and responsibilities. They may also attend briefings on the roles and responsibilities as directors of a listed company in Singapore.

The Board as a whole is updated regularly on changes to the Catalist Rules and the Code, as well as on risk management, corporate governance, insider trading and the key changes in the relevant regulatory requirements and international financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as Board or Board Committees members. The Directors are also encouraged to keep themselves abreast of the latest developments relevant to the Group and attendance of appropriate courses and seminars will be arranged and funded by the Company. The external auditors update the Directors on the new or revised financial reporting standards on an annual basis. In line with the requirement of the Task Force on Climate-related Financial Disclosures disclosure and the climate related disclosure, the Company has arranged for the directors to undergo related mandatory training as required by SGX-ST. All except one of the executive directors have undergone sustainability training in connection with their duties and responsibilities on sustainability matters. The executive director will complete the prescribed sustainability training as mandated by SGX-ST in the next financial year.

Directors may request to visit the Group's operating facilities and meet with the Group's management (the "**Management**") to gain a better understanding of the Group's business operations and corporate governance practices. Newly appointed Directors will receive a formal letter explaining their duties and responsibilities, and will undergo orientation and be briefed on the business and governance practices of the Group as well as industry-specific knowledge.

Mr Levin Lee Keng Weng (Executive Chairman), Mr Cheong Keng Chuan Alfred (Lead Independent Director), and Mr Chan Tze Choong Eric (Independent Director) are appointed as the Directors during FY2023 and they have been briefed on their role and obligations as directors under listing rules as well as the relevant laws and regulation of a director of a public listed company in Singapore. They have also been briefed to familiarize with the various businesses and operations of the Group. The Company has also arranged for Mr Chan Tze Choong Eric to attend the mandatory training in accordance with Rule 406(3)(a) of the Catalist Rules.

Provision 1.3 – Board Approval

The approval of the Board is required for matters such as announcements release to SGX-ST, including Group's half year and full year results announcements and press releases, operating budgets, annual and interim reports, financial statements, directors' statement and annual report, any matters relating to shareholders' meetings, Board and Board Committees, corporate strategies, corporate restructuring, mergers and acquisitions, major investments and divestments, material acquisitions and disposals of assets, major corporate policies on key areas of operations, major corporate actions such as share issuance, declaration of dividends and interested person transactions.

Provision 1.4 – Delegation by the Board to the Board Committees

To assist in the execution of its responsibilities, the Board has established three Board Committees, comprising an Audit Committee (the "**AC**"), a Nominating Committee (the "**NC**") and a Remuneration Committee (the "**RC**") (collectively, the "**Board Committees**" or each the "**Board Committee**"). These committees' function within clearly defined written terms of reference ("**TOR**") and operating procedures. The composition of the Board Committees for FY2023 is tabulated below:

Directors	AC	NC	RC
Lim Say Chin	–	–	–
Chew Chee Keong	–	–	–
Goi Chew Leng*	Member	Member	Member
Levin Lee Keng Weng**	–	–	–
Yee Kit Hong***	Chairman	Member	Chairman
John Geno-Oehlers****	Member	Member	Member
Mahtani Bhagwandas	Member	Chairman	Member
Cheong Keng Chuan, Alfred^	Chairman	Member	Member
Chan Tze Choong Eric^^	Member	Member	Chairman

Notes:

* Ceased as Non-Executive Director on 30 January 2023
** Appointed as Executive Chairman on 30 January 2023
*** Ceased as Lead Independent Director on 1 February 2023
**** Ceased as Independent Director on 1 February 2023
^ Appointed as Lead Independent Director on 17 February 2023
^^ Appointed as Independent Director on 28 April 2023

The Board Committees have the delegated power to deliberate any issue that arises in their specific areas of responsibilities within their respective TOR and report to the Board with their decisions and/or recommendations. The ultimate responsibility and authority for the decisions and actions on all matters rest with the Board. Each Board Committee's activities and roles are elaborated further in provisions 4.1, 6.1 and 10.1.

Provision 1.5 – Board Meetings and Attendance
Provision 1.6 – Access of Information

The Board meets regularly on a half-yearly basis and ad-hoc Board Committee or Board meetings are convened when they are deemed necessary. In between Board meetings, other important matters will be tabled for the Board's approval by way of circulating resolutions in writing. The Constitution of the Company and terms of reference for each Board Committee provides for meetings of the Board and Board Committees to be held by way of telephonic conference.

The attendance of the Directors at scheduled Board Committees and Board meetings held in FY2023 is set out below:

	Board	Board Committees			General Meeting
		AC	NC	RC	AGM
Number of meetings held	2	3	1	1	1
	Number of meetings attended				
Lim Say Chin	2	2#	1#	1#	1
Chew Chee Keong	2	2#	1#	1#	1
Goi Chew Leng*	1	1#	1#	1#	1
Levin Lee Keng Weng**	1	2#	–	–	–
Yee Kit Hong***	1	1	1	1	1
John Geno-Oehlers****	1	1	1	1	1
Mahtani Bhagwandas	1	2	–	–	1
Cheong Keng Chuan, Alfred^	1	2	–	–	–
Chan Tze Choong Eric^^	1	2	–	–	–

\# By invitation
* Ceased as Non-Executive Director on 30 January 2023
** Appointed as Executive Chairman on 30 January 2023
*** Ceased as Lead Independent Director on 1 February 2023
**** Ceased as Independent Director on 1 February 2023
^ Appointed as Lead Independent Director on 17 February 2023
^^ Appointed as Independent Director on 28 April 2023

Directors with multiple board representations will ensure that sufficient time and attention are given to the affairs of the Group.

The Company recognises that the flow of relevant, complete and accurate information on a timely basis is critical for the Board to discharge its duties effectively. The Management provides the Board with half-yearly management accounts, as well as relevant background or explanatory information relating to the matters that would be discussed at the Board meetings, prior to the scheduled meetings. All directors are also furnished with updates on the financial position and any material developments of the Group as and when necessary.

Provision 1.7 – Independent Access to Management and Company Secretary and Independent Professional advice at the Company's expense

The Board has separate and independent access to the Company Secretary and the Management at all times. The Board will have independent access to professional advice when required at the Company's expense. The appointment of such professional advisor is subject to approval by the Board and the Executive Chairman.

Under the direction of the Executive Chairman, the Company Secretary facilitates information flow within the Board and Board Committees and between the Management and Non-Executive Directors. The Company Secretary and/or her representative(s) attends all meetings of the Board and Board Committees and ensures that all Board and Board Committees procedures are followed and applicable rules and regulations are complied with. The minutes of all Board and Board Committees meetings are circulated to the respective Board and Board Committees. The appointment and removal of the Company Secretary are subject to the approval of the Board as a whole.

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

Board Composition and Guidance

Provision 2.1 – Board Independence
Provisions 2.2 and 2.3 – Proportion of Non-Executive and Independent Directors
Provision 2.4 – Board Composition & Diversity
Provision 2.5 – Meetings of Non-Executive Directors and Independent Directors

As at the date of this Report, the Board comprises six Directors, of whom three are independent and three are executive directors. Mr Levin Lee is the Executive Chairman and Mr Lim Say Chin is the Executive Director and Chief Executive Officer ("**CEO**"). The Company notes that Provision 2.2 of the Code requires that independent Directors should make up a majority of the Board where the Chairman is not independent and Provision 2.3 of the Code requires that non-executive directors make up a majority of the Board. As there is a strong independent element on the Board given the size of the Board with Independent Directors making up half of the Board, the Board is of the view that it is not necessary nor cost-effective to have independent directors make up a majority of the Board. In addition to strengthen the independence of the Board, Mr Cheong Keng Chuan, Alfred has also been appointed as the Lead Independent Director of the Company and makes himself available to shareholders if they have concerns relating to matters that contact through the Chairman, CEO, Executive Director or Chief Financial Officer has failed to resolve, or where such contact is inappropriate. The concerned shareholder may contact the Lead Independent Director through email as disclosed on page 33 of the Annual Report. Nevertheless, the NC will endeavor to comply with Provisions 2.2 and 2.3 of the Code by continuing to assess the Board composition from time to time and make appropriate recommendations to the Board.

The independence of each Director is reviewed annually by the NC and the Board. Each Independent Director is required to complete a "Confirmation of Independence" form annually to confirm his independence based on the guidelines as set out in Provision 2.1 of the Code and the Nominating Committee Guide issued by Singapore Institute of Directors and Rule 406(3)(d) of the Catalist Rules. The NC adopts the Code's definition of what constitutes an "independent" director in its review. The NC takes into account, among other things, whether a Director has business relationships with the Company, its related companies, its substantial shareholders or its officers, and if so, whether such relationships could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company. The NC and the Board are of the view that all its Independent Directors have satisfied the criteria of independence as a result of its review. There is no Director who is deemed to be independent by the Board notwithstanding the existence of a relationship set out in the Code that would otherwise deem him not to be independent.

The independence of any Director who has served on the Board beyond nine years from the date of his or her first appointment will be subject to more rigorous review, taking into account the need for progressive refreshing of the Board. As at the date of this Report, none of the Independent Directors have served on the Board for a period exceeding nine years from the date of their appointments.

The Board has examined its size and is of the view that it is an appropriate size for effective decision-making, taking into account the scope and nature of the operations of the Group and the requirements of the Group's business. The NC is of the view that no individual or small group of individuals dominate the Board's decision-making.

The Board has adopted a Board Diversity Policy which sets out the framework for promoting diversity on the Board. It recognises and embraces the benefits of diversity on the Board and is committed to building a diverse culture in the Board. All aspects of diversity are taken into consideration, which includes core competencies as set out above, age, gender and other skills and experience.

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board as a group provides an appropriate balance of diversity of skills, experience, gender and knowledge of the Company, with core competencies in accounting and finance, legal expertise, business and management experience, industry knowledge, strategic planning and customer-based experience and knowledge. This enables the Management to benefit from the external and expert perspectives of the Directors who collectively possess the core competencies relevant to the direction and growth of the Group.

Where necessary or appropriate and at least once a year, the Non-Executive Director and Independent Directors, led by the Lead Independent Director will meet without the presence of the Management. The Non-Executive Director and Independent Directors communicate regularly to discuss matters related to the Group, including the performance of the Management. Where appropriate, the Lead Independent Director provides feedback to the Executive Chairman after such meetings.

The profiles of the Directors are set out on pages 14 and 15 of this Annual Report.

Chairman and Chief Executive Officer ("CEO")

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

Provision 3.1 – Chairman and CEO should be separate persons
Provision 3.2 – Role of Chairman and CEO

The roles of the Chairman and the CEO are separated and distinct, each having his own areas of responsibilities. The Company believes that a clear division of responsibilities between the Chairman and the CEO will ensure an appropriate balance of power, increased accountability and greater capacity of the Board for constructive decision-making. The positions of Chairman and CEO are held by separate individuals, with Mr Levin Lee Keng Weng as the Executive Chairman, and Mr Lim Say Chin as the CEO. The CEO of the Company is not related to the Chairman of the Board. The CEO is responsible for formulating corporate strategies, leading the Group's marketing and business development activities as well as ensuring the smooth operation of the Group.

The Chairman, in consultation with the Management, ensures:

- that Board meetings are held as and when necessary to enable the Board to perform its duties responsibly, while not interfering with the flow of the Company's operations;
- that the agenda for Board meetings are prepared, with the assistance of the Company Secretary;
- the exercise of control over the quality, quantity, and timeliness of information between the Management and the Board and the facilitation of effective contribution from the Non-Executive Director and Independent Directors;
- effective communication with shareholders and compliance with corporate governance best practices; and
- compliance with the Company's guidelines on corporate governance.

Provision 3.3 – Lead Independent Director

In order to promote high standards of corporate governance, Mr Cheong Keng Chuan, Alfred has been appointed as the Lead Independent Director, as the Chairman of the Board is not independent. He is available to shareholders where they have concerns or issues which communication with the Company's Executive Chairman, CEO and/or Chief Financial Officer has failed to resolve or where such communication is inappropriate. Such concerns may be sent to Mr Cheong Keng Chuan, Alfred and his contact details are included in the Company's whistle-blowing policy, which is available on the Company's website, https://acrometa.listedcompany.com/whistle_blowing.html.

Board Membership

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

Provisions 4.1 and 4.2 – Nominating Committee Composition and Role

The NC is responsible for making recommendations on all board appointments and re-nominations, having regard to the contribution and performance of the Director seeking re-election.

As at the date of this Report the NC comprises Mr Cheong Keng Chuan, Alfred, Mr Mahtani Bhagwandas and Mr Chan Tze Choong Eric. The Chairman of the NC is Mr Mahtani Bhagwandas. A majority of the NC, including the Chairman of the NC, is independent. The Lead Independent Director, Mr Cheong Keng Chuan, Alfred is also a member of the NC. The Chairman of the NC is not, and is not directly associated with, any substantial shareholder of the Company. The NC holds at least one meeting in each financial year.

The written terms of reference of the NC have been approved and adopted, and they include the following:–

(a) developing and maintaining a formal and transparent process for director appointments and re-nomination and making recommendations to the Board on director appointment and re-appointment (including the appointment of alternate Directors, if any), and recommending to the Board re-nominations of existing Directors for re-election in accordance with the Company's Constitution, having regard to their competencies, commitment, contribution and performance and taking into consideration the composition and progressive renewal of the Board;

(b) making recommendations to the Board on relevant matters relating to the review of succession plans for the Directors, in particular, for the Executive Chairman and CEO;

(c) reviewing and approving any new employment of related persons and the proposed terms of their employment;

(d) determining on an annual basis, and as and when circumstances require, whether or not a Director is independent;

(e) in respect of a Director who has multiple board representations on various companies, to review and decide whether or not such Director is able to and has been adequately carrying out his duties as a Director, having regard to the competing time commitments that are faced by the Director when serving on multiple boards and discharging his duties towards other principal commitments;

(f) reviewing training and professional development programs for the Board;

(g) developing a process for evaluating the performance of the Board, Board Committees and the Directors and propose objective performance criteria, as approved by the Board, that allows comparison with its industry peers, and address how the Board has enhanced long-term shareholders' value; and

(h) to assess the effectiveness of the Board as a whole and its Board Committees and the contribution by the Executive Chairman and each individual Director to the effectiveness of the Board.

Provision 4.3 – Reviewing and recommending nomination for re-appointment of Directors

The Company does not have a formal criterion of selection for the appointment of new Directors to the Board. When the need for a new Director arises, or where it is considered that the Board would benefit from the services of a new Director with particular skills or to replace a retiring Director, the NC, in consultation with the Board, will determine the selection criteria taking into consideration the diversity of the Board and will select candidates with the appropriate expertise and experience for the position. In its search and nomination process for new Directors, the NC may rely on search companies, personal contacts and recommendations for the right candidates. The NC ensures that the newly appointed Directors are aware of their duties and obligations.

The appointments of Directors are made by the Board after the NC has, upon reviewing the resume of the proposed Director and conducting appropriate interviews, recommended the appointment to the Board. The NC is also in charge of re-nominating the Directors, having regard to their contribution and performance. Pursuant to the Constitution of the Company and the Catalist Rules, one-third of the Directors shall retire from office at the Company's annual general meeting every year, provided that all Directors shall retire from office at least once every three years. All newly appointed Directors who are appointed by the Board are required to retire at the next annual general meeting following their appointment. The retiring Directors are eligible to offer themselves for re-election. Each member of the NC abstains from voting on any resolutions and making any recommendations and/or participating in any deliberations of the NC in respect of the assessment of his or her own performance or re-nomination as Director.

According to Regulation 108 and 118 of the Company's Constitution, Mr Levin Lee Keng Weng, Mr Lim Say Chin, Mr Chew Chee Keong, Mr Cheong Keng Chuan, Alfred and Mr Chan Tze Choong Eric will retire at the Company's forthcoming annual general meeting and will be eligible for re-election and the NC has recommended the aforesaid re-election. There are no relationships, including immediate family relationships, between Mr Cheong Keng Chuan, Alfred and Mr Chan Tze Choong Eric with the other Directors, the Company, its related corporations, its substantial shareholders or officers, which may affect his independence.

In recommending the re-election of Mr Levin Lee Keng Weng, Mr Lim Say Chin, Mr Chew Chee Keong, Mr Cheong Keng Chuan, Alfred and Mr Chan Tze Choong Eric, the NC has considered the Directors' overall contributions and performance. The Board has accepted the NC's recommendations.

Provision 4.4 – Continuous review of Director's Independence

The NC determines annually, and as and when circumstances require, whether a director is independent, taking into consideration the disclosures by the Directors of any relationships with the Company, its related corporations, its substantial shareholders or its officers and a "Confirmation of Independence" form completed by each Independent Director to confirm his or her independence. The "Confirmation of Independence" form was drawn up based on Provision 2.1 of the Code and the Nominating Committee Guide issued by Singapore Institute of Directors and Rule 406(3)(d) of the Catalist Rules. Having made its review, the NC is of the view that Mr Cheong Keng Chuan, Alfred, Mr Mahtani Bhagwandas and Mr Chan Tze Choong Eric are independent in accordance with the Provision 2.1 of the Code and Rule 406(3)(d) of the Catalist Rules.

There is currently no alternate Director on the Board.

Provision 4.5 – Directors' Commitments

When a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his or her duties as a Director of the Company. The NC is satisfied that sufficient time and attention has been given by the Directors to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations. The NC is of the view that the matter relating to multiple board representations should be left to the judgement of each Director given that time requirements for different board representations vary. As such, the NC and the Board have decided that there is no necessity to determine the maximum number of listed company board representations which a Director may hold. None of the Directors hold more than four directorships in listed companies concurrently.

The dates of initial appointment and last re-election of the Directors, together with their other principal commitment and directorships in other listed companies, are set out below:–

Director	Position	Date of Initial Appointment	Date of Last Re-election	Other Principal Commitment and Current directorships in listed companies	Past directorships in listed companies (in last three years)
Lim Say Chin	Executive Director and CEO	22 December 2015	30 January 2023	–	–
Chew Chee Keong	Executive Director	22 December 2015	20 January 2022	–	–
Mahtani Bhagwandas	Independent Director	25 November 2022	30 January 2023	**Principal Commitment:** – **Present Directorship:** GRP Limited	NGSC Limited Natural Cool Holdings Limited
Levin Lee Keng Weng	Executive Chairman	30 January 2023	N.A.	**Principal Commitment:** Ace Peak Capital Group Private Limited Sino Pacific Capital Limited **Present Directorship:** Jubilee Industries Holdings Ltd.	Nutryfarm International Limited
Cheong Keng Chuan, Alfred	Lead Independent Director	17 February 2023	N.A.	**Principal Commitment:** Deputy Managing Partner – Crowe Horwath First Trust LLP **Present Directorship:** Jubilee Industries Holdings Ltd Giti Tire Corporation (Listed in China)	–
Chan Tze Choong Eric	Independent Director	28 April 2023	N.A.	–	–

Key information regarding the Directors, including their shareholdings in the Company, is set out on pages 14, 15 and 55 of this Annual Report. None of the Directors hold shares in the subsidiaries of the Company.

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

Name of Director	Levin Lee Keng Weng	Lim Say Chin	Chew Chee Keong	Cheong Keng Chuan, Alfred	Chan Tze Choong Eric
Date of Appointment	30 January 2023	22 December 2015	22 December 2015	17 February 2023	28 April 2023
Date of last re-election	N.A.	30 January 2023	20 January 2022	N.A.	N.A.
Age	56	61	55	54	54
Country of principal residence	Singapore	Singapore	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has accepted the NC's recommendation, who has reviewed and considered that Mr Lee is suitable for re-election as the Executive Chairman of the Company	The Board has accepted the NC's recommendation, who has reviewed and considered that Mr Lim is suitable for re-election as the Executive Director and CEO of the Company	The Board has accepted the NC's recommendation, who has reviewed and considered that Mr Chew is suitable for re-election as the Executive Director of the Company	The Board has accepted the NC's recommendation, who has reviewed and considered that Mr Cheong is suitable for re-election as the Independent Director of the Company	The Board has accepted the NC's recommendation, who has reviewed and considered that Mr Chan is suitable for re-election as the Independent Director of the Company
Whether appointment is executive, and if so, the area of responsibility	Executive 1. Corporate Finance – to seek investors, raise funds for the Company either through new equity raisings, bank loans, warrants, rights or options to support the Company's current and future objectives; 2. Business Development – to explore and assess new business for future expansion of the Company; and 3. Investor Relations – to manage investor relations and shareholder communication.	Executive. Mr Lim oversees the project management, contract and procurement activities, human resources & admin and quality, environment, health and safety department of the Group.	Executive. Mr Chew oversees the business development, tender, and engineering activities, of the Group.	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chairman	Executive Director and CEO	Executive Director	Chairman of Audit Committee and a Member of Nominating and Remuneration Committees	Chairman of Remuneration Committee and a Member of Audit and Nominating Committees
Professional Qualifications	Nil	Bachelor of Engineering degree with Honours in Mechanical Engineering, University of Glasgow	Bachelor of Engineering degree with honours, University of Glasgow	Bachelor of Commerce (Accounting and Economics) Degree, Deakin University, Australia Member – Institute of Singapore Chartered Accountants Member – The Australian Society of Certified Practising Accountants	Bachelor of Arts (Economics & Sociology), National University of Singapore Singapore Institute of Director, Singapore Management University (Directorship programme)

Name of Director	Levin Lee Keng Weng	Lim Say Chin	Chew Chee Keong	Cheong Keng Chuan, Alfred	Chan Tze Choong Eric
Working experience and occupation(s) during the past 10 years	Ace Peak Capital Group Private Limited – Director Sino Pacific Capital Limited – Fund Manager	Executive Director and CEO of the Company since 22 December 2015 to current Managing Director of Acromec Engineers Pte Ltd since December 1996	Executive Director of the Company since 22 December 2015 to current Executive Director of Acromec Engineers Pte Ltd since July 1996	Deputy Chief Executive Officer, Head of Risk Advisory and Corporate Advisory, Audit Partner of Crowe Horwath First Trust LLP, Singapore	May 2022 to current: Global Food Entertainment Pte Ltd, Consultant 2019 to Jan 2022: Cycle & Carriage Bintang Berhad, Chairman of the Board 2019 to Feb 2022: Jardine Cycle & Carriage Limited, Regional Managing Director 2019 to Jan 2022: PT Tunas Ridean Tbk, Member of the Supervisory Board – Indonesia June 2012 to Jan 2022: Cycle & Carriage Singapore, Managing Director
Shareholding interest in the listed issuer and its subsidiaries	Mr Lee holds 53,000,000 shares of the Company.	Mr Lim holds 200,000 shares of the Company and is deemed interested in the 66,130,645 shares of the Company held by Ingenieur Holdings Pte. Ltd.	Mr Chew holds 1,052,000 shares of the Company and is deemed to be interested in the 66,130,645 shares of the Company held by Ingenieur Holdings Pte. Ltd.	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	Mr Lim is a shareholder of Ingenieur Holdings Pte. Ltd., a substantial shareholder of the Company.	Mr Chew is a shareholder of Ingenieur Holdings Pte. Ltd., a substantial shareholder of the Company.	None	None
Conflict of interest (including any competing business)	None	None	None	None	None
Undertaking submitted to the listed issuer in the form of Appendix 7H (Listing Rule 720(1))	Yes	Yes	Yes	Yes	Yes

Name of Director	Levin Lee Keng Weng	Lim Say Chin	Chew Chee Keong	Cheong Keng Chuan, Alfred	Chan Tze Choong Eric
Other Principal Commitments Including Directorships	**Other Principal Commitment:** None **Present Directorship:** Ace Peak Capital Group Private Limited Sino Pacific Capital Limited Jubilee Industries Holdings Limited **Past Directorship (for the past 5 years):** Wincash Apolo Gold & Energy Inc. Grand Ages Precious Metals Ltd Nutryfarm International Limited	**Other Principal Commitment:** None **Present Directorship:** Nil **Past Directorship (for the past 5 years):** Nil	**Other Principal Commitment:** None **Present Directorship:** Nil **Past Directorship (for the past 5 years):** Nil	**Other Principal Commitment:** Deputy Managing Partner – Crowe Horwath First Trust LLP **Present Directorship:** Crowe Horwath First Trust Corporate Advisory Pte. Ltd. Crowe Horwath First Trust Management Services Pte. Ltd. Crowe Horwath First Trust Risk Advisory Pte. Ltd. Crowe Horwath Capital Pte. Ltd. Crowe Horwath First Trust Appraisal Pte. Ltd. AIH Capital Pte. Ltd. Giti Tire Corporation (listed in China) Jubilee Industries Holdings Ltd. **Past Directorship (for the past 5 years):** China Hongxing Sports Limited Debao Property Development Ltd C&G Environmental Protection Holdings Limited China Flexible Packaging Holdings Limited China Wise International Investments Pte. Ltd. Derong Real Estate Holdings Pte. Ltd. Dynamic Real Estate Holdings Pte. Ltd. Infinity Real Estate Holdings Pte. Ltd.	**Other Principal Commitment:** Consultant at Global Food Entertainment Pte Ltd **Present Directorship:** Nil **Past Directorship (for the past 5 years):** Cycle & Carriage Bintang Berhad

The general statutory disclosures of the Directors are as follows:–

Name of Director		Levin Lee Keng Weng	Lim Say Chin	Chew Chee Keong	Cheong Keng Chuan, Alfred	Chan Tze Choong Eric
Questions:						
(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No	No
(c)	Whether there is any unsatisfied judgment against him?	No	No	No	No	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No	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	No	No	No

Name of Director		Levin Lee Keng Weng	Lim Say Chin	Chew Chee Keong	Cheong Keng Chuan, Alfred	Chan Tze Choong Eric
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No	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	No	No	No

Name of Director			Levin Lee Keng Weng	Lim Say Chin	Chew Chee Keong	Cheong Keng Chuan, Alfred	Chan Tze Choong Eric
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–						
	(i)	any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	Yes. On 16 February 2022, Debao Property Development Limited ("Debao Property") was issued with a notice of compliance by Singapore Exchange Regulation for breaches of Listing Rules in relation to the acquisition of Elite Starhill Sdn. Bhd. by Debao Property as announced in September 2015. Mr Cheong was the Lead Independent Director of Debao Property at the material time. (23 November 2009 to 30 November 2018).	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	No	No	No
	(iii)	any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No	No	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,	No	No	No	No	No
	in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?						

