



YONGMAO HOLDINGS LIMITED

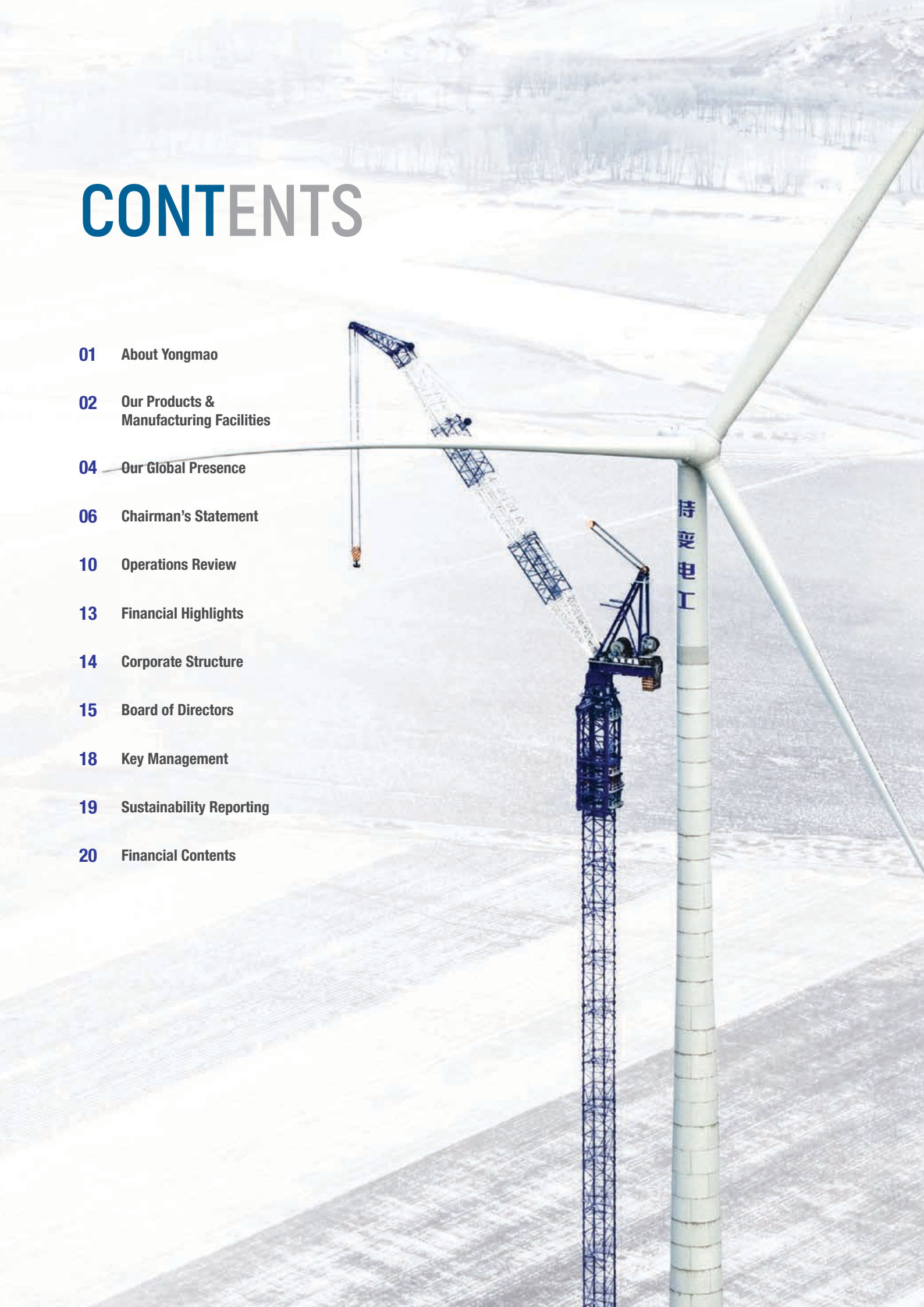


BUILDING WITH PURPOSE **MOVING FORWARD**

ANNUAL REPORT 2025

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Since 1992, our Group has been involved in the design, development and manufacture of wide range of tower cranes, components and accessories. We supply our products to construction equipment distributors and equipment rental companies in overseas markets and to construction companies and equipment rental companies in the People's Republic of China (the "PRC"). Today, our tower cranes are exported to over 80 countries and regions around the world.

Our tower cranes are well established and have been deployed in many prominent projects in the PRC and overseas. Our brand name "Yongmao" is recognised as a "Chinese Well-Known Brand" (中国驰名商标) in the PRC.

We currently offer a variety of tower cranes with lifting capacities in the range of 80 to 4000 tonne-metres and these are broadly classified under the four main series below:

- Topless STT series,
- ST series,
- Luffing STL/STF series,
- Derrick Q series.

Our long term investment in research and development have enhanced our ability to compete effectively in our industry. Since we commenced manufacturing tower cranes, our research and development team has successfully designed and developed more than 60 models and sub-models of tower cranes. This in-house capability has not only broadened our product range but also helped us remain competitive and respond more quickly to market needs.

Our established track record in the PRC include many important and prominent projects such as:

- China National Opera House in Beijing,
- Qinshan Nuclear Power Station,
- Shanghai South Railway Station,
- Changjiang River Bridge,
- Beijing Olympic Village & Sports Hub,
- Expo 2010 Shanghai,
- Guangzhou Yangxi Power Plant,
- Hebei Caofeidian Power Plant,
- Beijing Daxing International Airport,
- Hutuo River Grand Bridge,
- Jiangsu Jushi Lianshui Wind Power Project.

In the overseas markets, our tower cranes were deployed in a number of significant projects such as:

- Imperial Wharf, UK,
- 22 Marsh Wall (The Landmark), London, UK,
- City of Dreams casino, Macau,
- Kai Tak Cruise Terminal, Hong Kong,
- AZ – St. Jan General Hospital, Brugge, Belgium,
- Gold Coast University Hospital, Australia,
- Marina One, Singapore,
- Hongkong-Zhuhai-Macau Bridge,
- Helsinki Vantaa International Airport, Finland,
- Warsan Waste-to-Energy plant, United Arab Emirates.

We have a high level of expertise and experience in design and development of tower cranes, a strong track record and a wide customer base. We have also achieved various safety standards prescribed for cranes by different countries and the required certifications and approvals for export and deployment in these countries.

OUR PRODUCTS & MANUFACTURING FACILITIES

MANUFACTURING FACILITIES AND PROCESS

Our production facilities are located in the PRC, namely Fushun City, Liaoning Province. Our latest state-of-the-art manufacturing facility in Fushun City incorporates modern manufacturing process flow, robotic welding arms and other high-tech machineries. With a stringent quality assurance system in place, we are generally able to deliver a tower crane within 30 to 90 days.



OUR PRODUCTS & MANUFACTURING FACILITIES

PRODUCTS

Our products are used mainly in construction sites, infrastructure projects and in the shipbuilding industry. Our tower cranes are broadly classified into 4 series namely ST series, Topless STT series, Luffing STL/STF series and Derrick Q series.

TOPLESS STT



First introduced in 1999, the Topless STT's design features a streamlined jib design and no tower head, which minimises space to allow jib overflight of adjoining tower cranes in a worksite. This makes the Topless STT tower cranes particularly suitable for worksites with space constraints. The Topless STT tower cranes are also designed to erect and dismantle quickly to save time which results in cost savings.

ST



The ST tower cranes are suitable for use in construction sites of all sizes. Introduced in 2000, the ST tower cranes feature a conventional structural design where the tower head and tie bar reduces stress on the jib.

LUFFING STL/STF



First sold in 2004, the Luffing STL tower cranes offer a small slewing working radius due to a variable jib angle. This feature makes the Luffing STL tower cranes particularly suitable for use in worksites that are surrounded by existing tall buildings or where jibs are not allowed to sail over existing buildings.

The Luffing STF tower cranes introduced in 2021 was designed for the use in wind turbine power plant.

DERRICK Q



A tower crane under the Derrick Q series was successfully developed in 1998. The Derrick Q tower cranes are designed for dismantling internal climbing tower cranes in a safe and reliable manner. They are installed on the completed rooftops of buildings and can be assembled and dismantled by hand.

OUR
GLOBAL PRESENCE



AMERICAS

Argentina
Brazil
Chile
Columbia
Dominican Republic
Ecuador
Panama
United States

EUROPE

Austria
Belgium
Finland
France
Germany
Netherlands
Hungary
Ireland
Poland
Romania
Russia
Turkey
Ukraine
United Kingdom

AFRICA

Algeria
Angola
Libya
Mauritius
Nigeria
Rwanda
South Africa
Tanzania
Tunisia
Zambia



MIDDLE EAST

Bahrain
Israel
Jordan
Kuwait
Oman
Qatar
Saudi Arabia
UAE

ASIA

Azerbaijan
Cambodia
China
Hong Kong
India
Indonesia
Laos
Macau
Malaysia
Myanmar
Pakistan
Philippines
Singapore
South Korea
Sri Lanka
Taiwan
Thailand
Vietnam

OCEANIA

Australia
New Zealand

CHAIRMAN'S STATEMENT



The path forward requires us to remain adaptable and focused on areas where we can create the greatest value. We will continue building our capabilities in energy sector applications while maintaining our commitment to quality, safety, and innovation that defines Yongmao.

DEAR SHAREHOLDERS,

THE YEAR IN REVIEW

筑梦有为，奋进向前 BUILDING WITH PURPOSE, MOVING FORWARD

The financial year ended 31 March 2025 (“FY2025”) has been one of significant challenges for our industry and company. The global construction sector, particularly in our key markets, has faced headwinds from economic uncertainties, property market adjustments, ongoing supply chain pressures and intense competition. These external factors have created a demanding business environment that has tested our resilience and adaptability.

Despite ongoing challenges Yongmao demonstrated adaptability and strategic focus, achieving revenue growth while strengthening our position in the energy and infrastructure sectors.

Group revenue increased by 11.3% to RMB880.3 million in FY2025, driven primarily by higher sales of tower cranes and components, which rose to RMB610.0 million from RMB517.0 million in the previous year. This growth reflects stronger demand for mega-size tower cranes in the energy sector, including wind power and nuclear power projects, as China accelerates its energy transition. Our strategic pivot toward the energy sector continues to deliver results, especially as traditional construction markets remain subdued due to ongoing property market adjustments.

Gross profit increased by 10.7% to RMB253.4 million, though gross profit margin decreased slightly to 28.8% from 28.9% in FY2024, primarily due to a reduced proportion of higher-margin rental and service income. Net profit attributable to equity holders decreased to RMB33.2 million from RMB43.0 million in the previous year, reflecting higher operating expenses and increased finance costs as we invested in expanding our capabilities and market presence.

BUILDING MOMENTUM, STRENGTHENING PRESENCE

China's energy transition from coal-dominated power to clean energy sources continues to present significant opportunities for Yongmao. China's National Energy Administration ("NEA") reported that wind power capacity additions had reached 79.82 million kilowatts ("MW"), comprising 75.79 million kW from onshore installations and 4.04 million kW from offshore projects. This expansion brought total installed wind power capacity to 521 million kW by year-end, reflecting a 18% year-on-year increase. The "Three North" regions, North China, Northeast China, and Northwest China, accounted for 75% of these new installations. Wind power generation reached 991.6 billion kilowatt-hours ("kWh") in 2024, marking a 16% increase from the previous year, with a national average utilization rate of 95.9%.

Complementing wind power's rapid expansion, China's nuclear energy sector also recorded strong growth in 2024. The NEA reported that total capacity of operational and under-construction nuclear power units exceeded 120 million kilowatts by year-end. Nuclear power generation reached 450.9 billion kilowatt-hours, contributing 4.5% of the nation's total electricity output while helping avoid an estimated 370 million tonnes of carbon dioxide emissions.

The momentum of China's energy sector growth was exemplified by our key deliveries in 2025: a STF3080-200T to the 邯郸市永年区洁源张西堡风电项目 Handan City Yongnian District Jieyuan Zhangxibao Wind Power Project and a STF3280-200T to the 金风抚宁区风电项目 Jinfeng Funing District Wind Power Project.

Alongside this, our involvement in ongoing landmark projects continues to enhance brand recognition and technical reputation. The Taipei Twin Towers project remains a key achievement, where we have delivered 8 out of 9 large and mega-sized luffing cranes for this iconic development. This project, one of the largest construction undertakings in Taiwan in the past two decades, showcases our capability to handle complex, high-profile developments.

COMMITMENT TO EXCELLENCE

Our commitment to excellence continues to receive industry recognition. For the twelfth consecutive year since 2013, Yongmao was included in the global top 10 tower crane manufacturers list, a sustained recognition that reflects our consistent delivery of quality products and services to markets worldwide.

Additional achievements for the year include:

- Group General Manager Sun Tian selected for the "2024 China Construction Machinery Industry Influential 50 People"
- Awarded the title of "Liaoning Province Manufacturing Single Champion Enterprise"
- Awarded "40th Anniversary - Excellent Unit" by the Shanghai Construction Machinery Industry Association
- Yongmao brand awarded the title of "Fushun City Independent Brand" industrial product

These accolades underscore our continued focus on delivering excellence for all stakeholders.



CHAIRMAN'S STATEMENT

UNLOCKING NEW FINANCING SOLUTIONS

In line with our strategy to explore diverse and efficient funding avenues, the Group successfully established a S\$20 million multicurrency multi-tranche unsecured commercial paper facility programme on the SDAX digital securities platform. This initiative leverages digital securities technology on a recognized market operator's platform to provide an additional financing tool.

Since the programme's launch, we have successfully completed three 3-month issuances, raising between S\$4.05 million and S\$4.62 million. We believe this platform offers a cost-competitive financing alternative to the Group. We intend to continue utilising this platform based on business needs and may explore longer-term products if significant contracts warrant such initiatives.

OUTLOOK AND STRATEGIC PRIORITIES

Looking ahead, we anticipate the operating environment will remain challenging across key markets. China's GDP growth is expected to moderate in 2025 amid weak consumer demand, a prolonged real estate slump, high debt levels, and ongoing trade tensions with the United States. These headwinds are significantly impacting the domestic tower crane sector, where intense competition continues to squeeze margins.

Singapore's market remains relatively stable due to ongoing public housing (HDB) projects, commercial developments and major infrastructure works like the Changi Airport Terminal 5 and Expansion of Marina Bay Sands Casino, but even here price competition is intensifying as Chinese suppliers target the market.

Globally, the International Monetary Fund has revised its economic outlook, projecting slower global GDP growth of 2.8% in 2025, down from the 3.3% forecasted in January. This adjustment primarily reflects escalating trade tensions and heightened policy uncertainties, particularly involving the United States and China. Global headline inflation is expected to decline to 4.3% in 2025, indicating that while disinflation continues, it is progressing more slowly than previously anticipated.



Despite these headwinds, we see opportunities in several key areas:

Energy Sector Focus: Our continued emphasis on wind power, nuclear power, and other renewable energy projects aligns with long-term infrastructure investment trends. We will leverage our technical expertise and proven track record in these specialized applications.

International Market Expansion: Diversifying our revenue base beyond domestic markets remains a priority. Our successful projects in Taiwan, Malaysia, and other markets demonstrate our capability to compete globally.

Technological Advancement: We remain committed to innovation, with a key highlight being the launch of our remote control system for crane operation. This solution offers enhanced safety for operators and cost savings as a single operator can manage multiple cranes. While industry adoption is still in early stages, we are positioning ourselves at the forefront with a dedicated showroom in our factory scheduled to come online by the first quarter of 2026.

We are also developing autonomous operation solutions with partners from Israel and China. These projects are currently in the field-testing phase.