Name of Director		Levin Lee Keng Weng	Lim Say Chin	Chew Chee Keong	Cheong Keng Chuan, Alfred	Chan Tze Choong Eric
(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?	Yes. On 16 June 2023, SGX Regco reprimanded 7 of the former directors of Nutryfarm International Limited including Mr Lee for breaching Listing Rule 703(1)(b) read with para 4 of the Appendix 7.1.	No	No	No	No
	Any prior experience as a director of an issuer listed on the Exchange?	Yes	Yes	Yes	Yes	No
	If yes, please provide details of prior experience.	Jubilee Industries Holdings Ltd Nutryfarm International Limited	AcroMeta Group Limited	AcroMeta Group Limited	Jubilee Industries Holdings Ltd China Hongxing Sports Limited Debao Property Development Ltd C&G Environmental Protection Holdings Limited China Flexible Packaging Holdings Limited	N.A.
	If no, please state if the director has attended or will be attending training on the roles and responsibilities of a listed issuer as prescribed by the Exchange.	N.A.	N.A.	N.A.	N.A.	Yes, attended SID-SMU: Executive certificate in Directorship programme
	Please provide details of relevant experience and the NC's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.	N.A.	N.A.	N.A.	N.A.

Board Performance

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

Provision 5.1 – Performance Criteria and Evaluation
Provision 5.2 – Assessment of the Board, Board Committees and Individual Directors

The Board's performance is linked to the overall performance of the Group. The Board ensures that the Company is in compliance with the applicable laws, and members of the Board are required to act in good faith, with due diligence and care, and in the best interests of the Company and its shareholders.

The NC is responsible for assessing the effectiveness of the Board as a whole, each Board Committee and individual Directors.

The Board has implemented a formal annual process for assessment of the effectiveness of the Board as a whole, each Board Committee and individual Director. For FY2023, each Director has completed the evaluation forms of the Board as a whole, each Board Committee (where relevant) and individual Director, as adopted by the NC, to assess the overall effectiveness of the Board as a whole, each Board Committee and individual Director. The results have been collated by the NC Chairman for review and discussion. The assessment of the Board's performance focused on a set of performance criteria for the Board evaluation which includes the Board structure, strategy and performance, governance on Board risk management & internal controls, information to the Board, Board procedures, the CEO and top management and the Directors' standards of conduct.

The assessment criteria for each Board Committee focuses on the nature of the respective roles and responsibilities of the AC, NC and RC.

The annual assessment of individual Directors considers, among others, each Director's attendance as well as generation of constructive debate/participation for meetings of the Board and Board Committees, contribution, initiative, responsiveness of Director, knowledge of senior management and Company's business, and the Directors' self-assessment.

The results of the assessment of the effectiveness of the Board as a whole, each Board Committee and individual Director exercise were considered by the NC which would then make recommendations to the Board aimed at helping the Board to discharge its duties effectively. The Chairman of the Board will act on the results of the performance evaluation and the recommendation of the NC, and where appropriate, in consultation with the NC, new members may be appointed or resignation of directors may be sought. Following the review of FY2023, the Board is of the view that the Board and its Board Committees operate effectively, and each Director has met the performance evaluation criteria and objectives for FY2023 and is contributing to the overall effectiveness of the Board. In addition, each NC members have abstained from the voting or review process on matters in connection with his/her own performance and re-appointment as a Director of the Company.

No external facilitator was engaged in FY2023 as the NC currently does not view this as necessary. However, the NC has full authority to engage an external facilitator to assist the NC to carry out the evaluation process at the Company's expense, if the need arises.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

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

Provisions 6.1 and 6.2 – Remuneration Committee Composition and Role
Provision 6.3 – Reviewing of Remuneration Terms
Provision 6.4 – Remuneration Consultants

The RC makes recommendations to the Board on the framework of remuneration, and the specific remuneration packages for each Director.

As at the date of the Report, the RC comprises Mr Cheong Keng Chuan, Alfred, Mr Mahtani Bhagwandas and Mr Chan Tze Choong Eric. The Chairman of the RC is Mr Chan Tze Choong Eric. All members of the RC are non-executive and majority of the RC, including the Chairman of the RC, is independent. The RC holds at least one meeting in each financial year.

The written terms of reference of the RC have been approved and adopted, and they include the following:–

(a) reviewing and recommending to the Board a framework of remuneration for the Directors and executive officers and determining specific remuneration packages of each Director and executive officer. The RC shall cover all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, awards to be granted under the Company's performance share scheme, and benefits in kind;

(b) reviewing annually the remuneration, bonuses, pay increase and/or promotions of employees who are related to the Directors or substantial shareholders of the Company to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;

(c) reviewing the Company's obligations arising in the event of termination of service contracts entered into between the Group and its Executive Directors or executive officers, as the case may be, to ensure that the service contracts contain fair and reasonable termination clauses which are not overly onerous to the Group;

(d) if necessary, seeking expert advice within and/or outside the Company on remuneration matters, ensuring that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants; and

(e) reviewing annually the remuneration package in order to maintain their attractiveness to retain and motivate the Directors and executive officers and to align the interests of the Directors and executive officers with the long-term interests of the Company.

The members of the RC are familiar with executive compensation matters as they manage their own businesses and/or are holding other directorships. The RC has access to expert advice regarding executive compensation matters, if required. The Board did not engage any external remuneration consultant to advise on remuneration matters for FY2023.

The RC's recommendations will be submitted for endorsement by the Board. No Director is involved in deciding his own remuneration.

Level and Mix of Remuneration

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

Provision 7.1 – Remuneration of Executive Directors and Key Management Personnel
Provision 7.2 – Remuneration of Non-Executive Directors
Provision 7.3 – Appropriateness of Remuneration

In setting remuneration packages, the Company takes into account pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual Directors and key management personnel. The remuneration package is designed to allow the Company to better align the interests of the Executive Directors and key management personnel with those of shareholders and link rewards to corporate and individual performance. The Company also ensures that the remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.

The Independent and Non-Executive Directors receive Directors' fees for their effort and time spent, responsibilities and contribution to the Board, subject to shareholders' approval at annual general meetings. The Independent and Non-Executive Directors are not over-compensated to the extent that their independence may be compromised. Remuneration for the Executive Directors comprises a basic salary component and a variable component that is the incentive bonus, based on the performance of the Group as a whole.

The Company has entered into fixed-term service agreements with the Executive Chairman, Mr Levin Lee, the Executive Director and CEO, Mr Lim Say Chin and the Executive Director, Mr Chew Chee Keong. The service agreements are automatically renewed on a year-to-year basis on the same terms or otherwise on such terms and conditions as the parties may agree in writing. The Executive Directors are entitled to receive an annual incentive bonus based on the audited profit before tax ("**PBT**") of the Group. The amount of the incentive bonus is subject to the Group achieving certain predetermined PBT targets.

The Company recognises the importance of motivating each employee and in this regard, the AcroMeta Performance Share Scheme (the "**Scheme**") was approved at the extraordinary general meeting on 16 March 2016. Details on the Scheme are set out in the Company's offer document dated 6 April 2016 (the "**Offer Document**"). The Scheme is administered by the RC and one Executive Director. No award was granted under the Scheme in FY2023.

Disclosure on Remuneration

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

Provision 8.1 – Remuneration of Directors and Top 5 Key Management Personnel

The Board is of the view that full disclosure of the specific remuneration of each individual Director and key management personnel is not in the best interests of the Company, taking into account the sensitive nature of the subject, the competitive business environment the Group operates in and the potential negative impact such disclosure will have on the Group.

The level and mix of remuneration paid or payable to the Directors and Key Management Personnel ("**KMP**") for FY2023 are set out as follows:–

Remuneration bands	Salary & CPF %	Bonus %	Director's Fee %	Other Benefits %	Total %
Directors					
S$250,001 to S$500,000					
Levin Lee Keng Weng	92	–	–	8	100
Lim Say Chin	86	–	–	14	100
Chew Chee Keong	86	–	–	14	100
Less than S$250,000					
Cheong Keng Chuan, Alfred	–	–	100[1]	–	100
Mahtani Bhagwandas	–	–	100[1]	–	100
Chan Tze Choong Eric	–	–	100[1]	–	100
Goi Chew Leng	–	–	100	–	100
Yee Kit Hong	–	–	100	–	100
John Geno-Oehlers	–	–	100	–	100
Key Management Personnel					
Less than S$250,000					
Jerry Tan[2]	88	–	–	12	100
Anton Setiawan	78	12	–	10	100
Daniel Ang	80	8	–	12	100
Cheah Lai Min[3]	86	12	–	2	100
Zeïna-Meriem Gray	96	–	–	4	100

Notes:–

(1) Directors' fees are subject to approval by the shareholders of the Company at the forthcoming annual general meeting.

(2) Resigned as Chief Financial Officer on 26 July 2023.

(3) Appointed as Chief Financial Officer on 10 July 2023.

The Company has only four key management personnel (who are not Directors or CEO) for FY2023. The aggregate total remuneration paid to the top four key management personnel of the Group (who are not Directors or CEO) in FY2023 amounted to S$755,799.

There were no termination, post-employment and retirement benefits granted to the Directors and key management personnel in FY2023.

Provision 8.2 – Employees who are substantial shareholders of the company, or are immediate family member of Directors, CEO or Substantial Shareholder of the company whose remuneration amounts exceed S$100,000 per annum

There were no employees of the Company or its subsidiaries who were substantial shareholders, or immediate family members of any Director, the CEO or a substantial shareholder of the Company and whose remuneration exceeded S$100,000 during FY2023.

Provision 8.3 – All forms of remuneration, and other payments and benefits paid by the Company and its subsidiaries to directors and KMP

The Company has adopted the AcroMeta Performance Share Scheme (the "**Scheme**"). The Group's Executive Directors and Non-Executive Directors (including Independent Directors), controlling shareholders or associates of a controlling shareholder are eligible to participate in the Scheme in accordance with the Rules of the Scheme. The Scheme is administered by the RC which consists of Mr Cheong Keng Chuan, Alfred, Mr Mahtani Bhagwandas and Mr Chan Tze Choong Eric. There has been no performance share granted under the Scheme to Director and KMPs in FY2023.

The Company is of the view that the current disclosure provides sufficient overview of the remuneration of the Group while maintaining confidentiality of staff remuneration matters. Annual variable bonuses would be linked to achievement of financial and non-financial KPIs key performance indicators such as core values, competencies, key result areas, performance rating, and potential of the employees (including key management). Long-term incentive plans are conditional upon pre-determined performance targets being met and the long-term incentive plans serve to motivate and reward employees and align their interests to maximise long term shareholders' value. The RC will continue to review the performance share scheme when appropriate.

The RC ensures that there is a strong correlation between bonuses payable, and the achievement and performance of the Group and individual staff. The RC also ensures that there is a good balance of short-term and long-term incentive schemes to motivate continuous and sustainable performance.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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

Provision 9.1 – Nature and Extent of Significant Risks

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

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

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

Provision 9.2 – Assurance from the Executive Chairman, CEO and Chief Financial Officer

The Board has received assurance from the Executive Chairman, CEO and the Chief Financial Officer that the financial records have been properly maintained and the financial statements for the financial year ended 30 September 2023 give a true and fair view of the Company's operations and finances. In addition, the Executive Chairman, CEO and Chief Financial Officer have also given assurance to the Board that the Company's risk management and internal control systems are adequate and effective in addressing the financial, operational, compliance and information technology risks.

Based on the assurance from the Executive Chairman, CEO and the Chief Financial Officer referred to in the preceding paragraph, the various internal controls put in place by the Group, the work performed and reports submitted by the external and internal auditors of the Group and the reviews carried out by the Board and the AC, the Board, with the concurrence of the AC, is satisfied with the adequacy and effectiveness of the Group's risk management and internal control systems (including financial, operational, compliance and information technology controls and risk management systems) as at 30 September 2023.

Audit Committee

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

Provisions 10.1 and 10.2 – Audit Committee Composition and Role
Provision 10.3 – Former Partners or Directors of the Company's existing Audit Firm in AC
Provision 10.4 – Internal Audit Function

As at the date of this Report, the AC comprises Mr Cheong Keng Chuan, Alfred, Mr Mahtani Bhagwandas and Mr Chan Tze Choong Eric. The Chairman of the AC is Mr Cheong Keng Chuan, Alfred. All of the members are non-executive and the majority of the AC, including the Chairman of the AC, is independent. No former partner or director of the Company's existing audit firm or auditing corporation is a member of the AC. The members of the AC have sufficient accounting or financial management expertise, as interpreted by the Board in its business judgment, to discharge the AC's functions. The AC holds at least two meetings in each financial year.

The written terms of reference of the AC have been approved and adopted, and they include the following:–

(a) reviewing the audit plans and scope of work of the external auditors and the internal auditors, including the results of the external and internal auditors' review and evaluation of the Group's system of internal controls, the management letters on the internal controls and the Management's response, and monitoring the implementation of the internal control recommendations made by the external and internal auditors;

(b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management systems, prior to the incorporation of such results in the Company's annual report;

(c) reviewing the interim financial results and annual consolidated financial statements and the external auditors' report on the annual consolidated financial statements, and discussing any significant adjustments, major risk areas, changes in accounting policies and practices, significant financial reporting issues and judgements, compliance with Singapore financial reporting standards as well as compliance with the Catalist Rules and other statutory or regulatory requirements, concerns and issues arising from their audits including any matters which the auditors may wish to discuss in the absence of Management to ensure the integrity of the financial statements of the Group and any announcements relating to the Company's financial performance, where necessary, before submission to the Board for approval;

(d) reviewing and discussing with the external and internal auditors, any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;

(e) reviewing and ensuring the co-ordination between internal auditors, external auditors and the Management, including the assistance given by the Management to the auditors;

(f) reviewing the audit plan of the external auditor and the result of the external auditor's review and evaluation of the Group's system of internal accounting controls that are relevant to the statutory audit;

(g) making recommendations to the Board on the proposals to the shareholders with regard to the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

(h) reviewing the audit plan of the internal auditor, including the results of the internal auditor's review and evaluation of the Group's system of internal controls;

(i) reviewing any interested person transactions falling within the scope of Chapter 9 of the Catalist Rules, and approving interested person transactions where the value thereof amount to 3% or more of the latest audited NTA of the Group (either individually or as part of a series or are aggregated with other transactions involving the same interested person during the same financial year), or any agreement or arrangement with an interested person that is not in the ordinary course of business of the Group, prior to the Group's entry into the transaction, agreement or arrangement;

(j) reviewing potential conflicts of interests (if any);

(k) reviewing the policy and arrangements by which employees of the Group and any other persons may, in confidence, report to the Chairman of the AC, concerns about possible improprieties in financial reporting or other matters and ensuring that there are arrangements in place for such concerns to be safely raised and independently investigated, and for appropriate follow-up action to be taken;

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

(m) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls, and risk management systems;

(n) reviewing the scope and results of the external audit and its cost effectiveness and the independence and objectivity of the external auditor, and where the external auditor also provides a substantial volume of non-audit services to the Company, keeping the nature and extent of such services under review, seeking to maintain objectivity;

(o) reviewing the assurance from the Executive Chairman, CEO and Chief Financial Officer on the financial records and financial statements; and

(p) undertaking such other reviews and projects as may be requested by the Board and reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC.

The AC has full authority to investigate any matter within its terms of reference, full access to and cooperation from the Management, internal auditors and external auditors, and full discretion to invite any Director, executive officer or other employee of the Group to attend its meetings, and is given reasonable resources to enable it to discharge its functions properly and effectively.

Fraud and Whistle-Blowing Policy

The Group has implemented a whistle-blowing policy which aims to provide an avenue for employees and external parties to raise concerns about misconduct or improprieties in the Group and at the same time assure them that they will be protected from victimization for whistle-blowing in good faith. Cases that are significant will be reviewed by the AC for adequacy or investigation actions and resolutions. The Group has designated an independent function to investigate whistle-blowing reports made in good faith and ensures that the identity of the whistleblower is kept confidential and the Group is committed to ensure protection of the whistleblower against detrimental or unfair treatment. A copy of this policy, including the contact details of the AC, is available on the Company's website.

As at the date of this Report, there was a report received through the whistle-blowing mechanism and has been addressed by the AC Committee and Management.

Provision 10.5 – Meeting Auditors without the Management

The AC meets with the external and internal auditors without the presence of the Management, at least once annually to discuss audit findings and recommendations.

Independent Audit

The external auditors update the AC on any changes in accounting standards impacting the financial statements of the Group before an audit commences. Significant matters that were discussed with the Management and the external auditors have been included as key audit matters in the Auditors' Report for FY2023 on pages 58 to 62 of this Annual Report. The AC has reviewed the key audit matters and is of the view that there is no material inconsistency between the audit procedures adopted by the external auditors and Management's assessment and is satisfied that the key audit matters have been appropriately dealt with.

The AC had evaluated and was satisfied with the performance of the external auditors based on the Audit Quality Indicators Disclosure Framework introduced by the Accountants and Corporate Regulatory Authority ("**ACRA**") in October 2015, for the financial year ended 30 September 2023.

The AC undertook a review of the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees paid to them. The AC received an audit report from the external auditors setting out the non-audit services provided and the fees charged for FY2023. A breakdown of the audit and non-audit fees paid to the Company's auditors is disclosed on page 121 of this Annual Report.

The Company has complied with Rules 712 and 715 of the Catalist Rules in relation to its external auditors for FY2023.

The external auditor, Deloitte & Touche LLP has indicated their intention not to seek re-appointment as auditors of the Company and will retire at the conclusion of the forthcoming AGM. The Board was of the view that a change of auditors will benefit the Company from the perspectives and views of another audit firm and enhance the independence and effectiveness of the independent audit of the Company's financial statements.

In view of the foregoing, the AC had considered several reputable audit firms in Singapore. After reviewing the credentials, services, proposed fees and their ability to meet the Group's requirements, the AC is of the opinion that Messrs PKF-CAP LLP will be able to meet the audit requirement of the Group. The Directors, with the concurrence of the AC, recommended that Messrs PKF-CAP LLP be appointed as the new auditors of the Company subject to the shareholders' approval at the AGM.

Further details on the proposed change of auditors can be found in the Notice of Annual General Meeting dated 15 January 2024.

Internal Audit

The Company outsources the internal audit function to an external professional firm to perform the review and test of controls of the Group's processes and provide independent assurance to the AC that the Group maintains adequate and effective risk management and internal control systems.

The AC approves the appointment of the internal auditors. The internal auditors, BDO LLP, report directly to the Chairman of the AC and administratively to the Executive Chairman and CEO. The AC is of the view that the internal audit function is adequately qualified (given, among others, its adherence to standards set by international recognised professional bodies), has adequate resources to perform its functions, is independent from the activities that it audits and has appropriate standing within the Group including its unfettered access to the Company's documents, records, properties and personnel including access to the AC.

The internal auditors plan its internal audit schedules in consultation with, but independent of, the Management. The internal audit plan is submitted to the AC for approval prior to the commencement of the internal audit. The AC will review the activities of the internal auditors, including overseeing and monitoring of the implementation of improvements required on internal control weaknesses identified. The internal auditors carry out their work in accordance with International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The AC has reviewed and is satisfied with the independence, adequacy and effectiveness of the Company's internal audit function.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

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

Provision 11.1 – Participating and Voting at General Meetings
Provision 11.2 – Tabling of Resolutions

Conduct of General Meetings

The forthcoming AGM in respect of FY2023 will be held physically at 4 Kaki Bukit Avenue 1, #04-04 Kaki Bukit Industrial Estate, Singapore 417939 on 30 January 2024. Shareholders will be able to raise questions and vote in person at the AGM. There will be no option for shareholders to participate virtually. Arrangements relating to attendance at the forthcoming AGM, submission of questions to the Chairman of the Meeting in advance of, or at, the AGM, and voting at the AGM by shareholders or their duly appointed proxy(ies), are set out in the Notice of AGM released on SGXNet.

Notwithstanding the proceedings and/or regulations of the conduct of general meetings disclosed below, pursuant to the Constitution of the Company, shareholders shall refer to the AGM Proceedings of the Company for FY2023 as prescribed in the Notice of AGM and the announcement mentioned above.

Notices for general meetings are announced via SGXNet and advertised in the newspapers within the prescribed timeframe prior to the meetings (or as otherwise disseminated in accordance with such laws and regulations as may be applicable). The notices, together with relevant documents (such as annual report, letter to shareholders or circular) will be published on SGXNet and the Company's corporate website at https://www.acrometa.com.

In order to provide ample time for the shareholders to review, the notice of general meeting, together with the relevant documents, is distributed to all shareholders at least 14 days before the scheduled general meeting date for ordinary resolutions, 21 days for special resolutions (or as otherwise disseminated in accordance with such laws and regulations as may be applicable). Shareholders are invited to attend the general meetings, to put forth any questions they may have on the motions to be debated and decided upon.

All shareholders are entitled to vote in accordance with the established voting rules and procedures at the general meeting. Each share is entitled to one vote.

An external firm is appointed as scrutineers for the general meeting voting process, which is independent of the firm appointed to undertake the poll voting process.

The Chairman of the meeting will read out the total number of votes cast for, against and/or abstained and the respective percentages on each resolution are tallied after each poll conducted during the general meeting.

The resolutions tabled at the general meetings are on each substantially separate issue, including treating the election or re-election of each director as a separate subject matter.

Detailed information on each item in the general meeting agenda is provided in the explanatory notes to the notice of general meeting in the annual report.

Provision 11.3 – Interaction with Shareholders

The Board of Directors of the Company, including the Chairpersons of AC, NC and RC will be present at general meetings to address any questions or concerns of shareholders at general meetings. The external auditor will also be present at the general meetings to address queries from shareholders relating to the conduct of audit and the preparation and content of the auditor's report. All directors were present at the last AGM held on 30 January 2023.

Provision 11.4 – Shareholders' Participation

The Company supports active shareholder participation at general meetings. All shareholders are encouraged to attend the general meetings to ensure high level of accountability and to stay informed of the Group's strategies and visions.

In the usual circumstances, if shareholders are unable to attend the meetings, the Constitution of the Company allows for shareholders who are not relevant intermediaries to appoint not more than two (2) proxies to attend, speak and vote at general meetings in their absence, and shareholders who are relevant intermediaries to appoint more than two (2) proxies to attend, speak and vote at general meetings. In order to have a valid registration of proxy, the proxy forms must be sent in advance to the place(s) as specified in the notice of the general meetings at least 72 hours before the time set for the general meetings.

The Company is not implementing absentia voting methods such as voting via mail, email or fax until security, integrity and other pertinent issues are satisfactorily resolved.

Provision 11.5 – Minutes of General Meetings

The Company prepares minutes of general meetings, including relevant substantial comments or queries from shareholders relating to the agenda of the meeting and responses from the Board or the Management. These minutes will not be published on the Company's website but will be made available to shareholders upon their request in accordance with the Companies Act. Notwithstanding that, the Company will publish the minutes of the forthcoming AGM within one month from the AGM.

Provision 11.6 – Dividend Policy

The Company does not have a formal dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, financial position, results of operations, capital needs, plans for expansion, and other factors as the Board may deem appropriate. There was no dividend declared for FY2023 in view of the of the Group's expansion in the renewable energy sector.

Engagement with Shareholders

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

Provision 12.1 – Communication between the Board and Shareholders
Provision 12.2 and 12.3 – Investor Relations Policy

The Company strives for timeliness and consistency in its disclosures to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that will have a material impact on the Company's share price, through announcements via SGXNet. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable. Shareholders are provided with an update on the Group's performance, position and prospects through the Company's annual report.

The Company's half year and full year results announcements, corporate presentations, announcements and press releases are issued via SGXNet. Shareholders have access to information on the Group via the Company's website. The Company discloses all material information on a timely basis to all shareholders. Where there is inadvertent disclosure made to a select group, the Company will endeavour to make the same disclosure publicly to all others promptly.

To enhance and encourage communication with shareholders and investors, the Company provides the contact information of its investor relations consultants in its press releases. Shareholders and investors can send their enquiries through email or telephone.

When the opportunities arise, the Company will consider holding analyst briefings or investor roadshows to meet institutional and retail investors as well as to solicit and understand the view of shareholders and stakeholders.

In view of the above, the Company did not implement a formal investor relation policy because there are existing channels to actively engage and promote regular, effective and fair communication with shareholder.

MANAGING STAKEHOLDERS' RELATIONSHIPS

Engagement with Stakeholders

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

Provision 13.1 – Arrangements to Identify and Engage with Stakeholders
Provision 13.2 – Management of Stakeholder Relationships
Provision 13.3 – Corporate Website

The Company has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include employees, contractors and suppliers, government and regulators, community, and shareholders and investors. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders.

The Company maintains a corporate website at https://www.acrometa.com to communicate and engage with stakeholders.

SUSTAINABILITY MANAGEMENT

The Company's sustainability report for FY2023 is prepared with reference to the Global Reporting Initiative Standards 2021, Core Option and in line with the requirements of the Catalist Rules on sustainability reporting. The report highlights the key economic, environmental, social and governance factors such as economic performance, environmental compliance and occupational health and safety. More details and information is available in the full report that is recently published.

RISK MANAGEMENT

The Company does not have a risk management committee. However, the Management regularly reviews the Group's business and operational activities to identify areas of significant business risks, as well as appropriate measures through which to control and mitigate these risks. The Management reviews all significant control policies and procedures, and highlights all significant matters to the Board and the AC.

In response to the increasing scale and complexity of operations, the Group has also adopted the enterprise risk management framework ("**ERM Framework**") which is in line with the ISO31000 – Risk Management and Guidelines and the recommended best practices standard. The ERM Framework will be reviewed regularly, taking into the account changes in the business and operation environments as well as evolving corporate governance requirements. Identified risks that affect the achievement of the business objectives and financial performance of the Group over a short-medium term are summarised in the Group's risks register, and are ranked according to their likelihood and consequential impact to the Group as a whole. The identified risks are then managed and mitigated by counter measures.

The ERM Framework is not intended to and does not replace the internal control framework that the Group has in place, but rather incorporates the internal control framework within it. The Group is able to leverage on the ERM Framework to satisfy internal control needs and to move towards a fuller risk management process.

DEALING IN SECURITIES

In compliance with the Catalist Rules on dealings in securities, Directors and employees of the Company are advised not to deal in the Company's shares on short-term considerations or when they are in possession of unpublished price-sensitive information. The Company shall not deal in and prohibits dealings in its shares by its Directors, officers and employees during the period commencing one month before the announcement of the Company's half-year and full-year financial statements, and ending on the date of the announcement of the results.

INTERESTED PERSON TRANSACTIONS

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

During FY2023, the Group did not enter into any interested person transactions of S$100,000 and more. The Group does not have a general mandate pursuant to Rule 920 of the Catalist Rules for interested person transactions.

MATERIAL CONTRACTS

Save for the service agreements between the Executive Directors and the Company, there were no material contracts of the Group involving the interests of the Executive Chairman and CEO, each Director or controlling shareholder, either still subsisting at the end of FY2023 or if not then subsisting, entered into since the end of the previous financial year.

NON-SPONSOR FEES

No non-sponsor fees were paid/payable to the Company's sponsor, Evolve Capital Advisory Private Limited for FY2023.

USE OF PROCEEDS FROM RIGHTS ISSUE

Pursuant to the rights issue of 138,563,978 shares on 26 January 2023, the Company received net proceeds of S$2.64 million ("Rights Proceeds"). As at 30 September 2023, the Rights Proceeds has been utilised as follows:

	Amount allocated	Amount utilised	Balance
	S$'000	**S$'000**	**S$'000**
General working capital requirements of the Group	2,641	(1,859)	782
Total	**2,641**	**(1,859)**	**782**

The breakdown of specific uses of the general working capital requirements were 55% in staff costs, 26% for LSI and Acro Harvest working capital and expansion, 13% in listing compliance and professional fees, and 6% in rental and overheads.

The above utilisation of the Right Proceeds is in accordance with the intended use as stated in the Company's announcement dated 26 January 2023.

DIRECTORS' STATEMENT

The directors present their statement together with the audited consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended September 30, 2023.

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 65 to 130 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at September 30, 2023, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

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

Lim Say Chin	
Chew Chee Keong	
Mahtani Bhagwandas	
Levin Lee Keng Weng	(Appointed on January 30, 2023)
Cheong Keng Chuan, Alfred	(Appointed on February 17, 2023)
Chan Tze Choong Eric	(Appointed on April 28, 2023)

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967 except as follows:

Name of directors and companies in which interests are held	Shareholdings registered in name of director		Shareholdings in which directors are deemed to have an interest	
	At beginning of year	At end of year	At beginning of year	At end of year
	Ordinary shares		Ordinary shares	
AcroMeta Group Limited				
Lim Say Chin[(1)]	–	200,000	66,130,645[(2)]	66,130,645[(2)]
Chew Chee Keong[(1)]	526,000	1,052,000	66,130,645[(2)]	66,130,645[(2)]
Levin Lee Keng Weng[(1)]	–	52,800,000	–	–

(1) By virtue of Section 7 of the Companies Act 1967, these directors are deemed to have an interest in all the related corporations of the Company.

(2) These directors are deemed to be interested in the shares held by Ingenieur Holdings Pte. Ltd. by virtue of their controlling interest in Ingenieur Holdings Pte. Ltd.

The directors' interests in the shares and options of the Company at October 21, 2023 were the same at September 30, 2023.

4 SHARE OPTIONS

a) *Options to take up unissued shares*

During the year, no options to take up unissued shares of the Company or any corporation in the Group were granted.

b) *Options exercised*

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

c) *Unissued shares under option*

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under options.

5 AUDIT COMMITTEE

The Audit Committee of the Company, comprising all non-executive directors, is chaired by Mr Cheong Keng Chuan, Alfred, the Lead Independent Director, and includes Independent Directors Mr Mahtani Bhagwandas and Mr Chan Tze Choong Eric. The Audit Committee has met two times since the last Annual General Meeting ("AGM") and has reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

(a) The audit plans and scope of work of the external and internal auditors, including the results of the external and internal auditors' review and evaluation of the system of internal controls, management letters on the internal controls and management's response, and monitor the implementation of the internal control recommendations made by the external and internal auditors;

(b) The interim financial results and annual consolidated financial statements and the external auditor's report on the annual consolidated financial statements, and discuss any significant adjustments, major risk areas, changes in accounting policies and practices, significant financial reporting issues and judgements, compliance with Singapore Financial Reporting Standards (International) ("SFRS(I)") as well as compliance with the Catalist Rules and other statutory or regulatory requirements, concerns and issues arising from the audits including any matters which the auditors may wish to discuss in the absence of management to ensure the integrity of the financial statements of the Group and any announcements relating to the financial performance before submission to our Board of Directors for approval;

(c) The adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems, prior to the incorporation of such results in the annual report;

(d) Any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on our Group's operating results or financial position and the management's response;

(e) The independence and objectivity of the external auditors, taking into account the non-audit services provided by the external auditors, if any;

(f) The co-ordination among the internal auditors, the external auditors and the management, including assistance given by our management to the auditors;

5 AUDIT COMMITTEE (CONTINUED)

(g) Interested person transactions falling within the scope of Chapter 9 of the Catalist Rules, and approve interested person transactions where necessary;

(h) Any potential conflicts of interests and set out a framework to resolve or mitigate such potential conflicts of interests;

(i) The policy and procedures by which employees of the Group or any other persons may, in confidence, report to the Chairman of the Audit Committee, concerns about possible improprieties in matters of financial reporting or other matters and ensure that there are arrangements in place for such concerns to be safely raised and for independent investigation and appropriate follow-up actions in relation thereto; and

(j) The proposals to the shareholders with regard to the appointment, re-appointment and removal of external auditors, and approve the remuneration and terms of engagement of the external auditors.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the directors the nomination of PKF-CAP LLP for re-appointment as external auditors of the Group at the forthcoming AGM of the Company.

6 AUDITORS

The auditors, Deloitte & Touche LLP, will not be seeking re-appointment.

ON BEHALF OF THE DIRECTORS

....
Levin Lee Keng Weng
Director

....
Lim Say Chin
Director

January 12, 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ACROMETA GROUP LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AcroMeta Group Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at September 30, 2023, and the consolidated statement of profit or loss and other 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, as set out on pages 65 to 130.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at September 30, 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the accompanying financial statements, which indicates that the Group recorded a total comprehensive loss of S$12,473,118 for the financial year ended September 30, 2023 and as of that date, the Group is in a net current liability and net liability position of S$6,893,538 and S$1,870,761 respectively. Management has prepared a cash flow forecast of the Group up till January 2025 with certain key assumptions, and has concluded that the Group will have sufficient financial resources to continue as a going concern for at least the next twelve months from the date of authorisation of the accompanying financial statements.

In the event that the Group is unable to achieve its targeted cash inflow arising from its core business at an amount sufficient to repay its obligations when due, including any potential additional payment pertaining to the waste-to-energy plant which the Group may be required to make, the Group may be unable to discharge its liabilities in the normal course of business.

This indicates the existence of a material uncertainty which may cast significant doubt on the ability of the Group to continue as a going concern.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in the audit</th></tr>
<tr><td>

Accounting for construction contracts

Revenue from engineering, procurement and construction projects is recognised via the output method under SFRS(I) 15. Under the output method, revenue is recognised over time on the basis of direct measurement of the value to the customer for the goods or services transferred to date relative to the remaining goods or services promised under the contract.

This measurement of progress towards the complete satisfaction of the Group's performance obligations under a contract is measured by external independent quantity surveyors' or the Group's internal project engineers' estimates.

This revenue accounted for approximately 88% of the Group's total revenue and the associated areas of estimates and judgements of construction contracts are as follow:

- the estimation of total contract costs to completion;
- profit margin forecast after consideration of variation orders, claims and liquidated damages; and
- ascertain whether circumstances exist where total contract costs exceed total contract revenues which would result in the expected loss being recognised as an expense immediately

The Group's disclosure of the above significant estimates is provided in Note 3(b)(ii) to the financial statements, and further information related to the revenue is provided in Note 25.

</td><td>

Our audit procedures on the contract revenue and costs included, among others:

- evaluated management's process on the accounting for contract revenues and tested the design and implementation of the relevant key controls over the recognition of contract revenue;
- selected sample of significant contracts and performed amongst others, the following audit procedures:

  a) examination of contract documentation and discussions on the status of contracts where construction is in progress with senior management of the Group;

  b) reviewed components of budgets (including retrospective review), cost committed to date and discussed with project management personnel regarding their assessment of probable actual costs, potential foreseeable losses and status of the selected projects;

  c) verified that contract revenue is recognised appropriately using the output method under SFRS(I) 15 and is based on the measurement of progress towards the complete satisfaction of performance obligations to the customer as determined by external independent quantity surveyors' or the Group's internal project engineers' estimates;

  d) evaluated the competency, capabilities and objectivity of the quantity surveyors and project engineers engaged by management; and

  e) recomputed the revenue recognised for the current financial year based on the respective contracts with customers and verified that the associated cost is recognised as incurred under SFRS(I) 15.

We have also assessed and evaluated the adequacy and appropriateness of the disclosures made in the financial statements.

</td></tr>
</table>

Key Audit Matters (Continued)

Key audit matter	How the matter was addressed in the audit
Diversification strategy into renewable energy industry	
The Group made diversification plans in 2019 to expand its core engineering services business and embarked on a new business segment in the renewable energy industry. The Group would build-own-operate a waste-to-energy plant ("Plant"). The Plant will process and convert waste into biogas for use in generating electricity. As disclosed in Note 13 to the financial statements, manure handling service was provided by the Group to a counterparty as part of an extension of the 2019 agreement. The Group experienced a disruption in its manure handling service in both the prior and current financial years. As a result of the disruption, both the Company and Neo Tiew Power Pte. Ltd. received letter of demand from the counterparty in the current year, demanding compensation amounting to S$10,731,304 for cost incurred up till April 2023. As at the end of the reporting period, S$13,162,313 was recharged by the counterparty to Neo Tiew Power Pte. Ltd.. As disclosed in Note 12 to the financial statements, the Group has placed Neo Tiew Power Pte. Ltd., the subsidiary that was operating the Plant under Creditors' Voluntary Winding Up. As disclosed in Note 33 to the financial statements, the Company issued a corporate guarantee to the counterparty to guarantee the counterparty of its subsidiary's due performance of its duties or obligations under the contract. Management has determined that the disruption was due to factors beyond the Group's control and it does not constitute a material breach of the contract terms. As it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation associated with the disruption in manure handling service, no provision has been made with regards to the above recharge.	Our audit procedures on the Plant included, among others: • reviewed the terms and conditions of signed agreement and evaluated the appropriateness of the accounting treatment pertaining to the transactions entered into by the Group; • reviewed management's assessment on the provision for corporate guarantee and provision for recharges sought by the counterparty; • obtained confirmation from the counterparty on the amount of transactions during the year and balances as at September 30, 2023; • obtained written interpretation and performed inquiry with external legal counsel on the interpretation of letter of demand and liability of the Group with respect to the corporate guarantee provided; • performed inquiry with liquidators to obtain an understanding of the status of the liquidation as at the date of the report; • performed inquiry with project manager to obtain an understanding of the status of the Plant as at September 30, 2023; • on a sample basis, performed test of details on the cost capitalisation of the Plant under property, plant and equipment; • evaluated the capitalisation policy on the cost to build the Plant and reviewed management's assessment on the classification of these costs under SFRS(I) 1-16 *Property, plant, and equipment*; and • reviewed management's impairment assessment on non-financial assets in accordance with SFRS(I) 1-36 *Impairment of Assets*. We have also evaluated the adequacy and appropriateness of the related disclosures made in the financial statements.

Key Audit Matters (Continued)

Key audit matter	How the matter was addressed in the audit
Management has assessed that the guarantee had explicitly stated that the aggregate liabilities of the Company shall not exceed S$1,000,000. Accordingly, the Company has recorded a provision amounting to S$1,000,000. The associated areas of estimates and judgements in relation to the Plant are as follow: • ascertain whether circumstances exist where counterparty to the agreement has the right to claim for additional cost incurred as a result of the disruption in manure handling service; and • ascertain whether circumstances exist which expose the Group to additional probable outflow of resources in addition to the corporate guarantee provided. The Group's disclosure of the above significant estimates is provided in Note 3(b)(iv) to the financial statements, and further information related to the Plant is disclosed in Note 13.	
Purchase price allocation of acquisition of subsidiary On May 26, 2023, the Group acquired 40% of the total issued and paid-up share capital of its previously 30% owned associate, Life Science Incubator Pte. Ltd. ("LSI") for a total purchase consideration of S$1,600,000. The Group has paid a consideration of S$200,000. The remaining consideration of S$1,400,000 would be paid in tranches on the realisation of agreed milestones. The fair value of the remaining consideration of S$1,400,000 has been determined to be S$890,634 and has been recognised as contingent consideration payable (Note 18). As disclosed in Note 32, the initial accounting for the acquisition of LSI has only been provisionally determined at the end of the reporting period. At the date of finalisation of these consolidated financial statements, the necessary market valuations and other calculations had not been finalised and they have therefore only been provisionally determined based on the management's best estimate of the likely values.	We have discussed with management and their independent valuer and obtained an understanding on the processes undertaken to perform the provisional PPA exercise. Our audit procedures focused on challenging the reasonableness of the key assumptions applied in the provisional PPA. Our audit procedures on the provisional PPA included, among others: • assessing the independence and competency of the external independent valuers and evaluating the bases and assumptions of the valuation methodology used in the determination of provisional amount; • reviewed relevant documents supporting the acquisition and the provisional PPA and evaluating the appropriateness of the accounting for the acquisition and classification of the assets acquired and liabilities assumed in accordance with SFRS(I) 3; • assessed the fair values of the acquired assets and assumed liabilities supported by independent third party professional valuation reports; and

Key Audit Matters (Continued)

Key audit matter	How the matter was addressed in the audit
Under SFRS(I) 3 *Business Combinations*, the Group is required to allocate the purchase price between the acquired assets and liabilities, which could give rise to the recognition of tangible and intangible assets and goodwill or recognition of a gain on bargain purchase. This process of Purchase Price Allocation ("PPA") requires the exercise of significant judgement and estimates and involves a certain degree of complex valuation considerations, particularly in relation to the valuation of the fair value of contingent consideration payable. The Group's disclosure of the business combination accounting applied to the acquisition is set out in Notes 2 and 32 to the financial statements. The Group's disclosure of the provisional goodwill arising from the acquisition is set out in Notes 2 and 16 to the financial statements.	• using our valuation specialists to review key assumptions used in the valuation models. We have also evaluated the adequacy and appropriateness of the related disclosures made in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Mr Chua How Kiat.

DELOITTE & TOUCHE LLP
Public Accountants and
Chartered Accountants
Singapore

January 12, 2024

STATEMENTS OF FINANCIAL POSITION

SEPTEMBER 30, 2023

	Note	Group		Company	
		2023	2022	**2023**	2022
		S$	S$	**S$**	S$
ASSETS					
Current assets					
Cash and bank balances	6	**6,345,558**	6,025,213	**781,917**	22,004
Trade receivables	7	**4,777,066**	15,425,302	**–**	–
Inventories	8	**597,233**	757,919	**–**	–
Contract assets	9	**11,891,813**	8,015,879	**–**	–
Other receivables, deposits and prepayments	10	**770,212**	992,528	**685,902**	240,922
Loans to subsidiaries	11	**–**	–	**60,000**	30,000
		24,381,882	31,216,841	**1,527,819**	292,926
Asset of disposal group classified as held-for-sale	12	**277,941**	–	**–**	–
Total current assets		**24,659,823**	31,216,841	**1,527,819**	292,926
Non-current assets					
Loans to subsidiaries	11	**–**	–	**–**	4,740,000
Property, plant and equipment	13	**2,149,436**	12,686,300	**11,397**	–
Right-of-use assets	14	**3,387,490**	2,354,344	**83,758**	–
Investment property	15	**1,527,458**	1,563,875	**–**	–
Goodwill	16	**2,532,739**	183,430	**–**	–
Investment in subsidiaries	17	**–**	–	**15,179,828**	14,830,612
Total non-current assets		**9,597,123**	16,787,949	**15,274,983**	19,570,612
Total assets		**34,256,946**	48,004,790	**16,802,802**	19,863,538
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	18	**19,630,362**	25,097,550	**217,357**	5,261,050
Bill payables	19	**4,413,183**	4,519,087	**–**	–
Contract liabilities	9	**380,296**	989,867	**–**	–
Lease liabilities	20	**590,178**	756,538	**52,517**	–
Bank loans	22	**2,455,679**	1,928,904	**–**	–
Provision	33	**1,000,000**	–	**1,000,000**	–
Tax payable		**21,115**	33,678	**–**	–
		28,490,813	33,325,624	**1,269,874**	5,261,050
Liabilities directly associated with disposal group classified as held-for-sale	12	**3,062,548**	–	**–**	–
Total current liabilities		**31,553,361**	33,325,624	**1,269,874**	5,261,050
Non-current liabilities					
Trade and other payables	18	**651,390**	–	**–**	–
Lease liabilities	20	**1,932,774**	515,917	**31,241**	–
Loan from non-controlling interest	21	**–**	2,560,000	**–**	–
Bank loans	22	**1,968,488**	4,128,917	**–**	–
Deferred tax liabilities		**21,694**	21,694	**–**	–
Total non-current liabilities		**4,574,346**	7,226,528	**31,241**	–
Total liabilities		**36,127,707**	40,552,152	**1,301,115**	5,261,050

See accompanying notes to financial statements.