DIVIDEND AND ACKNOWLEDGEMENTS

Subject to shareholders' approval at the forthcoming Annual General Meeting, the Board is pleased to propose a first and final dividend of S\$0.01 per ordinary share for FY2025, reflecting our commitment to sharing returns with shareholders while maintaining financial flexibility for future investments.

On behalf of the Board, I wish to welcome Mr Tan Eng Ann, who joined us as a Non-Executive Independent Director. We look forward to benefiting from his insights and experience as we continue to steer the Group forward. We would like to express our heartfelt appreciation to our Independent Director, Mr Hoon Chee

Wai who will not be seeking re-election during the upcoming AGM. We have benefitted greatly from his leadership as Chairman of the Audit Committee, member of the Nominating committee and Remuneration Committee. We wish him every success in all his future endeavours.

I extend our appreciation to all stakeholders who have supported Yongmao through this period of measured progress. To our employees, business partners, and shareholders, your continued confidence enables us to pursue our strategic objectives with determination.

The path forward requires us to remain adaptable and focused on areas where we can create the greatest value. We will continue building our capabilities in energy sector applications while maintaining our commitment to quality, safety, and innovation that defines Yongmao.

SUN ZHAO LIN

Executive Chairman



OPERATIONS REVIEW



With a solid foundation, extensive track record, and industry recognition, we are fundamentally strong and well-equipped to navigate through.

INCOME STATEMENT

For the year under review, the Group's topline increased by 11.3% to RMB880.3 million from RMB790.8 million in FY2024. This growth was driven primarily by higher sales of tower cranes and components, supported by a rebound in the People's Republic of China ("PRC") market and strengthening demand in the Middle East.

Revenue in the PRC rose 22.3% to RMB382.8 million, accounting for 43.5% of Group revenue, a significant recovery that restored the PRC to its position as our largest revenue contributor. This turnaround reflects improving market conditions and successful execution of our energy sector strategy.

In contrast, revenue from our Asia segment (outside of PRC), primarily Singapore and Hong Kong, grew modestly by 2.9% to RMB322.9 million. This segment contributed 36.7% to Group revenue, down from 39.7% previously, as the Singapore market remained relatively stable with limited demand growth.

The Middle East & Others segment demonstrated strong momentum with revenue rising 23.3% to RMB122.3 million, reflecting successful market development efforts in these regions. However, revenue from the USA & Europe segment declined 19.4% to RMB52.3 million, primarily due to project timing differences and market-specific challenges.

Gross profit rose 10.7% to RMB253.4 million, broadly in line with revenue growth. Gross profit margin remained stable at 28.8% compared to 28.9% in FY2024, demonstrating our ability to maintain pricing discipline despite cost pressures.

The operating environment in FY2025 presented several headwinds that we managed through disciplined cost control and strategic focus. Distribution costs increased 21.2% primarily due to elevated freight rates, a global phenomenon affecting many industries. We continue monitoring these cost pressures closely while implementing measures to optimize supply chain efficiency.



During the financial year, we completed the disposal of our subsidiary in Cambodia as part of our ongoing portfolio optimization. This strategic move allows us to streamline operations and reallocate resources toward higher-growth opportunities in our core markets.

Our financial position remains stable, with total equity of RMB1,020.9 million as at 31 March 2025. We have expanded our rental fleet and invested in new facilities, including securing a 10-year lease for our Hong Kong yard, positioning us well for future growth opportunities.

As a result of the abovementioned, net profit attributable to equity holders stood at RMB33.2 million, down from RMB43.0 million in the prior year. This decrease primarily reflected higher administrative and distribution expenses, increased impairment allowances on receivables, and one-off costs. Nonetheless, the Group maintained profitability despite a challenging global environment.

DRIVING INNOVATION, SECURING MARKET RECOGNITION

The Group was also awarded the 2024 Northeast Revitalization Design Award (Silver) for our work on the Non-counterweight Luffing Jib Tower Crane in complex land-based wind power installations. This recognition highlights Yongmao's design innovation and capability to meet specific operational challenges in the renewable energy sector.

Additionally, Yongmao received the 2023 Liaoning Province Science and Technology Progress Award (Third Prize) for the Super Large Fixed Tower Crane project, an affirmation of our sustained R&D efforts and technical achievements in developing high-capacity lifting solutions.

Our operational excellence and customer focus were acknowledged by key industry players. Yongmao was named both "2024 Annual Excellent Supply Chain Partner" and "2024 Annual Excellent Win-Win Partner" by China Energy Engineering Group, recognizing our performance in project fulfillment and strategic collaboration.

The Group was also selected for the "2024 Liaoning Province Specializing in New SMEs" list, further affirming our innovation capabilities and strong positioning among growth-oriented enterprises.

UPHOLDING HEALTH AND SAFETY STANDARDS

Health and safety remain cornerstones of Yongmao's operational priorities. In FY2025, we continued our "Safety Production Month" campaign and implemented regular safety training and monthly safety production meetings. These programmes foster a strong safety culture and operational discipline throughout the organization.

Building on lessons learned during the COVID-19 pandemic, the Group continues refining health and safety protocols to ensure our people and operations remain resilient and responsive. While COVID-19 is now considered endemic, Yongmao maintains readiness to respond swiftly to any future public health developments or operational disruptions.



OPERATIONS REVIEW

All staff undergo mandatory workplace safety training courses specifically designed to educate them about potential workplace hazards and safety precautionary measures. Our established system of safety regimes and protocols aims to inculcate a strong safety culture throughout our production workflow, maintaining healthy and safe environments for everyone.

LOOKING AHEAD

While uncertainties persist in the global macroeconomic environment, the Group continues pursuing its long-term strategy with discipline. We remain sanguine about sustained infrastructure and energy-related construction activities, particularly in the PRC, Middle East, and certain Southeast Asian markets.

These industry trends align with Yongmao's strategic focus on innovation and operational excellence, positioning the Group to capitalise on emerging opportunities in the global tower crane market.

Our product pipeline is well-positioned to meet emerging demands, especially for high-capacity and specialized cranes in wind turbine and nuclear energy installations. We will continue investing in R&D, operational capabilities, and strategic partnerships to deliver sustained value to all stakeholders.

With a solid foundation, extensive track record, and industry recognition, we are fundamentally strong and well-equipped to navigate through volatility while capitalizing on growth opportunities. We remain committed to exploring new markets and applications for our tower cranes in key large-scale projects within and beyond the PRC.

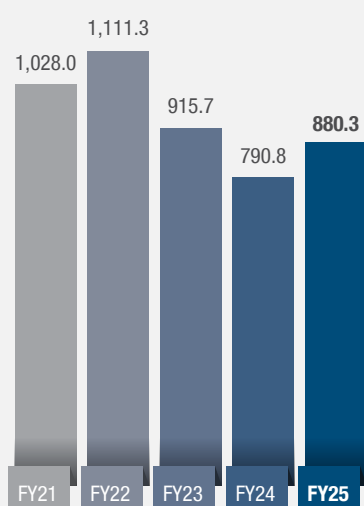
On behalf of the Board, I extend sincere appreciation to all shareholders, customers, business partners, and employees for their support, trust, and commitment to Yongmao.