STATEMENTS OF FINANCIAL POSITION

SEPTEMBER 30, 2023

	Note	Group		Company	
		2023	2022	**2023**	2022
		S$	S$	**S$**	S$
Capital and reserves					
Share capital	23	**18,865,909**	16,225,036	**18,865,909**	16,225,036
Other reserves	24	**(4,787,019)**	(4,856,995)	**–**	–
Foreign currency translation reserve		**11,805**	15,420	**–**	–
Accumulated losses		**(10,986,490)**	(4,028,161)	**(3,364,222)**	(1,622,548)
Equity attributable to owners of the Company		**3,104,205**	7,355,300	**15,501,687**	14,602,488
Non-controlling interests		**(4,974,966)**	97,338	**–**	–
(Capital deficiency)/Net equity		**(1,870,761)**	7,452,638	**15,501,687**	14,602,488
Total liabilities and equity		**34,256,946**	48,004,790	**16,802,802**	19,863,538

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED SEPTEMBER 30, 2023

	Note	Group 2023 S$	Group 2022 S$
<u>**Continuing operations**</u>			
Revenue	25	**69,499,190**	62,297,566
Cost of sales		**(57,807,172)**	(52,501,204)
Gross profit		**11,692,018**	9,796,362
Other operating income	26	**776,802**	565,504
Administrative expenses		**(7,828,464)**	(6,030,214)
Other operating expenses		**(1,419,017)**	(1,165,398)
Finance costs	27	**(500,700)**	(315,658)
Share of profit/(loss) of associate		**32,229**	(20,000)
Profit before income tax	28	**2,752,868**	2,830,596
Income tax expense	29	**–**	–
Profit for the year from continuing operations		**2,752,868**	2,830,596
<u>**Discontinued operation**</u>			
Loss for the year from discontinued operation	30	**(15,220,590)**	(2,320,834)
(Loss)/Profit for the year		**(12,467,722)**	509,762
Other comprehensive (loss)/income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**(5,396)**	515
Total comprehensive (loss)/income for the year		**(12,473,118)**	510,277
(Loss)/Profit for the year attributable to:			
– Owners of the Company		**(6,958,329)**	1,599,705
– Non-controlling interests		**(5,509,393)**	(1,089,943)
		(12,467,722)	509,762
Total comprehensive (loss)/income attributable to:			
– Owners of the Company		**(6,961,944)**	1,600,047
– Non-controlling interests		**(5,511,174)**	(1,089,770)
		(12,473,118)	510,277
(Losses)/Earnings per share (“(LPS)/EPS”):			
Basic and diluted (cents)	31		
– From continuing and discontinued operations		**(2.99)**	1.15
– From continuing operations		**1.23**	2.09

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED SEPTEMBER 30, 2023

	Note	Share capital S$	Other reserves S$	Foreign currency translation reserves S$	Accumulated losses S$	Equity attributable to owners of the Company S$	Non-controlling interests S$	Total S$
Group								
Balance as at October 1, 2021		16,225,036	(4,296,747)	15,078	(5,627,866)	6,315,501	626,860	6,942,361
Total comprehensive income for the year:								
Profit/(Loss) for the year		–	–	–	1,599,705	1,599,705	(1,089,943)	509,762
Other comprehensive income for the year		–	–	342	–	342	173	515
Total		–	–	342	1,599,705	1,600,047	(1,089,770)	510,277
Transaction with owners, recognised directly in equity								
Effects of share swap of subsidiaries by non-controlling interest	17, 24	–	(560,248)	–	–	(560,248)	560,248	–
Total		–	(560,248)	–	–	(560,248)	560,248	–
Balance as at September 30, 2022		**16,225,036**	**(4,856,995)**	**15,420**	**(4,028,161)**	**7,355,300**	**97,338**	**7,452,638**
Total comprehensive loss for the year:								
Loss for the year		**–**	**–**	**–**	**(6,958,329)**	**(6,958,329)**	**(5,509,393)**	**(12,467,722)**
Other comprehensive loss for the year		**–**	**–**	**(3,615)**	**–**	**(3,615)**	**(1,781)**	**(5,396)**
Total		**–**	**–**	**(3,615)**	**(6,958,329)**	**(6,961,944)**	**(5,511,174)**	**(12,473,118)**
Transaction with owners, recognised directly in equity								
Issue of share capital	23	**2,640,873**	**–**	**–**	**–**	**2,640,873**	**–**	**2,640,873**
Effects of acquiring part of non-controlling interest in a subsidiary	17, 24	**–**	**69,976**	**–**	**–**	**69,976**	**(244,182)**	**(174,206)**
Non-controlling interest arising from acquisition of a subsidiary	32	**–**	**–**	**–**	**–**	**–**	**683,052**	**683,052**
Total		**2,640,873**	**69,976**	**–**	**–**	**2,710,849**	**438,870**	**3,149,719**
Balance as at September 30, 2023		**18,865,909**	**(4,787,019)**	**11,805**	**(10,986,490)**	**3,104,205**	**(4,974,966)**	**(1,870,761)**

	Share capital S$	Accumulated losses S$	Total S$
Company			
Balance as at October 1, 2020	16,225,036	(1,495,004)	14,730,032
Loss for the year, representing total comprehensive loss for the year	–	(127,544)	(127,544)
Balance as at September 30, 2022	**16,225,036**	**(1,622,548)**	**14,602,488**
Loss for the year, representing total comprehensive loss for the year	**–**	**(1,741,674)**	**(1,741,674)**
Transaction with owners, recognised directly in equity			
Issue of share capital	**2,640,873**	**–**	**2,640,873**
Balance as at September 30, 2023	**18,865,909**	**(3,364,222)**	**15,501,687**

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30, 2023

	Group	
	2023	2022
	S$	S$
Operating activities		
(Loss)/Profit before income tax	**(12,467,722)**	509,762
Adjustments for:		
Depreciation of property, plant and equipment	**536,897**	406,760
Depreciation of investment property	**36,417**	36,427
Depreciation of right-of-use assets	**846,743**	743,336
Write off of prepayment	**120,000**	–
Impairment loss on property, plant and equipment	**12,261,907**	–
Increase in provision	**1,000,000**	–
Interest income	**(21,944)**	(3,869)
Interest expense	**507,154**	317,982
Fair value gain on remeasurement of previously held shareholding	**(650,823)**	–
Loss on disposal of right-of-use assets	**15,650**	–
Loss on disposal of property, plant and equipment	**159**	–
Share of (profit)/loss of associate	**(32,229)**	20,000
Operating cash flows before movements in working capital	**2,152,209**	2,030,398
Trade receivables	**10,827,144**	(9,744,132)
Other receivables, deposits and prepayments	**136,088**	348,639
Inventories	**160,686**	125,767
Contract assets/liabilities, net	**(4,633,765)**	(2,878,765)
Trade and other payables (Note B)	**(6,836,237)**	10,063,516
Bill payables (Note A)	**(105,904)**	3,534,673
Cash generated from operations	**1,700,221**	3,480,096
Income taxes paid	**(12,563)**	(10,614)
Interest received	**8,243**	3,432
Net cash from operating activities	**1,695,901**	3,472,914
Investing activities		
Purchase of property, plant and equipment	**(849,543)**	(1,611,162)
Proceeds from disposal of property, plant and equipment	**4,750**	–
Proceeds from disposal of right-of-use assets	**62,408**	–
Acquisition of subsidiary (Note B)	**(55,614)**	–
Net cash used in investing activities	**(837,999)**	(1,611,162)
Financing activities		
(Increase)/decrease in fixed deposits pledged	**(7,740)**	69,569
Proceeds from drawdown of bank loans	**–**	300,000
Repayment of lease liabilities	**(847,541)**	(308,163)
Repayment of bank loans	**(1,633,654)**	(1,890,593)
Acquisition of non-controlling interests in subsidiary	**(174,206)**	–
Interest paid	**(507,154)**	(297,686)
Proceeds from shareholder loan	**–**	353,000
Proceeds from issuance of share capital, net of transaction cost	**2,640,873**	–
Net cash used in financing activities	**(529,422)**	(1,773,873)
Net increase in cash and cash equivalents	**328,480**	87,879
Cash and cash equivalents at beginning of year	**4,109,355**	4,020,961
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	**(5,396)**	515
Cash and cash equivalents at end of year (Note 6)	**4,432,439**	4,109,355

Notes to Consolidated statement of cash flows:

Note A

During the year, total gross cash flows arising from the Group's trade financing facilities that was settled by the banks amounted to S$20,746,748 (2022: S$11,254,087).

Total amounts repaid by the Group to the banks under the terms of the credit financing arrangements amounted to S$20,852,652 (2022: S$7,719,414).

The net cash outflow (2022: inflow) arising from the Group's trade financing facilities amounted to S$105,904 (2022: S$3,534,673) (Note 19) and is presented under "operating activities" as management is of the view that the payment terms with the bank approximates the average payment cycle within the Group's industry.

Note B

During the year, the Group completed its acquisition of 40% of the total issued and paid-up share capital of its previously 30% owned associate, Life Science Incubator Pte Ltd. Total purchase consideration for the acquisition amounts to S$1,600,000, of which S$200,000 has been paid in the current year. The remaining consideration of S$1,400,000 would be paid in tranches on the realisation of agreed milestones.

The fair value of remaining consideration of S$1,400,000 has been determined to be S$890,634 and it remains unpaid as at the end of the reporting period and has been recognised in "Trade and other payables".

See accompanying notes to financial statements.

1 GENERAL

The Company (Registration No. 201544003M) is incorporated in the Republic of Singapore with its registered office and principal place of business at 4 Kaki Bukit Avenue 1, #04-04 Kaki Bukit Industrial Estate, Singapore 417939. The Company was listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") on April 18, 2016. The financial statements are expressed in Singapore dollars.

The principal activities of the Company are that of investment holding, engineering design, consultancy activities and renewable energy.

The principal activities of the subsidiaries are disclosed in Note 17 to the financial statements.

Going concern

For the year ended September 30, 2023, the Group recorded a total comprehensive loss of S$12,473,118. As of that date, the Group is in a net current liability and net liability position of S$6,893,538 and S$1,870,761 respectively.

As disclosed in Note 12 and Note 13 to the financial statements, as a result of a disruption to the manure handling service, both the Company and one of the subsidiaries of the Group, Neo Tiew Power Pte. Ltd., received letter of demand from a counterparty in the current year, demanding compensation amounting to S$10,731,304 for cost incurred up till April 2023. As at the end of the reporting period, S$13,162,313 was recharged by the counterparty to Neo Tiew Power Pte. Ltd. Subsequent to the end of the reporting period, Neo Tiew Power Pte. Ltd., was placed under Creditors' Voluntary Winding Up and the waste-to-energy plant operated by the said subsidiary had stopped its operation.

In view of these circumstances, management has prepared a cash flow forecast of the Group up till January 2025 and has concluded that the Group will have sufficient financial resources to continue as a going concern for at least the next twelve months from the date of authorisation of the accompanying financial statements. The key assumptions applied in the cash flow forecast are:

a) The engineering, procurement and construction and maintenance core segments will continue to generate sufficient cash flows from their future operations and the order book of the engineering, procurement and construction segment is expected to grow in the next financial year with the successful conversion of current tendering opportunities into future revenues and cashflows.

b) The Company will not be liable for the recharges sought by the counterparty as disclosed in Note 13 apart from the corporate guarantee provided of S$1,000,000 which had explicitly stated that the aggregate liabilities of the Company shall not exceed the said amount. Notwithstanding this, subject to the outcome of the resolution with the counterparty, the Company may be exposed to additional payments within the next 12 months from the date of authorisation of the financial statements arising from the renewable energy segment.

c) The co-working laboratory space segment will incur minimal capital expenditure and it will start to generate positive cash inflow in the next financial year.

d) Banks will continue to support the Group with banking facilities currently utilised by the Group for trading purposes only. As disclosed in Note 22, the Group has breached certain debt covenant and the banks have not taken further action as of date of the authorisation of these financial statements. As at September 30, 2023, excluding trade financing facilities granted by the affected banks, the Group has S$1,352,148 of unutilised trade financing facilities.

1 GENERAL (CONTINUED)

In the event that the Group is unable to achieve its targeted cash inflow arising from its core business at an amount sufficient to repay its obligations when due, including any potential additional payment pertaining to the waste-to-energy plant which the Group may be required to make, the Group may be unable to discharge its liabilities in the normal course of business. This indicates the existence of a material uncertainty which may cast significant doubt on the ability of the Group to continue as a going concern. The Group may have to reclassify non-current assets and liabilities as current assets and liabilities and write down assets to net realisable values. No such adjustments have been made to these financial statements.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the year ended September 30, 2023 were authorised for issue in accordance with a resolution of the Board of Directors on January 12, 2024.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING – The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for Share-based Payment transactions that are within the scope of SFRS(I) 2 *Share-based payment*, leasing transactions that are within the scope of SFRS(I) 16 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

b) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

c) Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS – In the current financial year, the Group has adopted all the new and revised SFRS(I)s and Interpretations of SFRS(I) ("SFRS(I) INT") that are relevant to its operations and effective for annual periods beginning on or after October 1, 2022. The adoption of these new/revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the disclosures or on the amounts reported for the current or prior years.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

At the date of authorisation of these financial statements, the Group and Company have not applied the following SFRS(I) pronouncements that have been issued but are not yet effective:

- Amendments to SFRS(I) 1-1 — *Classification of Liabilities as Current or Non-current*[2]
- Amendments to SFRS(I) 1-1 — *Non-current liabilities with Covenants*[2]
- Amendments to SFRS(I) 1-7 and SFRS(I) 7 — *Supplier Finance Arrangements*[2]
- Amendments to SFRS(I) 12 — *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*[1]
- Amendments to SFRS(I) 17 — *Insurance Contracts (including November 2020 and December 2021 Amendments to SFRS(I) 17)*[1]
- Amendments to SFRS(I) 18 — *Definition of Accounting Estimates*[1]
- Amendments to SFRS(I) 10 and SFRS(I) 1-28 — *Sale or Contribution of Assets between Investor and its Associate or Joint Venture*[3]

1 Effective for annual periods beginning on or after January 1, 2023.
2 Effective for annual periods beginning on or after January 1, 2024.
3 Effective date is deferred indefinitely.

Based on management's preliminary assessment, the adoption of the above SFRS(I) and Amendments to SFRS(I) in future periods is not expected to have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

BASIS OF CONSOLIDATION – The Group resulted from the Restructuring Exercise on March 15, 2016 which involve entities under common control. Accordingly, the consolidated financial statements had been accounted for using the principles of merger accounting where financial statement items of the merged entities for the reporting periods in which the common control combination occurs were included in the consolidated financial statements of the Group as if the consolidation had occurred from the date when the merged entities first came under the control of the same shareholders.

All significant intercompany transactions and balances between the entities in the Group are eliminated on combination.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For all other entities that are to be consolidated within the Group after 2016, control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

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

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Changes in the Group's ownership interests in existing subsidiary

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

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

In the Company's financial statements, investment in subsidiaries and associate are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

- Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;

- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement by the Group of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer are measured in accordance with SFRS(I) 2 *Share-based Payment* at the acquisition date; and

- Assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

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

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

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

The accounting policy for initial measurement of non-controlling interests is described above.

FINANCIAL INSTRUMENTS – Financial assets and financial liabilities are recognised in the group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets are recognised immediately in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss ("FVTPL").

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transactions costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "other operating income" line item.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at the end of each reporting period. Specifically, for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other operating income/expense" line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets which are measured at amortised cost or at FVTOCI, contract assets, as well as on loan commitments and financial guarantee contracts. No impairment loss is recognised for investment in equity instruments (if any). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables and contract assets. The ECL on these financial assets are estimated using the simplified approach based on the Group's historical credit loss experience, adjusted for factors that are specific to the risk profile of debtors, general economic conditions and an assessment of both the current and forward-looking information at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition.

In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information includes the future prospects of the industries in which the Group's debtors operate and consideration of various external sources of actual and forecast economic information that relate to the Group's core operations and industry.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contract, the Company considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event; or
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.

Write-off policy

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

Measurement and recognition of expected credit losses

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount of drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

For a financial guarantee contract, as the Company is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, the debtor or any other party.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables, and amounts due from customers are each assessed as a separate group. Loans to subsidiaries are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics. If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Other financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Interest-bearing borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see below).

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

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

Financial guarantee contract liabilities

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

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

- the amount of the loss allowance determined in accordance with SFRS(I) 9; and
- the amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

LEASES

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The lease liability is presented as a separate line in the statement of financial position.

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

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss, where applicable.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVENTORIES – Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

PROPERTY, PLANT AND EQUIPMENT – Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Assets in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Such cost includes professional fees and, for qualifying assets (where applicable), borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, determined on the same basis as other assets, commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Renovation	–	3 to 10 years
Furniture and fittings and office equipment	–	3 to 10 years
Computer equipment and software	–	3 years
Motor vehicles	–	5 to 6 years
Factory machinery	–	3 to 5 years
Waste-to-energy plant	–	15 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

Fully depreciated assets still in use are retained in the financial statements.

INVESTMENT PROPERTY – Investment property, which is property held to earn rentals and/or for capital appreciation is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged on the cost of the investment property in equal annual installments over 60 years.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

NON-CURRENT ASSETS HELD FOR SALE – Non-current assets, or disposal groups comprising assets and liabilities, that are highly probable to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter, the assets, or disposal group, classified as held as sale are generally measured at the lower of their carrying amount and fair value less costs to sell.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to financial assets, deferred tax assets, employee benefit assets, investment property and biological assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment once classified as held for sale are not amortised or depreciated. In addition, equity accounting of associate and joint ventures ceases once classified as held for sale or distribution.

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

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

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

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

IMPAIRMENT OF NON-FINANCIAL ASSETS EXCLUDING GOODWILL – At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

ASSOCIATE – An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associate are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5. Under the equity method, an investment in an associate is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income of the associate. When the Group’s share of losses of an associate exceeds the Group’s interest in that associate (which includes any long-term interests that, in substance, form part of the Group’s net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate any excess of the cost of the investment over the Group’s share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of SFRS(I) 1-36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group’s investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group’s consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

GOVERNMENT GRANTS – Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivables as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

REVENUE RECOGNITION – The Group recognises revenue from the following major sources:

- Construction contracts (i.e. project revenue from contracts with customers)
- Rendering of maintenance services
- Manure handling services
- Sale of goods
- Rental of co-working laboratory space

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Construction contracts

The Group derives its revenue from the provision of engineering, procurement and construction services under contracts with customers. Such contracts are entered into before the services begin. Under the terms of the contract, the Group is restricted from redirecting the engineering, procurement and construction services to another customer and has an enforceable right to payment for work performed.

Project revenue from construction contracts with customers is recognised when the Group transfers control of a product or service to a customer. Control is transferred over time and revenue is recognised over time via the output method by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- the Company's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Under the output method, revenue is recognised over time on the basis of direct measurement of the value to the customer for the goods or services transferred to date relative to the remaining goods or services promised under the contract. This measurement of progress towards the complete satisfaction of the Group's performance obligations under a contract is measured by external independent quantity surveyors' or the Group's internal project engineers' estimates. The associated cost relating to the construction contracts are recognised in the period in which they are incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Group becomes entitled to invoice customers for work performed under the project based on achieving a series of performance-related milestones. The Group will recognise a contract asset for any work performed but has not been billed to customer. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. A contract liability is recognised if the milestone payment or billings exceeds the revenue recognised to date under the output method. There is not considered to be a significant financing component in the contracts with customers as the period between the recognition of revenue under the output method and the milestone payment is usually less than one year.

Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. Amounts billed for work performed but not yet paid by the customer are included in the statement of financial position under trade receivables. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Provision for liquidated damages, which represents the estimated costs of compensation required for not completing certain construction contracts in accordance with the stipulated schedule, constitutes a consideration payable to the customer and is accounted for as a reduction of the consideration specified in the contract with customers.

Rendering of maintenance services

Revenue from maintenance services are provided as a fixed-price contract, with contract terms generally within one year. Revenue from fixed price contracts are non-project related and include maintenance and installation services which are recognised over time when the customers simultaneously receive and consume the benefits from the Group's performance. Such services are recognised using a straight-line basis over the term of the contract.

Management has assessed that the stage of completion is determined as the proportion of the total time expected to complete the service that has elapsed at the end of the reporting period as an appropriate measure of progress towards complete satisfaction of these performance obligations under SFRS(I) 15. Payment for revenue is not due from the customer until the services are complete and therefore a contract asset (when applicable) is recognised over the period in which these services are performed representing the entity's right to consideration for the services performed to date.

Manure handling services

Revenue from manure handling services are recognised at a point in time upon completion of the service.

Sale of goods

The Group fabricates and sells ducts. Revenue is recognised when control of the goods has transferred to the customer, being at the point the goods are delivered to the customer. Delivery occurs when the goods have been shipped to the customer's specific location. A receivable is recognised by the Group upon delivery as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment.

Rental of co-working laboratory space

The Group operates and manages of co-working laboratory space. Revenue is recognised from leasing out co-working laboratory space.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

BORROWING COSTS – Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

RETIREMENT BENEFIT OBLIGATIONS – Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

EMPLOYEE LEAVE ENTITLEMENT – Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

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

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION – The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the group entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing on the reporting date. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS – Cash and cash equivalents in the statement of cash flows comprise fixed deposits, cash at bank and on hand that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

SEGMENT REPORTING – An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses.

Operating segments are reported in a manner consistent with the internal reporting provided to members of management and the chief operating decision makers who are responsible for allocating resources and assessing performance of the operating segments.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

(a) Critical judgements in applying the Group's accounting policies

Management is of the opinion that there are no critical judgments that have a significant effect on the amounts recognised in the financial statements, except for those related to going concern assessment as disclosed in Note 1 and the key sources of estimation uncertainty as disclosed below.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(b) Key sources of estimation uncertainty

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

(i) Assessment of recoverability of trade and other receivables

The assessment of recoverability of trade and other receivables of the Group is based on the ongoing evaluation of collectability and ageing analysis of the outstanding debts and on management's estimate of the ultimate realisation of these receivables, including creditworthiness and the past collection history of each debtor. A loss allowance is made for estimated losses resulting from the subsequent inability of the customer to make required payments.