TIAN RUO NAN

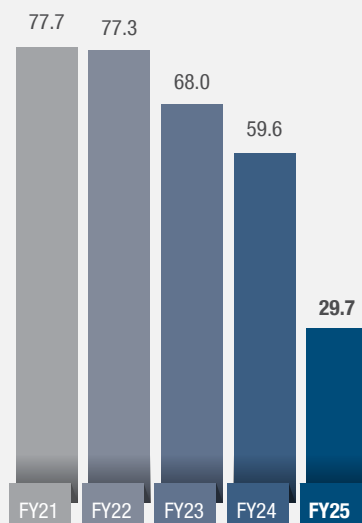
Chief Executive Officer



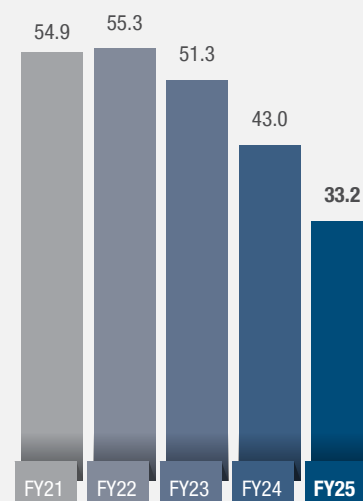
Revenue
(RMB million)



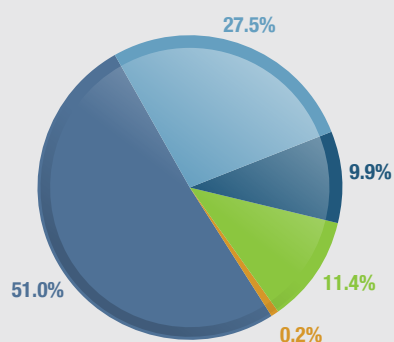
Profit Before Taxation
(RMB million)



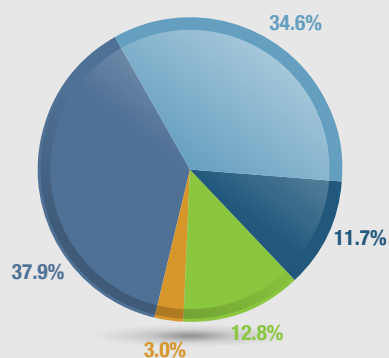
**Profit Attributable to Equity
Holders of the Company**
(RMB million)



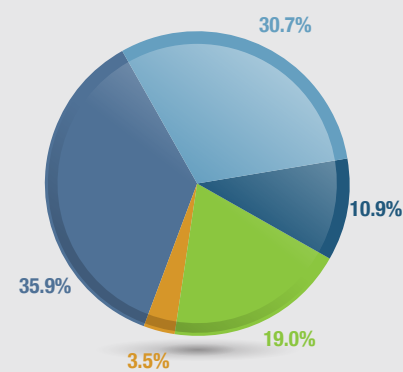
Revenue Breakdown by Product (%)



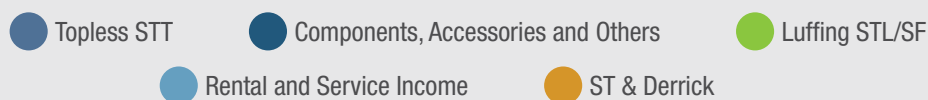
2023



2024



2025



CORPORATE STRUCTURE



YONGMAO HOLDINGS LIMITED





MR SUN ZHAO LIN
*Executive Director and
Chairman*

Mr Sun Zhao Lin is our Executive Chairman. He is the founder of our Group and was appointed to our Board on 5 August 2005. Mr Sun is responsible for the formulation and execution of overall business strategy and policies and future direction as well as the overall management of our Group. He has more than 20 years' experience in the crane manufacturing industry. He started his career as a sales representative at Fushun No.4 Chemical Plant (抚顺市化工四厂). Mr Sun graduated from Liaoning Correspondence Party School (辽宁刊授党校) in 1998 having majored in Economics. In 2005, he was awarded the Professional Certificate of Specialty and Technology (Senior Engineer) (专业技术职称证书 (高级工程师)) from the Liaoning Provincial Personnel Department (辽宁省人事厅). In 2005, he received the Liaoning Province Outstanding Business Entrepreneur award (辽宁省优秀民营企业家) from the Liaoning Province Small-Medium Enterprise Association (辽宁省中小企业联合会). In 2006, Mr Sun received the "Model Labour Award for Year 2005" (2005年度劳动模范) and the "Liaoning Province Model Labour Award" from Shuncheng District People's Government (顺城区人民政府) and Liaoning Province People's Government (辽宁省人民政府) respectively. In 2011, he was awarded the Outstanding Contribution Award (抚顺市杰出贡献奖) by Fushun Municipal Government (抚顺市政府). In 2012, he was awarded the Outstanding Contribution Award for the Year (2012年度支持商会建设突出贡献奖) by Fushun Municipal Association of Industry and Commerce/Fushun Municipal General Chamber of Commerce (抚顺市工商业联合会/抚顺市总商会). In 2014, he was awarded the Outstanding Entrepreneurs Honorary Award (抚顺市优秀企业家荣誉称号) by Fushun City Federation of Trade Unions (抚顺市总工会).



MS TIAN RUO NAN
*Executive Director and
Chief Executive Officer*

Ms Tian Ruo Nan is our Chief Executive Officer. She is a co-founder of our Group and was appointed to our Board on 28 December 2007. Ms Tian is responsible for and oversees the day-to-day management of our Group. She has more than 20 years' experience in the crane manufacturing industry. Ms Tian started her career as a laboratory technician at Fushun No.4 Chemical Plant (抚顺市化工四厂) in December 1977. Ms Tian graduated from Dongbei Normal University (东北师范大学) in 1999 having majored in Economics. She received the "Model Worker" (劳动模范) award for 2004 and 2005 from Shuncheng District People's Government (顺城区人民政府) and the "Fushun Foreign Investment Enterprise Outstanding Business Entrepreneur" award for 2006 and 2008 from Fushun Municipal People's Government (抚顺市人民政府). In 2008, she was awarded the "Bohai Region Outstanding Woman Entrepreneur Award" (环渤海区域杰出创业女性) by Liaoning Province Women's Federation (辽宁省妇联). In 2009, she was also awarded the "Top 10 Most Outstanding Woman Award" (十大杰出女性) by Fushun Municipal Women's Federation (抚顺市妇女联合会). In 2011, she was named the National Woman's Award Winner (全国三八红旗手) by the China Women's Federation (全国妇联). In 2013, she was awarded "National 1st May Women Pacesetter" (全国五一巾帼标兵2013年) by the All-China Federation of Trade Union (中华全国总工会). In 2012 and 2014, she was named the Outstanding Leader in National Construction Machinery & Elevator Industry QC Group (全国建机与电梯行业质量管理小组活动卓越领导者) by the China Quality Association Construction Machinery Industry Branch (中国质协建设机械行业分会). In 2016, she was awarded the "Fushun City Model Worker for meritorious entrepreneurs" award from Fushun City in recognition of outstanding entrepreneurs (抚顺市功勋企业家授予抚顺市特等劳动模范). Ms Tian is the Vice President of China Construction Machinery Industry Association (中国工程机械工业协会) and the Expert of the Users' Working Committee of China Construction Machinery Industry Association (中国工程机械工业协会用户工作委员会).

BOARD OF DIRECTORS



MR NG SAN TIONG
*Non-Executive Director
and Deputy Chairman*

Mr Ng San Tiong is our Deputy Chairman and Non-Executive Director and was appointed to our Board on 28 June 2007.

Mr Ng graduated from Loughborough University of Technology, United Kingdom with a Bachelor of Science (Honours) degree in 1976. In the same year, he started his career in Jurong Town Corporation as a Civil Engineer. In 1979, Mr Ng joined Tat Hong and was appointed Group Chief Executive Officer in 1991. Under his stewardship, the Group grew into one of the largest crane rental companies in the world. With more than 40 years of experience in the heavy equipment and plant hiring business, Mr Ng bears overall responsibility for the Group as well as strategy formulation, corporate planning, business development and potential acquisitions. He also oversees the Group's business operations in Australia, the tower crane rental business in China as well as the Group's investment business.



MR SUN TIAN
*Executive Director and
Group General Manager*

Mr Sun Tian started as a Non-Executive Director and was initially appointed to our Board on 31 December 2005. Subsequently in August 2009, he joined our Group as a Sales Manager and an Executive Director responsible for the Group's business development and sales to customers outside the PRC. In October 2012, he was appointed as Group General Manager assisting our Chief Executive Officer in the management of Group's business.

Mr Sun graduated with a Diploma in Mechantronic Engineering from Ngee Ann Polytechnic in 2006. He was awarded the Motorola Silver Medal for being the second most outstanding graduate in the Diploma in Mechantronic Engineering course by Ngee Ann Polytechnic.

In June 2009, Mr Sun graduated from National University of Singapore with a Bachelor's degree in Mechanical Engineering.



MR HOON CHEE WAI
Independent Director

Mr Hoon Chee Wai is one of our Independent Directors and was appointed to our Board on 2 September 2019. Mr Hoon has been a finance and banking professional for more than 30 years. Mr Hoon started his career in one of the Big-4 public accounting firm as an auditor from 1992 to 1994. From 1994 to 2012, Mr Hoon was an investment banker with various regional financial institutions in Singapore where he was involved in numerous initial public offerings on the Stock Exchange of Singapore, equity and debt fund raising exercises for publicly listed companies as well as advice on numerous mergers and acquisitions transactions. From 2012 to 2016, he became the senior vice president of corporate development of a hospitality, leisure and entertainment group listed on the Main Board of the Stock Exchange of Singapore. From 2017 to 2020, Mr Hoon was the head of finance and corporate development of a real estate developer and operator of integrated leisure and entertainment resorts listed on the Main Board of the Hong Kong Stock Exchange. He is currently the Chief Operating Officer of Intraco Limited, a mainboard listed company on the Stock Exchange of Singapore.

Mr Hoon obtained his Bachelor of Accountancy from Nanyang Technological University, Singapore in May 1992. He has also completed an INSEAD Leadership Program from November 2010 to September 2011. He is currently also an independent director of one other listed company on the Singapore Stock Exchange and a company listed on the Hong Kong Stock Exchange. He has been a member of the Singapore Institute of Directors since April 2019.



MR SOH CHUN BIN
Independent Director

Mr Soh Chun Bin is one of our Independent Directors and was appointed to our Board on 1 October 2023. He has more than 20 years of experience in the corporate finance and legal sectors, specialising in capital markets and mergers and acquisitions. He is currently the Managing Director of Icon Law LLC.

Mr Soh began his career as a corporate lawyer and was one of the pioneering lawyers at a leading Singapore law firm during its inception in the early 2000s, and one of its youngest equity partners. In 2012, he left the legal profession to be the chief executive of several companies (including listed companies), before returning to legal practice in early 2017. He has advised on many Singapore and international initial public offerings of corporations and real estate investment trusts, as well as on post-listing fundraising. His expertise spans diverse industries, including real estate, resources, infrastructure, and technology. He has been recognised as a leading lawyer by legal publications such as Chambers and Partners, International Financial Law Review, Asialaw, and recently featured in Asia Business Law Journal's annual "Singapore's Top 100 Lawyers" list in 2025.

He graduated from the National University of Singapore with a Bachelor of Law (Honours) in 1999. He is currently also an independent director of Singapore companies, Autagco Ltd, Lorenzo International Limited and Triyards Holdings Limited (liquidation in progress).



MR TAN ENG ANN
Independent Director

Mr Tan Eng Ann is one of our Independent Director and was appointed to our Board on 7 October 2024. He was formerly the executive director and the chief financial officer of SGX-ST Mainboard listed company, R H Energy Ltd then. He has over 25 years of experience in the financial field, having held managerial positions with Yamaichi Merchant Bank, AIB Govett (Asia) Ltd and Standard Chartered Bank from 1994 to 2002. In 2002, Mr Tan joined Technics Oil & Gas Limited as the group financial controller and was subsequently promoted to finance director in 2004 responsible for finance and corporate development. From 2005 to 2006, he was the chief financial officer of Beijing Concept Holdings Pte Ltd where he headed the finance department.

Mr Tan is a qualified Chartered Financial Analyst of the Association for Investment Management and Research and a fellow member of the Institute of Singapore Chartered Accountants. He holds a Bachelor of Accountancy (Honours) degree from Nanyang Technological University.

KEY MANAGEMENT

MR YAP SOON YONG

Mr Yap Soon Yong is our Chief Financial Officer and is responsible for the financial and accounting functions of our Group. His responsibilities include overseeing matters relating to financial administration and the compliance and reporting obligations of our Group. Mr Yap joined our Group in July 2007. Mr Yap has more than 30 years working experience and has held senior financial positions in various companies. Prior to joining our Group, he was the Chief Financial Officer of China Marine Foods Group Pte Ltd from September 2006 to June 2007. From April 2005 to June 2006, he was with Oceanus Bio-tech Holdings Pte Ltd. From May 1996 to April 2005, Mr Yap was with York Transport Equipment (Asia) Pte Ltd where he started as a senior accountant and last held the post of financial controller. Mr Yap started his career in one of the Big-4 public accounting firm as an auditor from 1992 to 1996. Mr Yap obtained a bachelor's degree in accountancy from the Nanyang Technological University in 1992, and is currently a member of the Institute of Singapore Chartered Accountants.

MR XU GUANG HUI

Mr Xu Guang Hui is our Deputy General Manager of Fushun Yongmao Construction Machinery Co., Ltd. and is responsible for assisting the Chairman/CEO and Group General Manager in overseeing the overall operation matters of the Group's Fushun plant in PRC. Mr Xu joined our Group in 2008. Prior to joining our Group, Mr Xu was the Chief Financial Officer of Liaoning North Investment Co., Ltd (辽宁北方投资有限公司) from 2004 to 2008. From 1989 to 2004 he was with Bank of China, Fushun Branch-Business Department (中国银行抚顺分行公司业务部) first as a bank officer and rose to the post of General Manager. Mr Xu graduated from China Institute of Finance (中国金融学院) with a bachelor's degree in finance in 1989.

MS WANG XIU XIA

Ms Wang Xiu Xia was appointed as our Group Sales and Marketing Manager on 14 June 2023, and is in charge of the sales and marketing operations of the Group in PRC. Ms Wang first joined Fushun Yongmao Construction Machinery Co., Ltd ("FSYM"), a subsidiary of the Group in 2006 as Assistant Supervisor of International Sales and Marketing Division and was subsequently promoted to Departmental Head of Sales and Marketing of FSYM cum Personal Assistance to CEO in 2020. She holds a bachelor's degree in marketing from Liaoning Petrochemical University (辽宁石油化工大学).

MR YU HAO BO

Mr Yu Hao Bo is our Finance Manager and is responsible for the financial and accounting functions of Fushun Yongmao Construction Machinery Co., Ltd. Mr Yu joined our Group in August 2005. Mr Yu started his career as an projects manager at Fushun Zhongtian Certified Public Accountants Co., Ltd (抚顺中天会计师事务所有限公司) from July 1996 to July 2005. Mr Yu graduated with a degree in Management from Bohai University (渤海大学) in 2006 and is currently a member of The Chinese Institute of Certified Public Accountants.

MS CAI BING

Ms Cai Bing was appointed as the Head of Department, Research & Development on 1 July 2024, overseeing all research and development activities within the Group. Ms Cai joined Fushun Yongmao Construction Machinery Co., Ltd ("FSYM"), a subsidiary of our Group in January 2013 as a senior engineer in the research and development department. Through her dedication and contributions, Ms Cai was promoted as department supervisor in January 2015. She holds a master's degree in mechanical engineering from Shenyang Jianzhu University (沈阳建筑大学).

MR LI CONG

Mr Li Cong was appointed as the Head of Production Department on 1 July 2024, and is responsible for our Group's production process and production plans. Mr Li first joined our Group in January 2003 as a production welder. His dedication and expertise have been evident, leading to his promotion to a sub-division supervisor in February 2004. Over the years, Mr Li has demonstrated versatility and commitment, having been rotated through various subdivisions within the production department from 2004 to 2020. His substantial experience and leadership within the Group led to his promotion to supervisor of the production department in 2020.