If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future period. The carrying amounts of trade and other receivables at the end of the reporting period are disclosed in Notes 7 and 10 to the financial statements respectively.

(ii) Project revenue and costs

As described in Note 2 to the financial statements, revenue associated with a project is recognised by reference to the measurement of progress of each project's activity at the end of the reporting period, using quantity surveyors' or project engineers' estimates. Project cost are recognised as expenses in the period in which they are incurred. When it is probable that the total project costs will exceed the total project revenue, the expected loss is recognised as an expense immediately. These computations are based on the presumption that the outcome of a project can be estimated reliably.

Management has performed the cost studies, taking into account the costs to date and costs to complete for each project. Management has also reviewed the status and the physical proportion of the contract work completed of such projects and is satisfied that the estimates to complete are realistic, and the estimates of total project costs and sales proceeds indicate full project recovery. In addition, management has assessed each project individually according to its technical requirements and circumstances in order to estimate project cost accrual.

Revenue arising from additional claims and variation orders, whether billed or unbilled, is recognised when negotiations have reached an advanced stage such that it is probable that the customer will accept the claims or approve the variation orders, and where the amount of such claims and variation orders can be measured reliably.

The assessment for provisions for foreseeable losses are based on management's estimate of the total budgeted cost for project completion.

The above judgements and estimates affect the amount of revenue recognised (Note 25), the recognised profits included; contract assets (Note 9), contract liabilities (Note 9) and provisions (Note 33). Management's estimates take into account known significant events and information available when the financial statements are prepared. They are subject to periodic reassessment. Current estimates may be subject to material change in future depending on market conditions and the results of actions to be taken in future.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(b) Key sources of estimation uncertainty (Continued)

(iii) Project implementation timelines towards contract completion

The Group has resumed its construction activities and negotiated revised completion schedules with its customers for certain projects that was delayed as a result of COVID-19. Management is of the view that no provision for liquidated damages will be recognised at the end of the reporting period as these revised completion schedules are mutually agreed with customers.

In deriving at their assessment for liquidated damages, management has been closely monitoring the status of contract work and maintains frequent communication with its customers to estimate the extension of time required to complete the relevant projects. Current estimates may be subject to material change in future depending on market conditions and the results of actions to be taken in future.

(iv) Assessment of provision in connection with waste-to-energy plant

The Company provided corporate guarantee to a counterparty to guarantee the counterparty of its subsidiary's due performance of its duties or obligations under the contract.

As disclosed in Note 13, both the Company and Neo Tiew Power Pte. Ltd. received letter of demand from the counterparty in the current year, demanding compensation amounting to S$10,731,304 for cost incurred up till April 2023, as a result of the disruption in manure handling service. As at the end of the reporting period, S$13,162,313 was recharged by the counterparty to Neo Tiew Power Pte. Ltd..

Management is of the view that no provision for the above-mentioned recharges will be recognised at the end of the reporting period as the disruption in manure handling service is due to factors beyond the Group's control and it does not constitute a material breach of contract terms. No provision for liquidated damages will be recognised at the end of the reporting period as the delay in completion and halting of operation have not resulted in a material breach of contract terms.

Management has assessed that the corporate guarantee had explicitly stated that the aggregate liabilities of the Group shall not exceed S$1,000,000. Accordingly, the Group has recorded a provision amounting to S$1,000,000 (Note 33).

(v) Impairment in investments in subsidiaries and associate

The Group assesses annually whether there is any indication of impairment in its investments in subsidiaries and associate. Management has carried out a review of the recoverable amount of the investment in subsidiaries and associate having regard to the existing performance and the carrying value of the net tangible assets of the respective subsidiaries and associate.

Where there is indicator of impairment, management has estimated the recoverable amount based on higher of fair value less costs of disposal or value in use. Significant estimates and judgements are involved in determining the appropriate valuation method (for fair value assessment) and assumptions applied.

As at the end of the reporting period, allowance for impairment loss of S$94,088 (2022: S$94,088) has been made for investments in subsidiaries (Note 17) based on the market conditions reflecting the recoverability of the net assets in subsidiaries.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(b) *Key sources of estimation uncertainty* (Continued)

(vi) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the end of the reporting period was S$2,532,739 (2022: S$183,430). Details of the goodwill is provided in Note 16 to the financial statements.

(vii) Purchase price allocation of acquisition of subsidiary

During the year, the Group acquired 40% of the total issued and paid-up share capital of its previously 30% owned associate, Life Science Incubator Pte. Ltd. ("LSI"). The purchase price allocation exercise requires a significant amount of management estimation. The Group's disclosure of the above is set out in Note 32 to the financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) *Categories of financial instruments*

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2023	2022	**2023**	2022
	S$	S$	**S$**	S$
Financial assets				
Amortised cost	**12,090,754**	21,905,330	**1,515,696**	5,011,743
Financial liabilities				
Amortised cost	**32,282,113**	38,234,458	**1,217,357**	5,261,050
Contingent consideration for a business combination	**890,634**	–	**–**	–
Lease liabilities	**2,522,952**	1,272,455	**83,758**	–

(b) *Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements*

The Group does not have any financial instruments which are subject to offsetting, enforceable master netting arrangements or similar netting agreements.

(c) *Financial risk management policies and objectives*

Management monitors and manages the financial risks relating to the operations of the Group to ensure appropriate measures are implemented in a timely and effective manner. These risks include market risk (including interest rate risk and foreign exchange risk), credit risk and liquidity risk.

(i) Interest rate risk management

The Group's exposure to interest rate risk are restricted to its interest-bearing bills payables, lease liabilities, loan from non-controlling interest and bank loans as disclosed in Notes 19, 20, 21 and 22 respectively.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(c) Financial risk management policies and objectives (Continued)

(i) Interest rate risk management (Continued)

The Group adopts a practice to continuously seek alternative banking facilities which provide competitive interest rates to finance and/or refinance its working capital requirement.

The Group's exposure to interest rate risk arises mainly from variable rate bank loans. The Group aims to optimise net interest cost and to reduce volatility in the finance cost. The Group borrows variable rate debts with varying tenures. A summary of the Group's interest-bearing financial instruments is disclosed in Note 4(c)(iv) to these financial statements.

In 2023, the Group transitioned bank borrowings linked to Swap Offer Rate ("SOR") amounting to $1,161,659 to SORA. The Group is still in the process of negotiation with the counterparties for all Singapore Interbank Offered Rate ("SIBOR") and SOR-linked bank borrowings amounting to $337,565 and specific changes have yet been agreed as of the end of the reporting period. Based on management's assessment, the transition of the above is not expected to have a material impact on the financial statements of the Group and of the Company in the period of their transition. The Group does not have any non-derivative financial assets and derivatives that are referenced to interest rate benchmark subject to interest rate benchmark reform.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents the management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's profit before income tax would decrease (increase) by S$31,062 (2022: S$32,299). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

(ii) Foreign exchange risk management

Foreign exchange risk arising from changes in foreign currency exchange rates has a financial effect on the Group in the current reporting period and in future years. The Group's balances and transactions are predominantly in Singapore dollars, which is its functional currency.

At the end of the reporting period, the carrying amounts of significant monetary assets and monetary liabilities denominated in currencies other than the respective Group entities' functional currency are as follows:

	Assets		**Liabilities**	
	2023	2022	**2023**	2022
	S$	S$	**S$**	S$
United States dollars	**28,851**	31,195	**–**	–
Euro	**18,149**	13,245	**–**	–

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(c) Financial risk management policies and objectives (Continued)

(ii) Foreign exchange risk management (Continued)

Foreign exchange sensitivity analysis

The sensitivity rate used when reporting foreign currency risk to key management personnel is 10%, which is the change in foreign exchange rate that management deems reasonably possible which will affect outstanding foreign currency denominated monetary items at period end.

If the relevant foreign currency strengthens by 10% against the functional currency of each Group entity, the Group's profit before income tax will increase by:

	2023	2022
	S$	S$
United States dollars	**2,885**	3,120
Euro	**1,815**	1,325

If the relevant foreign currency weakens by 10% against the functional currency of each Group entity, the Group's profit before income tax will decrease by the same amount above.

(iii) Credit risk management

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in financial loss to the Group. As at September 30, 2023, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Company arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(c) Financial risk management policies and objectives (Continued)

(iii) Credit risk management (Continued)

The Group's current credit risk grading framework comprises the following categories:

Category	**Description**	**Basis for recognising expected credit losses (ECL)**
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	Other receivables: 12-month ECL Trade receivables and contract assets: Lifetime ECL – not credit-impaired
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Group and Company's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

	Note	**Internal credit rating**	**12-month or lifetime ECL**	**Gross carrying amount S$**	**Loss allowance S$**	**Net carrying amount S$**
Group						
September 30, 2023						
Trade receivables	7	**(ii)**	**Lifetime ECL – simplified approach**	**4,777,066**	**–**	**4,777,066**
Contract assets	9	**(ii)**	**Lifetime ECL – simplified approach**	**11,891,813**	**–**	**11,891,813**
Other receivables	10	**Performing**	**12-month ECL**	**699,868**	**–**	**699,868**
					–	
September 30, 2022						
Trade receivables	7	(ii)	Lifetime ECL – simplified approach	15,425,302	–	15,425,302
Contract assets	9	(ii)	Lifetime ECL – simplified approach	8,015,879	–	8,015,879
Other receivables	10	Performing	12-month ECL	454,815	–	454,815
					–	

4 **FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT** (CONTINUED)

(c) Financial risk management policies and objectives (Continued)

(iii) Credit risk management (Continued)

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount S$	Loss allowance S$	Net carrying amount S$
Company						
September 30, 2023						
Other receivables	10	**Performing**	**12-month ECL**	**673,779**	**–**	**673,779**
Loans to subsidiaries	11	**Performing**	**12-month ECL**	**60,000**	**–**	**60,000**
Financial guarantee contracts	–	**Performing**	**12-month ECL**	**4,413,183**	**–**	**–**
					–	
September 30, 2022						
Other receivables	10	Performing	12-month ECL	207,304	–	207,304
Loans to subsidiaries	11	Performing	12-month ECL	4,770,000	–	4,770,000
Financial guarantee contracts	–	Performing	12-month ECL	4,519,087	–	–
					–	

(i) For financial guarantee contracts, the gross credit exposure represents the maximum amount the Company has guaranteed under the respective contracts, and the net credit exposure represents the amount, net of loss allowance recognised for the contracts.

(ii) For trade receivables and contract assets, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The expected credit losses on trade receivables and contract assets are estimated based on past default experience of the debtor and analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of the conditions at the reporting date. Notes 7 and 9 include further details on the loss allowance for these assets respectively.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(c) Financial risk management policies and objectives (Continued)

(iii) Credit risk management (Continued)

Trade receivables consist of amounts due from various customers which are spread across several industries. Ongoing credit evaluation is performed on the financial condition of accounts receivable. Of the Group's total trade receivables balance at the end of the reporting period, there is a concentration of credit of 56.7% (2022: 55.5%) which relates to three customers (2022: three customers).

Apart from the above, the Group does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities.

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 the reporting date with the risk of default as at the date of initial recognition, and considers reasonable and supportable information, as described in Note 2.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-rating assigned by international credit-rating agencies.

Relevant information with regard to the exposure of credit risk and expected credit losses for trade receivables and contract assets are set out in Notes 7 and 9 respectively.

(iv) Liquidity risk management

Liquidity risk is the risk that the Group is unable to meet its obligations as and when they fall due. The Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effect of fluctuation in cash flows.

In order to ensure easy access to credit for its suppliers, the Group has entered into reverse factoring arrangements. The contractual arrangements in place permit the suppliers to obtain the amounts billed from the banks. The Group will repay the banks the full invoice amount plus interest charged on the scheduled date. The reverse factoring arrangements have been disclosed as bills payables in Note 19.

At the end of the reporting period, the Group's current assets is below its current liabilities by S$6,893,538 (2022: S$2,108,783). The net current liability position is mainly attributable to timing difference between trade payables and trade receivables or contract assets for its construction projects as the Group may be required to purchase equipment prior to the first payment milestone.

The factors above, along with the other matters disclosed in Note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the ability of the Group to continue as a going concern. Notwithstanding this, management and the Board of Directors have assessed that the Group is still able to maintain sufficient liquidity to enable the Group to continue as a going concern for at least the next 12 months from the date of authorisation of these financial statements as disclosed in Note 1 to the financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(c) Financial risk management policies and objectives (Continued)

(iv) Liquidity risk management (Continued)

Liquidity and interest risk analyses

Non-derivative financial assets

All non-derivative financial assets of the Group are non-interest bearing and due within 1 year except for fixed deposits (Note 6) of which the interest income is immaterial.

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statement of financial position.

Group	Weighted average effective interest rate %	On demand or within 1 year S$	Within 2 to 5 years S$	After 5 years S$	Adjustments S$	Total S$
2023						
Non-interest bearing	**–**	**24,335,397**	**–**	**–**	**–**	**24,335,397**
Fixed interest rate instruments	**2.47**	**1,577,196**	**1,105,899**	**–**	**(58,151)**	**2,624,944**
Lease liabilities (fixed rate)	**5.05**	**699,652**	**1,479,363**	**777,700**	**(433,763)**	**2,522,952**
Variable interest rate instruments	**5.17**	**4,987,464**	**790,429**	**914,733**	**(480,220)**	**6,212,406**
		31,599,709	**3,375,691**	**1,692,433**	**(972,134)**	**35,695,699**
2022						
Non-interest bearing	–	25,097,550	–	–	–	25,097,550
Fixed interest rate instruments	2.47	1,577,196	2,683,054	–	(143,092)	4,117,158
Lease liabilities (fixed rate)	4.44	787,611	547,133	–	(62,289)	1,272,455
Variable interest rate instruments	4.23	5,072,805	798,276	720,848	(132,179)	6,459,750
Loan from non-controlling interest	5.00	–	3,200,000	–	(640,000)	2,560,000
		32,535,162	7,228,463	720,848	(977,560)	39,506,913

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(c) Financial risk management policies and objectives (Continued)

(iv) Liquidity risk management (Continued)

Non-derivative financial liabilities (Continued)

Company	Weighted average effective interest rate %	On demand or within 1 year S$	Within 2 to 5 years S$	After 5 years S$	Adjustments S$	Total S$
2023						
Non-interest bearing	**–**	**1,217,357**	**–**	**–**	**–**	**1,217,357**
2022						
Non-interest bearing	–	5,261,050	–	–	–	5,261,050

(v) Fair value of financial assets and financial liabilities

The carrying value of the cash and cash equivalents, trade and other receivables and payables and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial assets and financial liabilities.

The fair value of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

(d) Capital management policies and objectives

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, which includes bill payables (Note 19), lease liabilities (Note 20), loan from non-controlling interest (Note 21), bank loans (Note 22), and equity attributable to owners of the Group, comprising issued capital, net of reserves and accumulated losses.

The Group's overall strategy remains unchanged from prior year. The Group is not subject to any externally imposed capital requirements.

5 RELATED PARTY AND SUBSIDIARY TRANSACTIONS

(a) Related party transactions:

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

During the year, the Group entered into the following transactions with related parties:

	2023	2022
	S$	S$
Interest on loans from non-controlling interest	**–**	120,059

Compensation of directors and key management personnel

The remuneration of directors and key management personnel during the year was as follows:

	2023	2022
	S$	S$
Short-term benefits	**1,765,476**	1,405,591
Central Provident Funds	**83,681**	65,765
	1,849,157	1,471,356

(b) Transaction with subsidiary:

	2023	2022
	S$	S$
Management fee income from a subsidiary	**(1,047,095)**	(879,036)

6 CASH AND BANK BALANCES

	Group		**Company**	
	2023	2022	**2023**	2022
	S$	S$	**S$**	S$
Cash at bank	**4,411,744**	4,093,817	**781,917**	22,004
Cash on hand	**10,216**	15,538	**–**	–
Fixed deposits	**1,923,598**	1,915,858	**–**	–
Total	**6,345,558**	6,025,213	**781,917**	22,004
Add: Cash and cash equivalents included in a disposal group held-for-sale	**10,479**	–	**–**	–
Less: Fixed deposits pledged	**(1,923,598)**	(1,915,858)	**–**	–
Cash and cash equivalents in consolidated statement of cash flows	**4,432,439**	4,109,355	**781,917**	22,004

Certain fixed deposits are pledged as collaterals in respect of trade financing facilities granted by the banks. The fixed deposits earned interest at 0.55% to 3.35% (2022: 0.00% to 0.90%) per annum and had tenures ranging from 6 to 12 months (2022: 6 to 12 months).

7 TRADE RECEIVABLES

	Group	
	2023	2022
	S$	S$
Trade receivables – Outside parties	**4,777,066**	15,425,302

As at October 1, 2021, trade receivables from contracts with customers amounted to S$5,681,170.

The average credit period is 30 days (2022: 30 days). No interest is charged on the outstanding trade receivables. Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses (ECL).

The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position. The ECL is adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

The following table is an aging analysis of trade receivables.

	Group	
	2023	2022
	S$	S$
Current (not past due)	**4,195,453**	13,596,013
1 to 30 days past due	**302,024**	958,378
31 to 60 days past due	**140,836**	112,104
61 to 90 days past due	**68,324**	338,084
More than 90 days past due	**70,429**	420,723
	4,777,066	15,425,302

There has been no ECL recognised for trade receivables in accordance with the simplified approach set out in SFRS(I) 9.

8 INVENTORIES

	Group	
	2023	2022
	S$	S$
Finished goods	**597,233**	757,919

9 CONTRACT ASSETS/LIABILITIES

	Group		
	September 30, 2023	September 30, 2022	October 1, 2021
Contract assets	**S$**	S$	S$
Amount due from customers for contract work	**7,885,897**	4,742,369	2,845,755
Retention receivables	**4,005,916**	3,273,510	1,591,593
Total	**11,891,813**	8,015,879	4,437,348

Amount due from customers for contract work are balances due from customers under construction contracts that arise when the Group receives payments from customers in line with a series of performance-related milestones. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional.

Payment for contract work is not due from the customer until the payment milestone is met and therefore a contract asset is recognised over the period in which the contract work is performed to represent the Group's right to consideration for the services transferred to date.

Retention receivables included in the Group's contract assets will be settled at the expiry of the defect liability period of the relevant contracts or in accordance with the terms specified in the relevant contracts. The balances are classified as current as they are expected to be received within the Group's normal operating cycle.

The changes in contract assets are due to more contracts in which the Group provided services ahead of receipt of consideration.

Management always estimates the loss allowance on amounts due from customers at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the construction industry. None of the amounts due from customers at the end of the respective reporting period is past due.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for the contract assets.

	Group		
	September 30, 2023	September 30, 2022	October 1, 2021
Contract liabilities	**S$**	S$	S$
Amounts related to construction contracts	**380,296**	989,867	290,101

Contract liabilities relating to construction contracts are balances due to customers under construction contracts. These arise when a particular milestone billing or payment exceeds the revenue recognised to date under the output method.

The Group's revenue recognised that was included in the contract liability balance at the beginning of the period relating to construction contracts amounted to S$989,867 (2022: S$290,101).

The changes in contract liabilities are due to lesser contracts in which the Group billed and received consideration ahead of provision of services. In 2022, the changes in contract liabilities were due to more contracts in which the Group billed and received consideration ahead of provision of services.

10 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2023	2022	**2023**	2022
	S$	S$	**S$**	S$
Deposits	**481,905**	371,883	**11,250**	–
Prepayments	**70,344**	537,713	**12,123**	21,183
Amounts due from subsidiaries	**–**	–	**657,220**	207,304
Other receivables	**217,963**	82,932	**5,309**	12,435
	770,212	992,528	**685,902**	240,922

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

Other receivables are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL).

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

11 LOANS TO SUBSIDIARIES

	Company	
	2023	2022
	S$	S$
Loans receivable from subsidiaries	**60,000**	4,770,000
Less: Non-current portion of loans receivable from subsidiaries[(i)]	**–**	(4,740,000)
Current portion of loans receivable from subsidiaries[(ii)]	**60,000**	30,000

(i) In the current year, the Group underwent an internal restructuring. The loan receivable from one of the subsidiaries, Neo Tiew Power Pte. Ltd., was novated from the Company to another subsidiary of the Group, Acromec Engineers Pte Ltd. In 2022, the loans receivable from the subsidiary was unsecured and mature in 5 years from the date of draw down. The loan carried a fixed interest of 5.00% per annum and payable on a half-yearly basis.

The fair value of the loan receivable from subsidiary approximates its carrying amounts at the end of the reporting period as the interest rates approximate current market interest rates on or near the end of the reporting period.

(ii) The loans receivable from subsidiaries are interest-free, unsecured and repayable on demand.

For purpose of impairment assessment, loans to subsidiaries are considered to have low credit risk as they are not due for payment at the end of the reporting period and there have been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL).

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for loans to subsidiaries.

12 DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE

In the current year, as part of management's business review, management resolved to divest its investment in the renewable segment. Discussion with different parties such as liquidators and the counterparty to the waste-to-energy plant took place prior to the end of the reporting period. Management assessed that the disposal group is available for immediate sale in its present condition and the sale is highly probable.

As the assets and liabilities attributable to Neo Tiew Power Pte. Ltd., the subsidiary which operates the waste-to-energy plant, are expected to be sold within 12 months, they have been classified as a disposal group held-for-sale and are presented separately in the statement of financial position. As Neo Tiew Power Pte. Ltd. represents a major line of business for the Group, its entire results are presented separately on the statement of profit or loss and other comprehensive income as "discontinued operation".

Subsequently on November 27, 2023, Neo Tiew Power Pte. Ltd., which operates the waste-to-energy plant, was placed under Creditors' Voluntary Winding Up with effect from November 24, 2023 pursua nt to a resolution passed at an extraordinary general meeting.

As Neo Tiew Power Pte. Ltd. has been placed under Creditors' Voluntary Winding Up, the waste-to-energy plant has stopped operation. As the carrying amount of the waste-to-energy plant exceeds its value in use, impairment loss amounting to S$11,817,785 has been recognised in the current year.

The major classes of assets and liabilities comprising the disposal group classified as held for sale are as follows:

	Group 2023 S$
Cash and bank balances	**10,479**
Trade receivables	**55,473**
Contract assets	**148,260**
Other receivables, deposit and prepayments	**54,450**
Property, plant and equipment	**11,827,064**
Less: impairment loss for property, plant and equipment	**(11,817,785)**
Total assets of disposal group classified as held for sale	**277,941**
Trade and other payables,	**(502,548)**
Loan from non-controlling interest	**(2,560,000)**
Total liabilities directly associated with assets classified as held for sale	**(3,062,548)**
Net liabilities of disposal group	**(2,784,607)**

13 PROPERTY, PLANT AND EQUIPMENT

Group	Renovation S$	Furniture and fittings and office equipment S$	Computer equipment and software S$	Motor vehicle S$	Factory machinery S$	Waste-to energy plant S$	Construction in progress S$	Total S$
Cost:								
At October 1, 2021	477,865	604,335	666,060	210,178	753,816	2,717,200	8,336,205	13,765,659
Additions	61,145	49,046	61,212	710	152,393	880	1,285,776	1,611,162
Transfer to right-of-use assets (Note 14)	–	–	–	–	(521,044)	–	–	(521,044)
Transfers	–	–	–	–	–	687,272	(687,272)	–
At September 30, 2022	539,010	653,381	727,272	210,888	385,165	3,405,352	8,934,709	14,855,777
Acquired on acquisition of a subsidiary (Note 32)	1,042,410	382,286	1,889	–	–	–	–	1,426,585
Additions	278,278	94,181	84,670	–	22,024	990	369,400	849,543
Disposals	–	(4,318)	–	(710)	–	–	–	(5,028)
Asset of disposal group classified as held-for-sale	–	(13,637)	(600)	–	–	(3,406,342)	(8,859,987)	(12,280,566)
At September 30, 2023	**1,859,698**	**1,111,893**	**813,231**	**210,178**	**407,189**	**–**	**444,122**	**4,846,311**
Accumulated depreciation:								
At October 1, 2021	399,841	458,780	601,481	144,214	100,401	58,000	–	1,762,717
Depreciation for the year	41,676	70,841	46,961	14,264	47,668	185,350	–	406,760
At September 30, 2022	441,517	529,621	648,442	158,478	148,069	243,350	–	2,169,477
Depreciation for the year	94,676	107,247	45,846	15,779	68,155	205,194	–	536,897
Disposals	–	–	–	(119)	–	–	–	(119)
Asset of disposal group classified as held-for-sale	–	(4,875)	(83)	–	–	(448,544)	–	(453,502)
At September 30, 2023	**536,193**	**631,993**	**694,205**	**174,138**	**216,224**	**–**	**–**	**2,252,753**
Accumulated impairment loss:								
At October 1, 2021 and September 30, 2022	–	–	–	–	–	–	–	–
Impairment loss for the year	–	–	–	–	–	–	(444,122)	(444,122)
At September 30, 2023	**–**	**–**	**–**	**–**	**–**	**–**	**(444,122)**	**(444,122)**
Carrying amount:								
At September 30, 2023	**1,323,505**	**479,900**	**119,026**	**36,040**	**190,965**	**–**	**–**	**2,149,436**
At September 30, 2022	97,493	123,760	78,830	52,410	237,096	3,162,002	8,934,709	12,686,300

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

In 2019, the Group entered into an agreement with a counterparty to build, own and operate a waste-to-energy plant. In 2020, the Company issued a corporate guarantee to the counterparty of the waste-to-energy plant to guarantee the counterparty of its subsidiary's due performance of its duties or obligations under the contract. In 2021, manure handling service was provided by the Group to the counterparty as part of an extension of this agreement. In 2022, the waste-to-energy plant halted its operations and improvement works were carried out to comply with new regulation. The waste-to-energy plant resumed its operation in the current financial year. As a result of the disruption in its manure handling service, both the Company and Neo Tiew Power Pte. Ltd. received letter of demand from the counterparty in the current year, demanding compensation amounting to S$10,731,304 for cost incurred up till April 2023. As at the end of the reporting period, S$13,162,313 was recharged by the counterparty to Neo Tiew Power Pte. Ltd..

Management has sought opinion from its legal advisors and determined that the disruption was due to factors beyond the Group's control and does not constitute a material breach of the contract terms. As it is not probable that there would be an outflow of resources embodying economic benefits, no provision has been recorded by the Group.

As disclosed in Note 33, management has assessed that the guarantee had explicitly stated that the aggregate liabilities of the Company shall not exceed S$1,000,000. Accordingly, the Company has recorded a provision amounting to S$1,000,000.

As disclosed in Note 12, subsequent to the financial year end, Neo Tiew Power Pte. Ltd. has been placed under Creditors' Voluntary Winding Up and the waste-to-energy plant has stopped its operation. Management has assessed and determined that the recoverable amount is less than the carrying amount of the waste-to-energy plant. Consequently, the Group has recorded an impairment loss amounting to S$12,261,907 (Note 28) for the waste-to-energy plant , including S$11,817,785 recorded by Neo Tiew Power Pte. Ltd. (Note 12).

Company	Furniture and fittings and office equipment	Computer equipment and software	Total S$
Cost:			
At October 1, 2021 and September 30, 2022	–	–	–
Additions	4,127	9,363	13,490
At September 30, 2023	**4,127**	**9,363**	**13,490**
Accumulated depreciation:			
At October 1, 2021 and September 30, 2022	–	–	–
Depreciation for the year	917	1,176	2,093
At September 30, 2023	**917**	**1,176**	**2,093**
Carrying amount:			
At September 30, 2023	**3,210**	**8,187**	**11,397**
At September 30, 2022	–	–	–

14 RIGHT-OF-USE ASSETS

The Group leases certain office premise, leasehold property, staff accommodations, motor vehicles and factory machinery. The average lease term of each respective class of right-of-use assets are 5 years, 60 years, 2 years, 5 years and 4 years respectively. The Group's obligations are secured by the lessor's title to the leased assets for such leases.

Group	Office premise S$	Leasehold property S$	Staff accommodation S$	Motor vehicles S$	Factory machinery S$	Total S$
Cost:						
At October 1, 2021	1,481,974	1,000,000	109,937	598,528	–	3,190,439
Additions	77,190	–	–	98,600	–	175,790
Transfer from property, plant and equipment (Note 13)	–	–	–	–	521,044	521,044
At September 30, 2022	1,559,164	1,000,000	109,937	697,128	521,044	3,887,273
Acquired on acquisition of a subsidiary (Note 32)	1,848,414	–	–	–	–	1,848,414
Additions	109,533	–	–	–	–	109,533
Disposals	–	–	–	(98,600)	–	(98,600)
At September 30, 2023	**3,517,111**	**1,000,000**	**109,937**	**598,528**	**521,044**	**5,746,620**
Accumulated depreciation:						
At October 1, 2021	375,885	85,476	65,819	262,413	–	789,593
Depreciation for the year	481,396	17,548	44,118	93,888	106,386	743,336
At September 30, 2022	857,281	103,024	109,937	356,301	106,386	1,532,929
Depreciation for the year	616,966	17,548	–	96,539	115,690	846,743
Disposals	–	–	–	(20,542)	–	(20,542)
At September 30, 2023	**1,474,247**	**120,572**	**109,937**	**432,298**	**222,076**	**2,359,130**
Carrying amount:						
At September 30, 2023	**2,042,864**	**879,428**	**–**	**166,230**	**298,968**	**3,387,490**
At September 30, 2022	701,883	896,976	–	340,827	414,658	2,354,344

Company	Office premise S$
Cost:	
At October 1, 2021 and September 30, 2022	–
Additions	109,533
At September 30, 2023	**109,533**
Accumulated depreciation:	
At October 1, 2021 and September 30, 2022	–
Depreciation for the year	25,775
At September 30, 2023	**25,775**
Carrying amount:	
At September 30, 2023	**83,758**
At September 30, 2022	–

15 INVESTMENT PROPERTY

	Group S$
At cost:	
At October 1, 2021, September 30, 2022 and 2023	**1,750,000**
Accumulated depreciation:	
At October 1, 2021	149,698
Depreciation for the year	36,427
At September 30, 2022	186,125
Depreciation for the year	36,417
At September 30, 2023	**222,542**
Carrying amount:	
September 30, 2023	**1,527,458**
September 30, 2022	1,563,875

Fair value measurement of the Group's investment property

The fair value of the Group's investment property at the end of the reporting period amounted to S$1,480,000 (2022: S$1,620,000) and have been determined on the basis of valuations carried out by independent qualified professional valuers having an appropriate recognised professional qualification and recent experience in the valuation of similar properties in similar locations, and not related to the Group. Management has assessed and determined that the difference between the carrying amount and the fair value of the Group's investment property at the end of the reporting period does not have a material impact on the financial statements of the Group. Accordingly, no impairment loss has been recognised by the Group.

The valuation of the investment property is determined by market comparison and the fair value of the investment property is categorized as Level 3 of the fair value hierarchy. The significant unobservable input used in the valuation model is the recent sales transaction prices for similar properties, adjusted for size, location, time and other relevant factors. Any significant isolated increase (decrease) in market rate per square foot would result in significantly higher (lower) fair value measurement.

The investment property is mortgaged to the bank to secure a bank loan (Note 22) taken up by the Group.

The property rental income earned by the Group from its investment property, which is leased out under operating leases, amounted to S$18,386 (2022: S$16,800). There is no direct operating expenses (including repairs and maintenance) arising from the investment property.

16 GOODWILL

	Group S$
Cost:	
At October 1, 2021 and September 30, 2022	277,518
Recognised on acquisition of a subsidiary (Note 32)	2,349,309
At September 30, 2023	**2,626,827**
Impairment:	
At October 1, 2021, September 30, 2022 and 2023	**94,088**
Carrying amount:	
September 30, 2023	**2,532,739**
September 30, 2022	183,430

16 GOODWILL (CONTINUED)

The carrying amount of goodwill has been allocated to the cash-generating units ("CGU") as follows:

	Group S$
Maintenance segment:	
Acro Harvest Engineering Pte Ltd	**183,430**
Co-working laboratory space segment	
Life Science Incubator Pte Ltd	**2,349,309**
	2,532,739

As disclosed in Note 32, the initial accounting for the acquisition of Life Science Incubator Pte Ltd has only been provisionally determined at the end of the reporting period. The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

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

The growth rate used to extrapolate the cash flows of the CGUs beyond the forecast period of 5 years is 1% (2022: 1%), which does not exceed the long-term growth rate for the relevant markets. The discount rate of 9.22% to 14.4% (2022: 11.07%) applied to the cash flows projections is derived from the weighted average cost of capital plus a reasonable risk premium applicable to the CGUs at the date of assessment of the recoverable amounts. Management believes that any reasonably possible change in the key assumptions on which the recoverable amounts of the CGUs are based would not result in the carrying amount to exceed the recoverable amount of the related CGUs.

17 INVESTMENT IN SUBSIDIARIES

	Company	
	2023 S$	2022 S$
Unquoted equity shares, at cost	**15,273,916**	14,924,700
Allowance for impairment loss	**(94,088)**	(94,088)
Net	**15,179,828**	14,830,612
Movement in the allowance for impairment:		
Balance at beginning and end of year	**94,088**	94,088

The Company assesses annually whether there is any indication of impairment for its investments in subsidiaries. If an indication of impairment is identified, management will perform a value in use calculation to estimate the recoverable amount of the investment by computing the expected future cash flows using a suitable discount rate. Accordingly, an impairment loss of S$94,088 was recognised in a subsidiary at the end of the reporting period.

17 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the Group's subsidiaries are as follows:

Name of subsidiary	Country of incorporation and operation	Proportion of ownership interest of the Group		Principal activity
		2023	2022	
		%	%	
Acromec Engineers Pte. Ltd.[1]	Singapore	**100**	100	Specialist engineering services in the field of controlled environments.
Acro Harvest Engineering Pte. Ltd.[1][3]	Singapore	**100**	90	Maintenance and installation services for air-conditioning and mechanical ventilation systems.
PT Acromec Trading Indonesia[2]	Indonesia	**67**	67	Import and distribution of laboratory furniture and accessories.
Life Science Incubator Holdings Pte. Ltd.[2][5]	Singapore	**70**	–	Investment holding company
<u>Subsidiary of Life Science Incubator Holdings Pte. Ltd.</u>				
Life Science Incubator Pte. Ltd.[2][4]	Singapore	**70**	30	Rental of fitted laboratory space for research and technology
<u>Subsidiary of Acromec Engineers Pte. Ltd.</u>				
Acropower Pte. Ltd.[2], [6]	Singapore	**56**	56	Waste to energy.
<u>Subsidiary of Acropower Pte. Ltd.</u>				
Neo Tiew Power Pte. Ltd.[1], [7]	Singapore	**56**	56	Waste to energy.

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Not audited as not material for the Group's consolidation purpose.

(3) On June 2, 2023, the Company acquired 10% of its interest of Acro Harvest Engineering Pte. Ltd. ("Acro Harvest") from a strategic third party for a consideration of S$174,206. The consideration was based on arm's length negotiations between the Company and the third party, after taking into consideration the net tangible assets of Acro Harvest as at September 30, 2022 and its current year's earnings.

(4) On May 26, 2023, the Group acquired additional 40% of the total issued and paid-up share capital of its previously 30% owned associate, Life Science Incubator Pte. Ltd. for a total purchase consideration of S$1,600,000. Following completion of the acquisition, Life Science Incubator Pte. Ltd. became a 70% owned subsidiary of the Group.

(5) Newly incorporated in the current year.

(6) On September 25, 2023, the Group underwent an internal restructuring. The Company transferred 40,000 shares (representing 56% of the total issued and paid-up share capital of Acropower Pte. Ltd.) it holds in Acropower Pte. Ltd. to Acromec Engineers Pte. Ltd. for a total consideration of S$1. The effect of the restructuring is that following completion, the Company no longer hold any direct shareholding interest in Acropower Pte. Ltd.. The Group continues to hold 56% effective interest in Acropower Pte. Ltd..

(7) In the current year, as part of management's business review, management resolved to divest its investment in the renewable segment. On November 27, 2023, Neo Tiew Power Pte. Ltd. was placed under Creditors' Voluntary Winding Up with effect from November 24, 2023 pursuant to a resolution passed at an extraordinary general meeting. The assets and liabilities attributable to Neo Tiew Power Pte. Ltd. have been classified as a disposal group held-for-sale (Note 12).

17 INVESTMENT IN SUBSIDIARIES (CONTINUED)

The following schedule shows the effects of changes in the Group's ownership interest in subsidiaries that did not result in change of control, on the equity attributable to owners of the parent:

	2023 **S$**	2022 S$
Amount paid on changes in ownership interest in subsidiary	**174,206**	–
Non-controlling interest acquired	**(244,182)**	(560,248)
Difference recognised in capital reserves (Note 24)	**69,976**	(560,248)

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	**Country of incorporation and operation**	**Proportion of ownership interest of the non-controlling interests**		**Loss allocated to non-controlling interests**		**Accumulated non-controlling interests**	
		2023	2022	**2023**	2022	**2023**	2022
		%	%	**S$**	S$	**S$**	S$
Neo Tiew Power Pte. Ltd.	Singapore	**56**	56	**(5,243,548)**	(1,021,167)	**(5,832,276)**	(588,728)
Other individually immaterial subsidiaries				**(265,845)**	(68,776)	**857,310**	686,066
				(5,509,393)	(1,089,943)	**(4,974,966)**	97,338

Summarised financial information in respect of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	Neo Tiew Power Pte. Ltd.	
	2023 **S$**	2022 S$
Current assets	**268,662**	129,941
Non-current assets	**9,279**	9,998,084
Current liabilities	**6,237,208**	4,116,677
Non-current liabilities	**7,300,000**	7,353,462
Capital deficiency attributable to owners of the Company	**7,426,208**	753,385
Non-controlling interests	**5,832,276**	588,728
Revenue	**820,260**	963,060
Loss for the financial year representing total comprehensive loss for the year, net of tax	**(11,917,154)**	(2,320,834)
Loss attributable to owners of the Company	**(6,673,606)**	(1,299,667)
Loss attributable to non-controlling interests	**(5,243,548)**	(1,021,167)
Total loss for the year	**(11,917,154)**	(2,320,834)
Net cash inflow from operating activities	**367,714**	105,719
Net cash outflow from investing activities	**(373,144)**	(683,799)
Net cash (outflow)/inflow from financing activities	**(19,047)**	426,268
Net cash outflow	**(24,477)**	(151,812)

18 TRADE AND OTHER PAYABLES

	Group		Company	
	2023	2022	**2023**	2022
	S$	S$	**S$**	S$
Trade payables:				
– Outside parties	**12,397,316**	19,464,499	**22,742**	36,376
Other payables:				
– Outside parties	**426,322**	426,993	**–**	–
– Subsidiary	**–**	–	**7**	5,064,582
– Related party	**–**	175,388	**–**	–
Accruals	**1,246,519**	861,088	**194,608**	160,092
Accrued project costs	**5,320,961**	4,169,582	**–**	–
Contingent consideration payable[(i)]	**890,634**	–	**–**	–
	20,281,752	25,097,550	**217,357**	5,261,050
Less: Amount due for settlement within 12 months (shown under current liabilities)	**(19,630,362)**	(25,097,550)	**(217,357)**	(5,261,050)
Amount due for settlement after 12 months	**651,390**	–	**–**	–

The average credit period for trade payable is 60 days (2022: 60 days). The amount due from a related party is unsecured, interest free and repayable on demand.

(i) As disclosed in Note 32, the Group completed its acquisition of 40% of the total issued and paid-up share capital of its previously 30% owned associate, Life Science Incubator Pte Ltd. The Group has paid a consideration of S$200,000 based on a sales and purchase agreement entered into with the counterparty. Additional consideration of S$1,400,000 will be paid by tranches on the realisation of agreed milestones in its immediate expansion plan. The fair value of additional consideration has been determined to be S$890,634 and has been recognised as contingent consideration payable.

19 BILL PAYABLES

Bill payables and other credit facilities from banks are secured on the fixed deposits pledged (Note 6) and corporate guarantees from the Company. Interest rate of spread above the bank's cost of funds is charged on bill payables. The bill payables currently carries interest at an weighted average interest rate of 6.88% (2022: 5.30%) per annum and is repayable within next 12 months.

20 LEASE LIABILITIES

Group	**2023**	2022
	S$	S$
Maturity analysis:		
Year 1	**699,652**	787,611
Year 2	**512,347**	373,742
Year 3	**326,531**	145,913
Year 4	**318,177**	27,478
Year 5	**322,308**	–
Year 6 and onwards	**777,700**	–
	2,956,715	1,334,744
Less: Future interest	**(433,763)**	(62,289)
	2,522,952	1,272,455
Analysed as:		
Current	**590,178**	756,538
Non-current	**1,932,774**	515,917
	2,522,952	1,272,455

20 LEASE LIABILITIES (CONTINUED)

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

Company	**2023** **S$**
Maturity analysis:	
Year 1	**54,000**
Year 2	**31,500**
	85,500
Less: Future interest	**(1,742)**
	83,758
Analysed as:	
Current	**52,517**
Non-current	**31,241**
	83,758

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statement of cash flows as cash flows from financing activities.

			Non-cash changes			
	October 1, 2022 S$	Financing cash flows(i) S$	New lease liabilities S$	Lease liabilities acquired on acquisition of subsidiary S$	Liabilities directly associated with disposal group classified as held-for-sale S$	**September 30, 2023 S$**
Lease liabilities	1,272,455	(847,541)	109,533	1,988,505	–	**2,522,952**
Loan from non-controlling interest (Note 21)	2,560,000	–	–	–	(2,560,000)	**–**
Bank loans (Note 22)	6,057,821	(1,633,654)	–	–	–	**4,424,167**
	9,890,276	(2,481,195)	109,533	1,988,505	(2,560,000)	**6,947,119**

			Non-cash changes	
	October 1, 2021 S$	Financing cash flows(i) S$	New lease liabilities S$	September 30, 2022 S$
Lease liabilities	1,404,828	(308,163)	175,790	1,272,455
Loan from non-controlling interest (Note 21)	2,207,000	353,000	–	2,560,000
Bank loans (Note 22)	7,648,414	(1,590,593)	–	6,057,821
	11,260,242	(1,545,756)	175,790	9,890,276

(i) The cash flows make up net proceeds of bank loans, loan from non-controlling interest and repayment of lease liabilities in the statement of cash flows.

21 LOAN FROM NON-CONTROLLING INTEREST

	Group	
	2023	2022
	S$	S$
Loan from non-controlling interest	**–**	2,560,000

In 2022, loan from non-controlling interest was unsecured and matures in 5 years from the date of draw down. The loan carried a fixed interest of 5.00% per annum and payable on a half-yearly basis.

As the loan from non-controlling interest relates to liabilities directly associated with the disposal group, this amount has been presented within "liabilities directly associated with disposal group classified as held-for-sale" as at 30 September 2023 as disclosed in Note 12.

22 BANK LOANS

	Group	
	2023	2022
	S$	S$
Loan A	**1,161,659**	1,261,848
Loan B	**162,260**	182,108
Loan C	**175,305**	196,707
Loan D	**1,118,440**	1,740,187
Loan E	**1,075,220**	1,697,064
Loan F	**431,283**	679,907
Loan G	**300,000**	300,000
	4,424,167	6,057,821
Less: Amount due for settlement within 12 months (shown under current liabilities)	**(2,455,679)**	(1,928,904)
Amount due for settlement after 12 months	**1,968,488**	4,128,917

Loan A is secured on the Group's investment property (Note 15) and a joint personal guarantee from former minority shareholders. The loan was raised on November 4, 2013. Monthly repayments commenced on September 5, 2014 and will continue until September 5, 2034. The loan carries interest at the prevailing enterprise financing rate (EFR) which ranges from 3.68% to 4.87% (2022: 1.88%) per annum.

Loan B is secured on the Group's leasehold property amounting to S$480,375 (Notes 13 and 14) and a joint personal guarantee from former minority shareholders. The loan was raised on February 3, 2016. Monthly repayments commenced on July 1, 2016 and will continue until June 1, 2031. The loan carries interest at 2.75%, 2.45%, 1.50% and 0.50% per annum below the bank's Non-Residential Mortgage Board Rate (NMBR) for the 1st, 2nd, 3rd and following years respectively. The loan currently carries interest ranging from 5.10% to 6.10% (2022: 2.58%) per annum.

Loan C is secured on the Group's leasehold property amounting to S$480,375 (Notes 13 and 14) and a joint personal guarantee from former minority shareholders. The loan was raised on February 3, 2016. Monthly repayments commenced on July 1, 2016 and will continue until June 1, 2031. The loan carries interest at 3.25%, 2.95%, 2.00% and 1.00% per annum below the bank's Non-Residential Mortgage Board Rate (NMBR) for the 1st, 2nd, 3rd and following years respectively. The loan currently carries interest ranging from 5.10% to 6.10% (2022: 2.58%) per annum.

22 BANK LOANS (CONTINUED)

Loan D is unsecured and was drawn under the Enterprise Financing Scheme in 2020. The loan matures 5 years from the date of draw down. The loan has an interest servicing period for the first 12 months from draw down date and upon the expiry of the interest servicing period, payments comprising principal and interest will be made monthly to the expiry of the remaining tenor. The loan carries a fixed interest rate of 2.00% per annum. Due to a breach of debt covenant, the bank has an enforceable right to require full repayment from December 2023. Accordingly, the loan has been classified as current at the end of the reporting period. The default was not remedied or re-negotiated as at the date of the report and no further action has been taken by the bank as a result of this breach.

Loans E and F are unsecured and were drawn under the Enterprise Financing Scheme in 2020. Both loans mature 5 years from the date of draw down. The loans have an interest servicing period for the first 12 months from draw down date and upon the expiry of the interest servicing period, payments comprising principal and interest will be made monthly to the expiry of the remaining tenor. Loans E and F have a fixed interest rate of 2.75% and 3.00% per annum respectively.