As a socially responsible company, the Group is dedicated to embedding high standards of sustainable operations into its business activities. We recognise that over 100 countries worldwide have pledged to achieve carbon neutrality by 2050, with the PRC government aiming for 2060. We believe that effective collaboration between the private and public sectors is crucial for attaining sustainability excellence.

Transitioning to a green and sustainable growth model requires the Group's active involvement in various operational aspects. The Group is committed to contributing to a sustainable future by enhancing our disclosures and performance on material sustainability factors under the sustainability pillars of economic, environmental, social and governance (collectively as **"Sustainability Factors"**). In this Sustainability Report, the Group's targets set for each material Sustainability Factor in the forthcoming years, were outlined. We will continuously monitor our progress in meeting these sustainability targets, improve our management of key sustainability risks and opportunities, and pursue more sustainable growth for the Group.

Maintaining robust sustainability governance is essential for overseeing our business operations. The Board of Directors (the **"Board"** or the **"Directors"**) is responsible for reviewing material Sustainability Factors based on the their impact on sustainability. The Board also integrates the sustainability strategy and relevant targets into business planning. To support the Board in developing the Group's sustainability strategy and monitoring its performance, the Group has established the Sustainability Working Group, which assesses the effectiveness of sustainability practices across the Group's various departments and provides recommendations to the Board. Key management and divisional managers are tasked with mitigating sustainability risks and implementing measures to enhance sustainability performance across the company.

The table below summarises the material Sustainability Factors identified by the Group for this Sustainability Report:

S/N	Sustainability Factor
Economic	
1	Total customer satisfaction
2	Economic performance
3	Procurement practices
Environmental	
4	Materials and waste
5	Energy consumption and GHG emissions
6	Water consumption

S/N	Sustainability Factor
Social	
7	Occupational health and safety
8	Work diversity and talent retention
Governance	
9	Anti-corruption

BUSINESS SUSTAINABILITY

This Sustainability Report offers a comprehensive overview of the identified material Sustainability Factors, both qualitatively and quantitatively, in line with the applicable sustainability reporting framework. In response to the urgent need for efforts to combat climate change, we have further enhanced our climate-related disclosures, with reference to the International Sustainability Standards Board Standards – International Financial Reporting Standards (**"IFRS"**) S1 and IFRS S2. The Sustainability Report will be published separately in accordance with the Singapore Exchange Securities Trading Limited Listing Rules 711A and 711B at the end of July 2025.



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CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**” or the “**Directors**”) and the Management (the “**Management**”) of Yongmao Holdings Limited (the “**Company**”) recognise the importance of sound corporate governance in protecting the interest of its shareholders as well as strengthening investors’ confidence in its management and financial reporting.

The Company, together with its subsidiaries (the “**Group**”), continue to be committed to setting in place corporate governance practices to provide the structure through which the objectives of protection of shareholders’ interests and enhancement of long-term shareholders’ value are met.

This report outlines the Company’s corporate governance practices throughout the financial year ended 31 March 2025 (“**FY2025**”), with specific reference to the principles and the provisions of the Code of Corporate Governance 2018 (the “**Code**”), issued by the Monetary Authority of Singapore on 6 August 2018 and amended on 11 January 2023, as well as the accompanying Practice Guidance. It sets out the Company’s approach to each of the Code’s principles and guidelines, the extent of its compliance with the Code, and, where applicable, the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**Listing Manual**”). The Company has complied in all material aspects with the principles and guidelines set out in the Code and any deviations from the Code are explained in this report.

BOARD MATTERS

The Board’s Conduct of Affairs

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

The Company is headed by an effective Board comprising seven Directors of whom three Executive Directors, one Non-Executive and Non-Independent Director and three Independent Directors. Their combined wealth and diversity of skills, experience, gender and knowledge of the Company enables them to contribute effectively to the strategic growth and governance of the Group.

The Board assumes responsibility for stewardship of the Company and the Group, and is primarily responsible for the protection and enhancement of long-term shareholders’ value and returns for the shareholders. It strives to achieve this by providing the leadership and guidance to the Management to develop and drive business directions and goals. The Board also sets the tone for the Group where ethics and values are concerned.

Besides its statutory responsibilities, the Board also:

- Provides entrepreneurial leadership and guidance on the overall strategic direction, oversees the proper conduct of the business, performance and affairs of the Group and ensure that the necessary financial, human and operational resources are in place for the Company to meet its objectives;
- Oversees the processes of evaluating the adequacy and effectiveness of internal controls, risk management, financial reporting and compliance;
- Ensures the Management discharges business leadership and management skills with the highest level of integrity;
- Approves major investment and divestment proposals, material acquisitions and disposal of assets, major corporate policies on key areas of operations, annual budget, the release of the Group’s half and full year financial results and interested person transactions of a material nature;
- Sets the Company’s values and standards to ensure the obligations to shareholders and others are understood and met;
- Assumes responsibility for corporate governance;
- Considers sustainability issues, e.g. environmental and social factors, as part of its strategic formulation; and
- Identifies the key stakeholder groups and recognises that their perceptions affect the Company’s reputation.

CORPORATE GOVERNANCE REPORT

Independent Judgement

The Board provides shareholders with a balanced and clear assessment of the Group's performance, position and prospects on a semi-annually basis. All Directors exercise due diligence and independent judgment and are obliged to act in good faith and consider at all time the interest of the Company. The Directors 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 relating 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, sets desired organisational culture and ensures proper accountability within the Group.

Conflict of Interest

Every Director of the Company is required to disclose any conflict or potential conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction within the Group as soon as practicable after the relevant facts have come to his/her knowledge. On an annual basis, each Director is also required to submit the details of his/her associates for the purpose of monitoring interested person transactions. When there is conflict 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.

Director Induction, Training and Development

The Company conducts briefing and orientation programs for new Directors to familiarise themselves with the Company's organisation and business structures, operations and governance policies. Upon appointment, each newly appointed Director will be briefed by the Chief Executive Officer ("CEO") and/or Senior Management of the Company on the business activities of the Group and its strategic directions, as well as setting out their duties and responsibilities as Directors. The aim of the orientation program is to give Directors a better understanding of the Company's business and allow them to assimilate into their new roles. New Directors are also informed about matters such as the Code of Dealing in the Company's shares. Changes to regulation and accounting standards are monitored closely by the Management. The Board as a whole is updated regularly on risk management, corporate governance, insider trading and key changes in the relevant laws and regulations, changing commercial risks and business conditions to enable them to make well-informed decisions to properly discharge their duties as Board or Board Committee members. The Independent Directors are also engaged full time in their respective profession and keep updated in their fields of knowledge.

Mr Tan Eng Ann was appointed as a Non-Executive and Independent Director during the financial year. He has been familiarised with the various businesses and operations of the Group. Mr Tan Eng Ann has taken up similar positions in other companies listed on the Exchange over the years and has more than 25 years of experience in the financial field. He is familiar with the roles and responsibilities required as a Director of the Company.

Directors also have the opportunity to visit the Group's operational facilities, including overseas offices, and meet with the Management to facilitate a better understanding of the Group's business operations. This is typically done on an annual basis.

New releases issued by SGX-ST and Accounting and Corporate Regulatory Authority ("ACRA"), which are relevant to the Directors are circulated to the Board. The Company Secretaries and/or their representatives also inform the Directors of upcoming conferences and seminars relevant to their roles as Directors of the Company. The External Auditors would update the AC and the Board on new and revised financial reporting standards annually.

The Company has an on-going budget for all Directors to attend appropriate courses, conferences, exhibitions, fairs and seminars for them to stay abreast of relevant business developments and outlook. These include programmes conducted by the Singapore Institute of Directors or other training institutions.

The Company had arranged for all the Directors to undergo training on sustainability reporting. All Directors of the Company have attended and completed the sustainability training courses conducted by providers that represent different constituencies in the capital markets.