Loan G is unsecured and is on revolving 6 months duration. The loan carries interest at 2.25% per annum above the bank's cost of funds. The loan currently carries interest at 6.37% (2022: 3.10%) per annum.

The fair value of the current portion of the Group's bank loans approximate their carrying amounts at the end of the reporting period because these are short term in nature. The fair value of the non-current portion of the Group's bank loans approximate their carrying amounts at the end of the reporting period as their interest rates approximate current market interest rates on or near the end of the reporting period.

23 SHARE CAPITAL

	Group and Company	
	Number of ordinary shares	**S$**
Issued and paid up:		
At October 1, 2021 and September 30, 2022	138,563,978	16,225,036
Issue of share capital[1]	138,563,978	2,640,873
At September 30, 2023	**277,127,956**	**18,865,909**

(1) During the year, the Company issued 138,563,978 ordinary shares at S$0.02 per share. The net proceeds of S$2,640,873 was arrived at after setting off listing expenses of S$130,406.

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

24 OTHER RESERVES

	Group	
	2023	2022
	S$	S$
Merger reserves	**(4,718,040)**	(4,718,040)
Capital reserves	**(68,979)**	(138,955)
	(4,787,019)	(4,856,995)

Merger reserve represents the difference between the amount of the share capital of the subsidiary at the date on which they are acquired by the Group and the nominal amount of the share capital issued as consideration for the acquisition using the principles of merger accounting applicable to business combination under common control.

Capital reserves represents effects of changes in ownership interests in a subsidiary when there is no change in control (see Note 17).

25 REVENUE

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major service lines. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 (Note 36).

	Group	
	2023	2022
	S$	S$
Continuing operations		
Revenue from construction contracts	**62,002,275**	55,194,408
Revenue from rendering maintenance services	**6,846,008**	6,372,599
Revenue from rental of co-working laboratory space	**376,006**	–
Revenue from sale of goods	**274,901**	730,559
	69,499,190	62,297,566
Discontinued operations		
Revenue from manure handling	**820,260**	963,060
	70,319,450	63,260,626
Timing of revenue recognition		
Over time	**69,224,289**	61,567,007
Point in time	**1,095,161**	1,693,619
	70,319,450	63,260,626

The following table shows the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period.

	Group	
	2023	2022
	S$	S$
Construction contracts	**29,924,168**	51,044,877

Management expects that 97% (2022: 92%) of the transaction price allocated to the unsatisfied contracts as of September 30, 2023 will be recognised as revenue during the next reporting period amounting to S$28,964,858 (2022: S$46,910,877). The remaining 3% (2022: 8%) amounting to S$959,310 (2022: S$4,134,000) will be recognised in the 2025 financial year.

26 OTHER OPERATING INCOME

	Group	
	2023	2022
	S$	S$
Continuing operations		
Bank interest	**21,441**	1,202
Fixed deposit interest	**503**	2,667
Other grants received	**–**	461,497
Sundry income	**104,035**	100,138
Fair value gain on remeasurement of previously held 30% shareholding (Note 32)	**650,823**	–
	776,802	565,504
Discontinued operations		
Other grants received	**–**	50,920
Total other operating income	**776,802**	616,424

27 FINANCE COSTS

	Group	
	2023	2022
	S$	S$
Continuing operations		
Interest expense on:		
Lease liabilities	**72,135**	39,109
Bill payables	**259,310**	107,503
Bank loans	**169,255**	169,046
	500,700	315,658
Discontinued operations		
Interest expense on:		
Lease liabilities	**6,454**	2,324
Total interest expense	**507,154**	317,982

28 PROFIT BEFORE INCOME TAX

Profit before income tax has been arrived at after charging (crediting):

	Group	
	2023	2022
	S$	S$
Continuing operations		
Depreciation of property, plant and equipment	**327,326**	220,710
Depreciation of investment property	**36,417**	36,427
Depreciation of right-of-use assets	**834,418**	735,120
Loss on disposal of property, plant and equipment	**159**	–
Expenses relating to low value assets and short-term leases	**820,353**	429,158
Directors' remuneration	**1,095,589**	732,260
Directors' fees	**158,550**	137,091
Audit fee – paid to auditors of the Company	**162,000**	133,000
Non-audit fee – paid to auditors of the Company	**11,000**	11,000
Net foreign exchange (gain)/loss	**(688)**	2,657
Cost of defined contribution plans	**610,371**	602,401
Employee benefits expenses (including costs of defined contribution plans)	**9,969,637**	8,983,216
Discontinued operations		
Depreciation of property, plant and equipment	**209,571**	186,050
Depreciation of right-of-use assets	**12,325**	8,217
Loss on disposal of right-of-use assets	**15,650**	–
Write off of prepayment	**120,000**	–
Impairment loss on non-financial assets	**12,261,907**	–
Provision for corporate guarantee	**1,000,000**	–
Expenses relating to low value assets and short term leases	**156,967**	173,934
Net foreign exchange (gain)/loss	**(1,585)**	14
Cost of defined contribution plans	**38,747**	36,944
Employee benefits expenses (including costs of defined contribution plans)	**975,265**	868,517

29 INCOME TAX EXPENSE

	Group	
	2023	2022
	S$	S$
Current tax	**–**	–

Domestic income tax is calculated at 17% (2022: 17%) of the estimated assessable profit/(loss) for the year.

The total income tax for the year can be reconciled to the accounting (loss)/profit before income tax as follows:

	Group	
	2023	2022
	S$	S$
(Loss)/Profit before income tax:		
Continuing operations	**2,752,868**	2,830,596
Discontinued operations	**(15,220,590)**	(2,320,834)
	(12,467,722)	509,762
Tax at Singapore statutory tax rate of 17%	**(2,119,513)**	86,660
Effect of tax rate of subsidiary operating in other jurisdiction	**(420)**	(6,939)
Effect of expenses that are not deductible in determining taxable profit	**337,309**	70,887
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	**1,817,300**	476,905
Effect of previously unrecognised and unused tax offsets utilised during the year	**(34,676)**	(627,513)
Income tax expense	**–**	–

At the end of the reporting period, the Group has unabsorbed tax losses of approximately S$4,257,508 (2022: S$3,825,470) and unutilised capital allowances of S$Nil (2022: S$Nil) available for carry forward indefinitely for offsetting against future taxable income subject to the conditions imposed by law including the retention of majority shareholders as defined. The related tax benefits have not been recognised because of uncertainty of its utilisation.

30 LOSS FROM DISCONTINUED OPERATIONS

In the current year, as part of management's business review, management resolved to divest its investment in the renewable segment. Discussions with different parties such as liquidators and the counterparty to the waste-to-energy plant took place prior to the end of the reporting period. Management assessed that the disposal group is available for immediate sale in its present condition and the sale is highly probable.

As the assets and liabilities attributable to Neo Tiew Power Pte. Ltd., the subsidiary which operates the waste-to-energy plant, are expected to be sold within 12 months, they have been classified as a disposal group held-for-sale and are presented separately in the statement of financial position. As Neo Tiew Power Pte. Ltd. represents a major line of business for the Group, its entire results are presented separately on the statement of profit or loss and other comprehensive income as "discontinued operation".

Subsequently on November 27, 2023, Neo Tiew Power Pte. Ltd., which operates the waste-to-energy plant, was placed under Creditors' Voluntary Winding Up with effect from November 24, 2023 pursuant to a resolution passed at an extraordinary general meeting.

30 LOSS FROM DISCONTINUED OPERATIONS (CONTINUED)

The results of the discontinued operation, which have been included in the profit/(loss) for the year, were as follows:

	Group	
	2023	2022
	S$	S$
Revenue	**820,260**	963,060
Cost of sales	**(2,012,000)**	(2,829,596)
Other operating income	**–**	50,920
Administrative expenses	**(419,997)**	(308,485)
Other operating expenses	**(13,602,399)**	(194,409)
Finance costs	**(6,454)**	(2,324)
Loss before tax income tax	**(15,220,590)**	(2,320,834)
Income tax expense	**–**	–
Loss for the year from discontinued operations	**(15,220,590)**	(2,320,834)
Loss for the year from discontinued operations attributable to:		
– Owners of the Company	**(9,824,441)**	(1,299,667)
– Non-controlling interests	**(5,396,149)**	(1,021,167)
	(15,220,590)	(2,320,834)

During the year, Neo Tiew Power Pte. Ltd. contributed S$367,714 (2022: S$105,719) to the group's net operating cash flows, paid S$373,144 (2022: S$683,799) in respect of investing activities and paid S$19,047 (2022: received S$426,268) in respect of financing activities.

31 (LOSS) EARNINGS PER SHARE

The calculation of the earnings per share attributable to the ordinary owners of the Company is based on the following data.

Earnings figures are calculated as follows:

	Company	
	2023	2022
	S$	S$
(Loss)/Profit attributable to owners of the Company from continuing and discontinued operations	**(6,958,329)**	1,599,705
Profit attributable to owners of the Company from continuing operations	**2,866,112**	2,899,372

	2023	2022
	Number of shares ('000)	
Weighted average number of ordinary shares for purposes of earnings per share	**232,712**	138,564
(Losses)/Earnings per share – Basic (cents)		
From continuing and discontinued operations	**(2.99)**	1.15
From continuing operations	**1.23**	2.09

The basic earnings per share is calculated by dividing the earnings for the year attributable to owners of the Company by the weighted average number of ordinary shares for basic earnings per share computation.

There are no dilutive potential ordinary shares for 2023 and 2022.

32 ACQUISITION OF SUBSIDIARY

On May 26, 2023, the Group acquired 40% of the total issued and paid-up share capital of its previously 30% owned associate, Life Science Incubator Pte. Ltd. ("LSI") for a total purchase consideration of S$1,600,000. The fair value at the date of acquisition of the previously held interest has been determined to be S$683,052 and a gain on remeasurement to fair value amounting to S$650,823 has been recognised. The transaction has been accounted for by the acquisition method of accounting.

LSI is an entity incorporated in Singapore with its principal activity of managing and operating of fitted laboratory space for research and technology. LSI was acquired for various reasons, the primary reason being LSI's capabilities and experience to operate and manage a state-of-the-art laboratory operations. Following completion of the acquisition, LSI is a 70% owned subsidiary of the Group. The Group has paid a consideration of S$200,000 based on a sales and purchase agreement. Additional consideration of S$1,400,000 will be paid by tranches on the realisation of agreed milestones in its immediate expansion plan. The fair value of additional consideration has been determined to be S$890,634 and has been recognised as contingent consideration payable (Note 18).

The initial accounting for the acquisition of LSI has only been provisionally determined at the end of the reporting period. At the date of finalisation of these consolidated financial statements, the necessary market valuations and other calculations had not been finalised and they have therefore only been provisionally determined based on the management's best estimate of the likely values. The following amounts have been measured on a provisional basis:

- The fair value of contingent consideration payable amounting to S$890,634 is pending finalisation of internal valuation.
- The fair value gain/loss on remeasurement of previously held 30% shareholding amounting to S$650,823 is pending finalisation of internal valuation.
- The fair value of non-controlling interest amounting to S$650,823 is pending finalisation of internal valuation.
- The fair value of identifiable net asset amounting to S$107,429 is pending finalisation of internal valuation.

Consideration transferred (at acquisition date fair values)

Life Science Incubator Pte. Ltd.	**Total S$**
Cash	200,000
Contingent consideration payable (Note 18)	890,634
Total	1,090,634

32 ACQUISITION OF SUBSIDIARY (CONTINUED)

Assets acquired and liabilities assumed at the date of acquisition

Life Science Incubator Pte. Ltd.	Total S$
Current assets	
Cash and cash equivalents	144,386
Trade receivables	234,381
Other receivables, deposits and prepayments	74,521
Non-current assets	
Property, plant and equipment	1,426,585
Right-of-use assets	1,848,414
Current liabilities	
Trade and other payables	(1,632,353)
Lease liabilities	(198,354)
Non-current liabilities	
Lease liabilities	(1,790,151)
Total identifiable assets acquired and liabilities assumed	107,429

The fair value of the financial assets includes receivables acquired (which principally comprised of trade receivables) with a fair value of S$295,685 and a gross contractual value of S$295,685. Based on the best estimate at acquisition date, all of the contractual cash flows is expected to be collected.

Non-controlling interest

The non-controlling interest (30%) in LSI recognised at acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to S$683,052. The fair value was estimated by applying an income approach. The following were the key model inputs used in determining the fair value.

- Assumed discount rate of 5%; and
- Assumed adjustments because of the lack of control or lack of marketability that market participants would consider when estimating the fair value of the non-controlling interests in LSI.

Goodwill arising on acquisition

	Total S$
Fair value of purchase consideration	1,090,634
Add: Non-controlling interest	683,052
Add: Fair value of previously held 30% shareholding	683,052
Less: Fair value of identifiable net asset	(107,429)
Goodwill arising on acquisition	2,349,309

The consideration paid for the combination effectively included amounts in relation to the benefit of expected revenue growth, future market development and the assembled workforce of LSI. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising from this acquisition is expected to be deductible for tax purposes.

32 ACQUISITION OF SUBSIDIARY (CONTINUED)

Net cash outflow on acquisition of a subsidiary

	Total S$
Consideration paid in cash	200,000
Less: Cash and cash equivalent balances acquired	(144,386)
	(55,614)

Impact of acquisition on the results of the Group

LSI contributed S$440,243 revenue and a loss of S$64,334 to the Group's profit from continuing operations for the period between the date of acquisition and the reporting date.

If the acquisition of LSI had been completed on the first day of the financial year, Group revenue for the year would have been S$70,469,954 and Group profit from continuing operations would have been S$3,363,687.

33 PROVISIONS

	Total S$
Provision charged to profit or loss in the year	1,000,000
At September 30, 2023	**1,000,000**

In 2020, the Company issued a corporate guarantee to the counterparty of the waste-to-energy plant to guarantee the counterparty of its subsidiary's due performance of its duties or obligations under the contract. As disclosed in Note 13, a letter of demand was received by both the Company and Neo Tiew Power Pte. Ltd. in the current year. The counterparty would like to seek compensation for cost incurred as a result of the disruption in the manure handling service. Management has assessed that the guarantee had explicitly stated that the aggregate liabilities of the Company shall not exceed S$1,000,000. Accordingly, the Company has recorded a provision amounting to S$1,000,000.

34 OPERATING LEASE ARRANGEMENTS

The Group as lessee

At September 30, 2023, the Group is committed to $660,080 (2022: S$421,911) for short-term leases.

35 INVESTMENT IN ASSOCIATE

	Group	
	2023 S$	2022 S$
Unquoted equity shares, at cost	–	15,000
Share of post-acquisition (loss) profits and other comprehensive income, net dividend received	–	(15,000)
	–	–

35 INVESTMENT IN ASSOCIATE (CONTINUED)

Details of the Group's associate is as follows:

Name of associate	Country of incorporation and operation	Proportion of ownership interest of the Group		Principal activity
		2023	2022	
		%	%	
Life Science Incubator Pte. Ltd.[(1)]	Singapore	**–**	30	Rental of fitted laboratory space for research and technology.

(1) As disclosed in Note 17, on May 26, 2023, the Group acquired additional 40% of the total issued and paid-up share capital of Life Science Incubator Pte. Ltd for a total purchase consideration of S$1,600,000. Following completion of the acquisition, Life Science Incubator Pte. Ltd. became a 70% owned subsidiary of the Group.

In 2022, the associate was accounted for using the equity method in these consolidated financial statements as set out in the Group's accounting policies in Note 2.

Aggregate information of associate that is not individually material

	2023	2022
	S$	S$
The Group's share of profit/(loss) from operations	**32,229**	(20,000)
The Group's share of total comprehensive profit/(loss)	**32,229**	(20,000)
Aggregate carrying amount of the Group's interests	**–**	–
Unrecognised share of losses of an associate		
The unrecognised share of losses of an associate for the year	–	57,459
Cumulative share of losses of an associate	–	57,459

36 SEGMENT INFORMATION

For the purpose of resource allocation and assessment of segment performance, the Group's chief operating decision makers have focused on the business operating units which in turn, are segregated based on their services. This forms the basis of identifying the segments of the Group's under SFRS(I) 8 *Operating Segments*.

Operating segments are aggregated into a single reportable operating segment if they have similar economic characteristic, such as long-term average gross margins, and are similar in respect of nature of services and process, type of customers, method of distribution, and if applicable, the nature of the regulatory environment.

For management purposes, the Group is currently organised into four (2022: three) main operating segments:

(1) Engineering, Procurement and Construction segment;

(2) Maintenance segment;

(3) Renewable energy segment; and

(4) Co-working laboratory space segment.

36 SEGMENT INFORMATION (CONTINUED)

The Engineering, Procurement and Construction segment provides engineering, procurement and construction services, specialising in architectural, mechanical, electrical and process works within controlled environment.

The Maintenance segment provides installation and maintenance services for controlled environments and supporting infrastructure.

The Renewable energy segment includes the building, owning and operating of waste-to-energy plants involving the generation of electricity using sustainable sources. Neo Tiew Power Pte. Ltd. was incorporated in February 2020 and principally engaged in the business of the provision of services to generate energy from waste. As disclosed in Note 12, Neo Tiew Power Pte. Ltd. has been placed under Creditors' Voluntary Winding Up with effect from November 24, 2023. As a result, the Renewable Energy Segment is reported under discontinued operations.

The Co-working laboratory space segment includes the operate and manage of co-working laboratory space for research and technology.

Segment revenues and results

	Engineering, Procurement and Construction S$	Maintenance S$	Renewable energy S$	Co-working laboratory space S$	Total S$
Continuing operations					
September 30, 2023					
Revenue	**62,212,939**	**6,846,008**	**–**	**440,243**	**69,499,190**
Cost of sales	**(53,059,497)**	**(4,478,574)**	**–**	**(269,101)**	**(57,807,172)**
Gross profit	**9,153,442**	**2,367,434**	**–**	**171,142**	**11,692,018**
Segment result	**4,081,404**	**449,124**	**(161,853)**	**28,882**	**4,397,557**
Depreciation expense	**(896,976)**	**(127,803)**	**(24,165)**	**(149,217)**	**(1,198,161)**
Interest income					**21,944**
Finance costs					**(500,701)**
Share of profit of associate					**32,229**
Profit before income tax, representing net profit for the year					**2,752,868**
September 30, 2022					
Revenue	55,924,967	6,372,599	–	–	62,297,566
Cost of sales	(47,883,838)	(4,617,366)	–	–	(52,501,204)
Gross profit	8,041,129	1,755,233	–	–	9,796,362
Segment result	3,825,061	435,862	(106,282)	–	4,154,641
Depreciation expense	(845,071)	(121,717)	(25,468)	–	(992,256)
Interest income					3,869
Finance costs					(315,658)
Share of loss of associate					(20,000)
Profit before income tax, representing net profit for the year					2,830,596

36 SEGMENT INFORMATION (CONTINUED)

	2023 S$	2022 S$
Discontinued operations		
Revenue:		
– Renewable energy	**820,260**	963,060
Cost of sales	**(2,012,000)**	(2,829,596)
Gross loss	**(1,191,740)**	(1,866,536)
Segment result	**(1,610,333)**	(2,124,243)
Depreciation expense	**(221,896)**	(194,267)
Impairment losses on financial and non-financial assets	**(12,381,907)**	–
Provision for corporate guarantee	**(1,000,000)**	–
Finance costs	**(6,454)**	(2,324)
Loss before income tax, representing net loss for the year	**(15,220,590)**	(2,320,834)
Consolidated revenue for the year	**70,319,450**	63,260,626
Consolidated (loss)/profit for the year	**(12,467,722)**	509,762

Revenue reported above represented revenue generated from external customers. There are inter-segment sales in the year amounting to S$1,371,928 (2022: S$585,517).

Segment assets

There is no segment assets disclosed as it is not a Group's practice to report segment assets to the chief operating decision maker.

Geographical segments

The Group's activities and customers are primarily located in Singapore. The geographical locations of the Group's non-current assets are in Singapore.

Major customer information

The Group's revenue derived from customers who individually account for 10% or more of the Group's revenue is detailed below:

	2023 S$	2022 S$
Engineering, Procurement and Construction		
Top 1st customer	**18,230,000**	17,469,000
Top 2nd customer	**14,401,000**	10,101,000
Top 3rd customer	**7,937,000**	5,265,000

37 EVENTS AFTER REPORTING PERIOD

i. On November 7, 2023, the Company entered into a conditional subscription agreement with an individual pursuant to which the individual shall subscribe for, and the Company shall allot and issue, an aggregate of 12,500,000 new ordinary shares at an issue price of S$0.04 per share. The aggregate consideration of the additional shares amount to S$500,000.

ii. On November 27, 2023, Neo Tiew Power Pte. Ltd. has been placed under Creditors' Voluntary Winding Up with effect from November 24, 2023 pursuant to a resolution passed at its Extraordinary General Meeting held on the same day. Neo Tiew Power Pte. Ltd. is a wholly-owned subsidiary of Acropower Pte. Ltd., which the Group has an effective interest of 56%. It was decided that Neo Tiew Power Pte. Ltd. cannot by reason of its liabilities continue its business and accordingly have been placed into Creditors' Voluntary Winding Up on grounds that Neo Tiew Power Pte. Ltd. is insolvent and unable to continue as a going concern, pending its eventual liquidation.

    The Group has significant exposure to Neo Tiew Power Pte. Ltd. in its investment in Neo Tiew Power Pte. Ltd., shareholder loans and other receivables. Accordingly, all these have been written off or impaired since Neo Tiew Power Pte. Ltd. is placed into Creditors' Voluntary Winding Up. The Group may also be exposed to the letter of demand from its counterparty as disclosed in Note 13 and Note 33.

STATISTICS OF SHAREHOLDINGS AS AT 9 JANUARY 2024

Issued and paid-up capital	**:**	**$19,629,323**
Number of shares	**:**	**277,127,956**
Class of shares	**:**	**Ordinary shares**
Voting rights	**:**	**One vote per share**

The Company does not hold any treasury shares and subsidiary holdings.

STATISTICS OF SHAREHOLDINGS AS AT 9 JANUARY 2024

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	0	0.00	0	0.00
100 – 1,000	47	5.71	33,000	0.01
1,001 – 10,000	235	28.55	1,528,600	0.55
10,001 – 1,000,000	509	61.85	65,360,811	23.59
1,000,001 AND ABOVE	32	3.89	210,205,545	75.85
TOTAL	**823**	**100.00**	**277,127,956**	**100.00**

SUBSTANTIAL SHAREHOLDERS

As recorded in the Register of Substantial Shareholders as at 9 January 2024

	DIRECT INTEREST		DEEMED INTEREST	
NAME OF SHAREHOLDERS	SHAREHOLDERS	%[2]	SHARES	%[2]
Levin Lee Keng Weng	53,000,000	19.12	–	–
Lim Say Chin[1]	200,000	0.07	66,130,645	23.86
Chew Chee Keong[1]	1,052,000	0.38	66,130,645	23.86
Ingenieur Holdings Pte. Ltd.	66,130,645	23.86	–	–
Goi Chew Leng[1]	3,124,600	1.13	66,130,645	23.86

Notes:

(1) Lim Say Chin, Chew Chee Keong and Goi Chew Leng are deemed to have an interest in 66,130,645 shares held by Ingenieur Holdings Pte. Ltd. by virtue of Section 4 of the Securities and Futures Act (Chapter 289).

(2) The percentages of issued share capital are calculated based on 277,127,956 issued shares in the capital of the Company as at 9 January 2024.

SHAREHOLDING STATISTICS

AS AT 9 JANUARY 2024

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	INGENIEUR HOLDINGS PTE LTD	66,130,645	23.86
2	LEVIN LEE KENG WENG	53,000,000	19.12
3	PHILLIP SECURITIES PTE LTD	11,587,600	4.18
4	DBS NOMINEES (PRIVATE) LIMITED	8,245,200	2.98
5	ONG AH WHATT	7,836,000	2.83
6	ONG ERIC	5,962,900	2.15
7	CHUA SEONG SENG	5,150,000	1.86
8	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	4,270,700	1.54
9	TAN PENG YAOW	4,020,000	1.45
10	MARILYN TAY BEE CHOO	3,796,900	1.37
11	GOI CHEW LENG	3,124,600	1.13
12	NG CHUEN GUAN (HUANG JUNYUAN)	3,000,000	1.08
13	NEO WEE YANG (LIANG WEIYUAN)	2,943,800	1.06
14	ONG & KIM FAMILY TRUST PTE LTD	2,855,000	1.03
15	OCBC SECURITIES PRIVATE LIMITED	2,697,000	0.97
16	LIM KIM HUAT	2,500,000	0.90
17	TAN YONG SENG	2,099,300	0.76
18	CHENG CHUNG HSIEN	2,060,000	0.74
19	LEONG BENG KONG	1,908,000	0.69
20	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	1,864,000	0.67
	TOTAL	**195,051,645**	**70.37**

FREE FLOAT

Based on the information provided to the Company as at 9 January 2024, approximately 55.43% of the issued ordinary shares of the Company was held by the public. Accordingly, Rule 723 of the Listing Manual Section B: Rules of Catalist of the SGX-ST has been complied with.

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of ACROMETA GROUP LIMITED (the "**Company**") will be held at 4 Kaki Bukit Avenue 1, #04-04 Kaki Bukit Industrial Estate, Singapore 417939 on Tuesday, 30 January 2024 at 10 a.m. for the following purposes:–

Shareholders should note that (a) each of Ordinary Resolution 13, 14, 15 and 16 are conditional upon the passing of Ordinary Resolution 12; (b) Ordinary Resolution 14 is conditional upon the passing of Ordinary Resolution 12 and 13; and (c) Ordinary Resolution 16 is conditional upon the passing of Ordinary Resolution 12 and 15. In the event that Ordinary Resolution 12 is not passed, Ordinary Resolution 13, 14, 15, and 16 will not be tabled. In the event that Ordinary Resolution 13 is not passed, Ordinary Resolution 14 will not be tabled. In the event that Ordinary Resolution 15 is not passed, Ordinary Resolution 16 will not be tabled.

AS ORDINARY BUSINESS

Resolution 1

1. To receive and adopt the audited financial statements for the financial year ended 30 September 2023, together with the Directors' Statement and Independent Auditors' Report.

Resolution 2

2. To re-elect Mr Lim Say Chin who is retiring pursuant to Regulation 108 of the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company.

   Mr Lim Say Chin will, upon re-election as a Director of the Company, remain as Executive Director and Chief Executive Officer of the Company. Please refer to Corporate Governance Report on pages 36 to 42 in the Annual Report for the detailed information required pursuant to Rule 720(5) of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Catalist Rules**").

Resolution 3

3. To re-elect Mr Chew Chee Keong who is retiring pursuant to Regulation 108 of the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company.

   Mr Chew Chee Keong will, upon re-election as a Director of the Company, remain as Executive Director of the Company. Please refer to Corporate Governance Report on pages 36 to 42 in the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

Resolution 4

4. To re-elect Mr Levin Lee Keng Weng who is retiring pursuant to Regulation 118 of the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company.

   Mr Levin Lee Keng Weng will, upon re-election as a Director of the Company, remain as Executive Chairman of the Company. Please refer to Corporate Governance Report on pages 36 to 42 in the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

Resolution 5

5. To re-elect Mr Cheong Keng Chuan, Alfred who is retiring pursuant to Regulation 118 of the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company.

   Mr Cheong Keng Chuan, Alfred will, upon re-election as a Director of the Company, remain as Independent Director, Chairman of Audit Committee, a member of the Nominating and Remuneration Committees. Mr Cheong Keng Chuan, Alfred will be considered independent pursuant to Rule 704(7) of the Catalist Rules. Please refer to Corporate Governance Report on pages 36 to 42 in the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

Resolution 6

6. To re-elect Mr Chan Tze Choong Eric who is retiring pursuant to Regulation 118 of the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company.

   Mr Chan Tze Choong Eric will, upon re-election as a Director of the Company, remain as Independent Director, Chairman of Remuneration Committee, a member of the Audit and Nominating Committees. Mr Chan Tze Choong Eric will be considered independent pursuant to Rule 704(7) of the Catalist Rules. Please refer to Corporate Governance Report on pages 36 to 42 in the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

Resolution 7

7. To approve the payment of Directors' fees of S$115,133 for the financial year ended 30 September 2023.

Resolution 8

8. To approve the payment of Directors' fees of S$117,000 for the financial year ending 30 September 2024, to be paid yearly in arrears.

Resolution 9

9. To appoint Messrs PKF-CAP LLP ("**PKF**") as auditors ("**Auditors**") of the Company in place of retiring Auditors, Messrs Deloitte & Touche LLP ("**Deloitte**"), to hold the office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

   [see Explanatory Note (i)]

10. To transact any other ordinary business that may be properly transacted at an annual general meeting.

AS SPECIAL BUSINESS

Resolution 10

11. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without modifications:–

   "Authority to allot and issue shares

   That pursuant to Section 161 of the Companies Act 1967 and the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Catalist Rules**"), authority be and is hereby given to the directors of the Company (the "**Directors**") to:–

   (A) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

   (B) (notwithstanding that the authority conferred by this resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this authority was in force, provided that:–

(1) the aggregate number of Shares to be issued pursuant to this authority (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below) ("**Issued Shares**"), of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed fifty per cent (50%) of the total number of Issued Shares;

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of Issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this authority is given, after adjusting for:–

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

(ii) new Shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time this authority is given, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(iii) any subsequent bonus issue, consolidation or sub-division of Shares;

Adjustments in accordance with (2)(i) and (2)(ii) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution.

(3) in exercising the authority conferred by this Resolution, the Directors shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act 1967 of Singapore, and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier."

[see Explanatory Note (ii)]

Resolution 11

12. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:–

"Authority to allot and issue Shares pursuant to the AcroMeta Performance Share Scheme

(a) That pursuant to Section 161 of the Companies Act 1967, the directors of the Company (the "**Directors**") be authorised and empowered to grant awards ("**Awards**") in accordance with the provisions of the AcroMeta Performance Share Scheme, as amended, supplemented or modified from time to time (the "**Share Scheme**") and to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the vesting of the Awards under the Share Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of new Shares which may be issued pursuant to the Share Scheme, when added to the number of new Shares issued and issuable in respect of all awards granted under the Share Scheme and any other share-based incentive scheme of the Company, shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting of the Company is required by law to be held, whichever is earlier."

[see Explanatory Note (iii)]

Resolution 12
13. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:–

"The proposed amendments to the AcroMeta Performance Share Scheme

(a) That the rules of the Share Scheme be amended in the manner as set out in the Annex A of the Appendix to the Notice of AGM; and

(b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution."

[see Explanatory Note (iv)]

Resolution 13
14. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:–

"The proposed participation by Mr. Levin Lee Keng Weng, a Controlling Shareholder, in the amended AcroMeta Performance Share Scheme

That subject to and contingent upon the passing of Resolution 12,

(a) the participation by Mr. Levin Lee Keng Weng, a Controlling Shareholder of the Company, in the Share Scheme be and is hereby approved; and

(b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution."

[see Explanatory Note (v)]

Resolution 14
15. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:–

"The proposed grant of Award to Mr. Levin Lee Keng Weng, a Controlling Shareholder, in the amended AcroMeta Performance Share Scheme

That subject to and contingent upon the passing of Resolution 12 and 13,

(a) the proposed offer and grant of an Award to Mr. Levin Lee Keng Weng, a Controlling Shareholder of the Company, pursuant to and in accordance with the rules of the Share Scheme, on the following terms, be and is hereby approved,

Proposed date of grant of Award	:	Within six (6) months from the date of the AGM
Number of Shares comprised in the Award	:	Up to 32,500,000 Shares (representing approximately up to 11.7% of the total issued Shares as at the Latest Practicable Date and approximately up to 78.2% of the maximum number of Shares available under the Share Scheme and any other share schemes of the Company)
Moratorium	:	The entirety of the Shares of the Award will be locked up for 12 months from the date for grant.

(b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution."

[see Explanatory Note (v)]

Resolution 15

16. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:–

"The proposed participation by Mr. Lim Say Chin, a Controlling Shareholder, in the amended AcroMeta Performance Share Scheme

That subject to and contingent upon the passing of Resolution 12,

(a) the participation by Mr. Lim Say Chin, a Controlling Shareholder of the Company, in the Share Scheme be and is hereby approved; and

(b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution."

[see Explanatory Note (v)]

Resolution 16

17. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:–

"The proposed grant of Award to Mr. Lim Say Chin, a Controlling Shareholder, in the amended AcroMeta Performance Share Scheme

That subject to and contingent upon the passing of Resolution 12 and 15,

(a) the proposed offer and grant of an Award to Mr. Lim Say Chin, a Controlling Shareholder of the Company, pursuant to and in accordance with the rules of the Share Scheme, on the following terms, be and is hereby approved,

Proposed date of grant of Award	:	Within six (6) months from the date of the AGM
Number of Shares comprised in the Award	:	Up to 6,500,000 Shares (representing approximately up to 2.4% of the total issued Shares as at the Latest Practicable Date and approximately up to 15.6% of the maximum number of Shares available under the Share Scheme and any other share schemes of the Company)

(b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution."

[see Explanatory Note (v)]

Resolution 17

18. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:–

"The proposed diversification of the Group's Existing Business into the Co-working Laboratory Space Business

That:

(a) Approval be and is hereby given for the diversification by the Company and its subsidiaries of its core business into the co-working laboratory space (the "**New Business**"), the details of which are set out in Section 5 of the Appendix to this Notice of AGM;

(b) Subject to compliance with the Catalist Rules requiring approval from shareholders in certain circumstances, the Company (directly and/or through its subsidiaries) be and is hereby authorised to invest in, purchase or otherwise acquire or dispose of from time to time, any such assets, businesses, investments and shares/interests in any entity that is related to the New Business, on such terms and conditions as the Directors deem fit, and such Directors be and are hereby authorised to take such steps and exercise such discretion and do all acts and things as they deem desirable, necessary or expedient to give effect to any such investment, purchase, acquisition or disposal; and

(c) the Directors be authorised and empowered, jointly and/or severally, to complete and do and execute all such things and acts (including, without limitation, executing all such documents as may be required) as they or he may think necessary or expedient to give effect to this resolution, with such modifications thereto (if any) as they or he shall think fit in the interests of the Company."

[see Explanatory Note (vi)]

Resolution 18

19. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:–

"Share purchase mandate

That:

(a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the "**Companies Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares ("**Shares**") in the issued share capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchases (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

(ii) off-market purchases (each an "**Off-Market Purchase**") effected otherwise than on the SGX-ST in accordance with any equal access scheme as may be determined or formulated by the directors of the Company as they consider fit, such scheme shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(b) the authority conferred on the directors of the Company pursuant to the Share Purchase Mandate may be exercised by the directors of the Company at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next annual general meeting of the Company is held or required by law to be held;

(ii) the date on which Share purchases have been carried out to the full extent of the Share Purchase Mandate; or

(iii) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by an ordinary resolution of shareholders of the Company in general meeting;

(c) in this Resolution:

"**Prescribed Limit**" means 10% of the issued ordinary Shares (excluding treasury shares and subsidiary holdings, if any) of the Company as at the date of the passing of this Resolution; and "**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Purchase: 105% of the Average Closing Price; and

(ii) in the case of an Off-Market Purchase: 120% of the Average Closing Price,

where:

"**Average Closing Price**" is the average of the closing market prices of a Share over the last five Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-market day period;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

"**Market Day**" means a day on which the SGX-ST is open for trading in securities; and

(d) the directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

[see Explanatory Note (vii)]

BY ORDER OF THE BOARD

Siau Kuei Lian
Company Secretary

15 January 2024
Singapore

Explanatory Notes:

(i) The Resolution 9 proposed in item 9 above is to approve the appointment of PKF-CAP LLP as Auditors of the Company for the financial year ending 30 September 2024 in place of the retiring Auditors, Deloitte (the "**Proposed Change of Auditors**"), and to authorise the Directors to fix their remuneration. Please refer to Section 2 of the appendix to this Notice of AGM dated 15 January 2024 which sets out, among others, information on the specific reasons for the Proposed Change of Auditors (the "**Appendix**").

In accordance with Rule 712(3) of the Catalist Rules:

(a) the outgoing Auditors, Deloitte, has confirmed by way of their professional clearance letter dated 5 January 2024 that they are not aware of any professional reasons why the new Auditors, PKF-CAP LLP, should not accept appointment as Auditors;

(b) the Company confirms that there were no disagreements with the outgoing auditors, Deloitte, on accounting treatments within the last twelve (12) months;

(c) the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of Shareholders which has not been disclosed in the Appendix;

(d) the Company confirms that the specific reasons for the Proposed Change of Auditors is as disclosed in this Appendix; and

(e) the Company confirms that it is or will be in compliance with Rules 712 and 715 of the Catalist Rules in relation to the Proposed Change of Auditors.

(ii) Under the Catalist Rules, a share issue mandate approved by shareholders as a ordinary resolution will enable directors of an issuer to issue an aggregate number of new shares and convertible securities of the issuer of up to 100% of the issued share capital of the issuer (excluding treasury shares and subsidiary holdings) as at the time of passing of the resolution approving the share issue mandate, of which the aggregate number of new shares and convertibles securities issued other than on a pro-rata basis to existing shareholders must be not more than 50% of the issued share capital of the issuer (excluding treasury shares and subsidiary holdings).

Ordinary Resolution 10, if passed, will empower the Directors from the date of the above AGM until the date of the next annual general meeting, to allot and issue Shares and/or Instruments. The aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted) which the Directors may allot and issue under this Resolution, shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings). For issues of Shares and convertible securities other than on a pro-rata basis to all shareholders, the aggregate number of Shares and convertible securities to be issued shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings). This authority will, unless previously revoked or varied at a general meeting, expire at the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier. However, notwithstanding the cessation of this authority, the Directors are empowered to issue Shares pursuant to any convertible securities issued under this authority.

(iii) Ordinary Resolution 11, if passed, will empower the Directors to grant awards under the Share Scheme and to allot and issue Shares pursuant to the vesting of the awards under the Share Scheme, provided that the aggregate number of new Shares which may be issued under the Share Scheme, when added to the number of Shares issued and issuable in respect of all awards granted under the Share Scheme and any other share-based incentive scheme of the Company for the time being in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) preceding that date of grant of award.

(iv) Please refer to Section 3 of the Appendix to this Notice of AGM for more details on the proposed amendments to the AcroMeta Performance Share Scheme.

(v) Please refer to Section 4 of the Appendix to this Notice of AGM for more details on the proposed participation by and grant of awards to the Controlling Shareholders of the Company under the AcroMeta Performance Share Scheme.

(vi) Please refer to Section 5 of the Appendix to this Notice of AGM for more details on the Proposed Diversification.

(vii) Ordinary Resolution 18, if passed, will renew the mandate to permit the Company to purchase or otherwise acquire its issued ordinary shares on the terms and subject to the conditions of this Resolution. Further details are set out in the Addendum which is enclosed with the Company's Annual Report.

Notes:

(1) The members of the Company are invited to attend physically at the AGM. There will be no option for shareholders to participate virtually.

(2) An investor who holds shares under the Supplementary Retirement Scheme ("**SRS Investor**") and wishes to appoint the Chairman of the Meeting as proxy should approach their respective SRS Operators to submit their votes at least seven (7) working days before the AGM.

(3) A member who is not a Relevant Intermediary, entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the AGM of the Company. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the form of proxy. A proxy need not be a member of the Company.

(4) A member who is a Relevant Intermediary may appoint one or more proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.

(5) If the appointer is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.

(6) A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.

If a member wishes to appoint the Chairman of the AGM as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

The instrument appointing a proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the proxy form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

(7) The instrument appointing a proxy must: (i) if sent personally or by post, be deposited at the office of Company at 4 Kaki Bukit Avenue 1 #04-04 Kaki Bukit Industrial Estate Singapore 417939; or (ii) by email to shareregistry@incorp.asia and in either case, by no later than seventy-two (72) hours before the time appointed for holding the Annual General Meeting, and in default the instrument of proxy shall not be treated as valid.

(8) A member may ask question relating to the item on the agenda of the AGM:–

(a) at the AGM; or

(b) submitting question via mail to the Company's registered office at 4 Kaki Bukit Avenue 1 #04-04 Kaki Bukit Industrial Estate Singapore 417939, or email to shareregistry@incorp.asia in advance of the AGM by 22 January 2024.

When submitting the questions, please provide the Company with the following details, for verification purpose:–

(i) Full name;

(ii) NRIC number;

(iii) Current address;

(iv) Contact number; and

(v) Number of shares held.

Please also indicate the manner in which you hold shares in the Company (e.g. via CDP, CPF or SRS).

Shareholders are encouraged to submit their questions before 22 January 2024, as this will allow the Company sufficient time to address and respond to these questions on or before 25 January 2024 (forty-eight (48) hours prior to the closing date and time for the lodgement of the proxy forms). The responses will be published on (i) the SGX's website; and (ii) the Company's corporate website.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal data privacy:

By (a) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, or (b) submitting any question prior to the AGM of the Company in accordance with this Notice, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of the Chairman as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, (iii) addressing substantial and relevant questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions, (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities, and (v) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

ACROMETA GROUP LIMITED

(Company Registration No. 201544003M)
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. A Relevant Intermediary* may appoint more than two (2) proxies to attend the AGM and vote.
2. An investor who holds shares under the Supplementary Retirement Scheme ("**SRS Investor**") and wishes to appoint the Chairman of the Meeting as proxy should inform their respective SRS Operators to submit their votes at least 7 working days before the AGM.
3. This Proxy Form is not valid for use by SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

PROXY FORM

(Please see notes overleaf before completing this Form)

*I/We ______________________________ (Name), *NRIC/Passport No. ______________

of ____ (Address)

being *a member/members of Acrometa Group Limited (the "**Company**"), hereby appoint

Name	Address	NRIC/ Passport No.	Proportion of shareholdings	
			No. of Shares	(%)

* and/or* failing *him/her

Name	Address	NRIC/ Passport No.	Proportion of shareholdings	
			No. of Shares	(%)

or failing *him/her/them, the Chairman of the Meeting as *my/our *proxy/proxies to attend and vote for *me/us on *my/our behalf at the Annual General Meeting ("**AGM**") of the Company to be held at 4 Kaki Bukit Avenue 1 #04-04 Kaki Bukit Industrial Estate Singapore 417939 on Tuesday, 30 January 2024 at 10 a.m., and at any adjournment thereof.

* I/we direct *my/our *proxy/proxies to vote for, against or abstain the Resolutions to be proposed at the AGM as indicated hereunder. If no specified direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at his/her/their discretion.

No.	Resolutions relating to:–	For	Against	Abstain
	As Ordinary Business			
1.	Audited financial statements for financial year ended 30 September 2023			
2.	Re-election of Mr Lim Say Chin as a Director pursuant to regulation 108 of the Company's Constitution			
3.	Re-election of Mr Chew Chee Keong as a Director pursuant to regulation 108 of the Company's Constitution			
4.	Re-election of Mr Levin Lee Keng Weng as a Director pursuant to regulation 118 of the Company's Constitution			
5.	Re-election of Mr Cheong Keng Chuan, Alfred as a Director pursuant to regulation 118 of the Company's Constitution			
6.	Re-election of Mr Chan Tze Choong Eric as a Director pursuant to regulation 118 of the Company's Constitution			
7.	Approval of Directors' fees of S$115,133 for financial year ended 30 September 2023			
8.	Approval of Directors' fees of S$117,000 for financial year ending 30 September 2024			
9.	Appointment of Messrs PKF-CAP LLP as Auditors of the Company in place of retiring Auditors, Messrs Deloitte & Touche LLP			
	As Special Business			
10.	General authority to allot and issue shares			
11.	Authority to allot and issue shares pursuant to the AcroMeta Performance Share Scheme			
12.	The Proposed Amendments to the AcroMeta Performance Share Scheme			
13.	The Proposed Participation by Mr. Levin Lee Keng Weng, a Controlling Shareholder, in the amended AcroMeta Performance Share Scheme			
14.	The Proposed Grant of Award to Mr. Levin Lee Keng Weng, a Controlling Shareholder, in the amended AcroMeta Performance Share Scheme			
15.	The Proposed Participation by Mr. Lim Say Chin, a Controlling Shareholder, in the amended AcroMeta Performance Share Scheme			
16.	The Proposed Grant of Award to Mr. Lim Say Chin, a Controlling Shareholder, in the amended AcroMeta Performance Share Scheme			
17.	The Proposed Diversification of the Group's Existing Business into the Co-working Laboratory Space Business			
18.	Share purchase mandate renewal			

Dated this ____________ day of January 2024

Total number of Shares held

____

Signature(s) of Shareholder(s)
and Common Seal of Corporate Shareholder

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), 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 Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this proxy form shall be deemed to relate to all the Shares held by you.

2. The instrument appointing a proxy must (i) if sent personally or by post, be deposited at the office of the Company at 4 Kaki Bukit Avenue 1 #04-04 Kaki Bukit Industrial Estate Singapore 417939; or (ii) by email to shareregistry@incorp.asia and in either case, by not less than 72 hours before the time appointed for the AGM, and in default the instrument of proxy shall not be treated as valid.

   The instrument appointing a proxy must be under the hand of the appointor or of 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 an attorney or duly authorised officer. Where the instrument appointing a proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.

3. An investor who holds shares under the Supplementary Retirement Scheme ("**SRS Investor**") and wishes to appoint the Chairman of the Meeting as proxy should approach their respective SRS Operators to submit their votes at least seven (7) working days before the AGM.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

General:

The Company shall be entitled to reject a proxy form if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 15 January 2024.

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ACRO.META
GROUP

4 KAKI BUKIT AVENUE 1, #04-04
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