CORPORATE GOVERNANCE REPORT

Matters Requiring Board Approval

The Company has adopted internal guidelines setting forth matters that require the Board's approval which has been clearly communicated to the Management. Matters that specifically require Board's approval are those involving annual plans, major funding and investment proposals, mergers and acquisition transactions, release of financial results announcements and any other announcements, appointment of Directors and key management personnel and all other matters of material importance. The Board will review the guidelines on a periodical basis to ensure their relevance to the operations of the Company.

The Management is responsible for the day-to-day operation and administration of the Company in accordance with the objectives, strategies and policies set by the Board. The Company has adopted a set of Approving Authority and Limit, setting out the level of authorisation required for specified transactions, including those that require the Board's approval.

Board Committees

The Directors recognise the importance of good corporate governance and in maintaining high standards of accountability to the shareholders. In order to provide an independent oversight and discharge its responsibilities more efficiently and to ensure that specific issues are subject to considerations and review before the Board makes its decisions, the Board has delegated certain functions to the Board Committees. The Board Committees consist of Audit Committee ("**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**") (collectively "**Board Committees**"). These Board Committees are chaired by Independent Directors and operate within clearly written terms of reference and operating procedures, compositions, authorities and duties, including reporting back to the Board and play an important role in ensuring good corporate governance in the Company and within the Group. These terms of reference of the Board Committees are reviewed on a regular basis to ensure their continued relevance and to enhance the effectiveness of these Board Committees. The Chairman of the respective Board Committees will report to the Board on the outcome of the Board Committees' meetings and their recommendations on the specific agendas mandated to the Board Committees by the Board. Please refer to the relevant section in this report on the composition of the Board and Board Committees for FY2025.

The Board is free to request for further clarification and information from the Management on all matters within their purview. The schedule of all the Board Committees' meetings for the financial year is usually given to all the Directors in advance. The Board conducts at least four meetings on a quarterly basis to review the Group's financial results and where necessary, additional board meetings are held to address significant issues or transactions.

Presentations are also made by senior executives on performance of the Group's business and business strategies at the meetings. This allows the Board to have a good understanding of the Group's operations and be actively engaged in robust discussions with the Group's senior executives.

The Company's Constitution (the "**Constitution**") provides for Directors to conduct meetings by tele-conferencing or by means of similar communication equipment whereby all Directors participating in the meeting are able to hear each other clearly. When a physical meeting is not possible, timely communication with members of the Board can be achieved through electronic means. The Board and Board Committees also approve transactions through circular resolutions, which are circulated to the Board and Board Committees together with all the information relating to the proposed transactions.

The agenda for meetings is prepared in consultation with the Executive Chairman and the Executive Directors and/or the Chairman of the respective Board Committees. The agenda and meeting materials are circulated to the Board and Board Committees in advance of the scheduled meetings.

The Directors will make enquiries on any aspects of the Company's operations or business issues from the Management. The Executive Chairman or Non-Executive Deputy Chairman and CEO or the Company Secretaries will make the necessary arrangements for briefings, informal discussions or explanations, as and when required.

CORPORATE GOVERNANCE REPORT

During the financial year, the Board members had met four times. The number of meetings held by the Board and Board Committees and attendance of each board member at the meetings are disclosed in the table reflected below:

		Board Committees			Annual General Meeting
	Board	Audit Committee	Nominating Committee	Remuneration Committee	
No. of meetings held	4	4	1	1	1
Name of Director	No. of meetings attended				
<i>Executive Directors</i>					
Mr Sun Zhao Lin	1	1*	—	—	0
Ms Tian Ruo Nan	3	1*	—	—	0
Mr Sun Tian ¹	4	4*	1*	1*	1
<i>Non-Executive Directors</i>					
Mr Ng San Tiong	4	2*	—	—	0
Mr Hoon Chee Wai	4	4	1	1	0
Dr Steve Lai Mun Fook ²	1	1	1	1	1
Mr Soh Chun Bin	4	4	1	1	1
Mr Tan Eng Ann ³	2	2	—	—	—

* Attendance at meetings on a "By invitation" basis.

¹ Mr Sun Tian is the son of Mr Sun Zhao Lin and Ms Tian Ruo Nan, and Alternate Director to Mr Sun Zhao Lin.

² Dr Steve Lai Mun Fook retired as the Non-Executive and Independent Director on 29 July 2024. Accordingly, he ceased to be the Chairman of NC and a Member of AC and RC.

³ Mr Tan Eng Ann was appointed as the Non-Executive and Independent Director, Chairman of NC and a Member of AC and RC on 7 October 2024.

The Directors were appointed based on their experience, stature, and potential contribution to the proper guidance of the Group and its business. As such, we believe that each individual Director's contributions can be reflected in ways other than the reporting of attendances at board meetings and/or Board Committees meetings.

Despite some of the Directors having multiple board representations, the NC had reviewed the directorship of the Directors and is satisfied that these Directors are able to ensure that sufficient time and attention are given to the affairs of the Company and have adequately carried out their duties as Directors of the Company after taking into consideration the number of listed company board representations and other principal commitments of these Directors.

Currently, the NC and Board do not limit the maximum number of listed board representations which any Director may hold, as long as each of the Board members is able to commit his/her time and attention to the affairs of the Company. The NC and Board believe that each individual Director is best placed to determine and ensure that he/she is able to devote sufficient time and attention to discharge his/her duties and responsibilities as a Director of the Company, having regard to his/her other commitments.

Access to Information

The Directors are provided with board papers and related materials, background or explanatory information in advance of each board meeting to enable them to be properly informed of matters to be discussed and/or approved, as well as ongoing reports relating to operational and financial performance of the Group.

From time to time, the Directors are also informed of any significant developments or events relating to the Group. In addition, the Directors are provided with additional information as needed to make informed decisions to properly discharge their duties and responsibilities. Management ensures that any additional information requested is provided to the Directors in a timely manner.

CORPORATE GOVERNANCE REPORT

Independent Access to Management, the Company Secretaries and Other Professional Advisers

Board members have separate and independent access to Management and the Company Secretaries and where required, can obtain additional information to facilitate informed decision-making. Information provided includes background or explanatory materials related to matters to be reviewed and matters under review by the Board, copies of disclosure documents, budgets, forecasts and internal financial statements. Any material variances between the projections and actual results in respect of budgets, is also disclosed and explained.

Minutes of all Board and Board Committee meetings which provide a fair and accurate record of the discussions and key deliberations and decisions taken during the meetings, are circulated and made available to the Board so that Directors are aware of and kept updated as to the proceedings and matters discussed during such meetings.

The Company Secretaries and/or their representatives attend all meetings of the Board and Board Committees and assists in ensuring that relevant procedures are followed and reviewed such that the Board and Board Committees operate effectively. The decision to appoint or remove the Company Secretaries is made by the Board as a whole.

Should Directors, whether as a group or individually, need independent professional advice to enable them to discharge their duties, the Company subject to the approval of the Board, will appoint a professional adviser to render advice at the cost of the Company.

Board Composition and Guidance

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

The Board comprises seven Directors, three of whom are Non-Executive and Independent Directors, one Non-Executive and Non-Independent Director and three Executive Directors. Majority of the Board is made up of Non-Executive Directors which is in compliance with Provision 2.3 of the Code. Although the Chairman is not independent and the Independent Directors of the Company do not make up a majority of the Board as recommended by Provision 2.2 of the Code, the Board and the NC are satisfied that the Board has substantial independent elements to ensure that objective judgment is exercised on corporate affairs. There is no individual or small group of individuals that dominate the Board's decision-making process. Matters requiring the Board's approval are discussed and deliberated with participation from each member of the Board and all major decisions are made collectively. The NC will continue to review the board composition and size as and when the circumstances arise and make appropriate recommendations to the Board.

As at the date of this report, the composition of the Board is as follows:

Executive Directors

Mr Sun Zhao Lin	Executive Chairman and Executive Director
Ms Tian Ruo Nan	Chief Executive Officer and Executive Director
Mr Sun Tian	Executive Director and Group General Manager
(Alternate Director to Mr Sun Zhao Lin)	

Non-Executive Directors

Mr Ng San Tiong	Deputy Chairman and Non-Executive and Non-Independent Director
Mr Hoon Chee Wai	Non-Executive and Lead Independent Director
Mr Soh Chun Bin	Non-Executive and Independent Director
Mr Tan Eng Ann	Non-Executive and Independent Director

The profiles of the Directors including their academic and professional qualifications, Board Committees served, directorships or chairmanships for present and past held over the preceding three years in other listed companies and other appointments are set out on Pages 15 to 17 and Page 31 of this Annual Report.

CORPORATE GOVERNANCE REPORT

The Board's structure, size and composition are reviewed annually by the NC with a view to determine the impact of its number upon effectiveness. The NC is of the view that the Board is of the appropriate size and with the right mix of skills and diverse expertise and experience given the nature and scope of the Group's operations. The Executive Directors have extensive experience in the crane manufacturing industry while the Non-Executive Directors are well established and competent in their respective professions. No individual or group of individuals dominates the Board's decision-making process. This balance is important in ensuring that the overall direction and strategies proposed by the Management are fully discussed and examined, taking into account the long-term interests of the Company.

Directors' Independence Review

The NC has adopted the criteria on an Independent Director given in the Rule 210(5)(d) of the Listing Manual and Provision 2.1 of the Code. Rule 210(5)(d) of the Listing Manual provides circumstances for which a director will not be independent, including if he is employed or has been employed by the Company or any of its related corporations for the current or any of the past three (3) financial years; if he has an immediate family member who is employed or has been employed by the Company or any of its related corporations in the current or any of the past three (3) financial years, and whose remuneration is or was determined by the RC; and if he has been a director of the Company for an aggregate period of more than nine (9) years (whether before or after listing). Under the Code, a director who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company, is considered to be independent.

All Directors are required to disclose any relationships or appointment which would impair their independence to the Board in a timely manner. The NC reviews annually the independence of each Director in accordance with the Code's definition of what element constitutes an Independent Director, Practice Guidance to the Code and Rule 210(5)(d) of the Listing Manual. The NC has reviewed the "Confirmation of Independence" forms completed by each Independent Director and is of the view that the three Independent Directors (who represent at least one-third of the Board) are independent, i.e, they have no relationship with the Company, its related companies, its substantial shareholders with shareholdings of 5% or more in the voting shares of the Company, or their officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interests of the Group, and they are able to exercise objective judgement on corporate affairs independently from the Management and the substantial shareholders with shareholdings of 5% or more in the voting shares of the Company.

None of the Non-Executive and Independent Directors and their immediate family member are a substantial shareholder or partner in or an executive officer of or a Director of, any organisation to which the Company or any of its subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or materials services aggregated over any financial year in excess of S\$50,000 (to an individual) or S\$200,000 (to a firm), which may include auditing, banking, consulting and legal services, in the current or immediate past financial year.

The NC has reviewed the independence status of Mr Soh Chun Bin and Mr Tan Eng Ann as the Independent Directors for FY2025, and is satisfied that Mr Soh Chun Bin and Mr Tan Eng Ann are independent in accordance with Provision 2.1 of the Code and Rule 210(5)(d) of the Listing Manual.

Mr Hoon Chee Wai was appointed as a Non-Executive and Independent Director of the Company from 11 February 2009 to 17 August 2012, and has been serving as a Non-Executive and Independent Director again since 2 September 2019. Collectively, he has served the Board for more than nine (9) years. Pursuant to Rule 210(5)(d) of the Listing Manual, Mr Hoon Chee Wai who has served the Board beyond nine (9) years is considered independent until the conclusion of the upcoming annual general meeting ("AGM") of the Company to be held on 28 July 2025.

In view of the requirements that impose hard tenure limit for Independent Directors, Mr Hoon Chee Wai has expressed his intention not to seek for re-election and will be retired as Director upon the conclusion of the forthcoming AGM of the Company. Mr Hoon Chee Wai will relinquish his position as Non-Executive and Lead Independent Director, Chairman of AC, and a member of NC and RC of the Company. The Board and the NC will endeavour to search for new replacement Independent Director(s) and reconstitute the composition of the Board Committees in due course.

Each NC member has abstained from participating in the discussion and voting on any resolution relating to their independence.

CORPORATE GOVERNANCE REPORT

Board Diversity

All Directors have an equal responsibility for the Group's operations, the Independent Directors play an important role in ensuring that the strategies proposed by the Management are constructively challenged and developed by taking into account the long-term interests of the shareholders. The Non-Executive and Independent Directors actively participated during the Board and Board Committees' meetings to discuss matters such as the Group's financial performance, corporate governance initiatives, board processes, succession planning, as well as leadership development and the remuneration of the Executive Directors. Where necessary, the Company would coordinate at least one informal meeting sessions for the Non-Executive and Independent Directors to meet without the presence of the Management and feedback on issues discussed is thereafter provided to the Chairman of the Board.

The Board has adopted a Board Diversity Policy on 3 February 2023 to assist the NC and the Board in identifying prospective candidates for directorship that meet the criteria as determined by the NC and that support the diversity's objectives. The Board Diversity Policy promotes the diversity among the Directors in order to improve performance and to avoid groupthink and foster constructive debate and ensure that composition is optimal to support the Group's needs in the short-term and long-term goals. The diversity includes the appropriate mix of complementary skills, business and industry experience, gender, age, geographic background, length of service and other distinctive qualities of the board members. The Company recognises that an effective Board requires Directors to possess not only integrity, commitment, relevant experiences, qualifications and skills in carrying out their duties effectively but also include right blend of skills, industry knowledge and diverse background towards promoting good corporate governance.

The target, timeline and progress towards achieving the diversity objectives are summarised below:

Targets, Plans and Timelines	Targets Achieved/Progress Towards Achieving Targets
Age	
<p>To ensure the Board comprises Directors across the following age groups:</p> <p>(a) 50 and below; (b) 51-60; and (c) 61 and above.</p> <p>The Company believes that age diversity would provide a broad spectrum of thoughts and views in Board and Board Committee deliberations.</p>	<p>Achieved – As at the end of March 2025, the Board comprises Directors across 3 age groups.</p> <p>In particular, 1 Director is between 50 years old and below, 3 Directors are between 51-60 years old and 3 Directors are 61 years old and above.</p> <p>The Board will use reasonable endeavours to source for suitable candidates with relevant knowledge while also being mindful of age diversity.</p>
Tenure	
<p>To ensure that the Board comprises Directors across the following tenure groups:</p> <p>(a) less than 3 years; (b) 3 to 6 years; and (c) more than 6 years, by FY2028.</p> <p>The Company believes that tenure diversity would facilitate Board renewal progressively and in an ordinary manner, whilst ensuring knowledge continuity about the company and its business operations and sustainability of corporate performance.</p>	<p>In Progress – As at the end of March 2025, the Board comprises Directors across 2 tenure groups.</p> <p>In particular, 2 Directors have served on the Board for less than 3 years, and 5 Directors have served on the Board for more than 6 years. There are no Directors in the 3 to 6 years tenure group.</p> <p>The Board will strive to balance skills and tenure in its assessments to ensure that phased board renewal does not compromise its overall effectiveness.</p>

CORPORATE GOVERNANCE REPORT

Targets, Plans and Timelines	Targets Achieved/Progress Towards Achieving Targets
Gender	
<p>To have at least 1 female Director on the Board.</p> <p>The Company believes in achieving an optimum mix of male and female on the Board to provide different approaches and perspectives.</p>	<p>Achieved – As at the end of March 2025, the Board comprises 1 female Director and 6 male Directors.</p> <p>The Board will use reasonable endeavours to ensure that any brief to recruiters to source for candidates for appointment to the Board will include a requirement to present female candidates with relevant knowledge.</p>
Skills and Experience	
<p>To ensure that the Directors, as a group, possess:</p> <p>(a) a variety of skill sets, including in core competencies, industry knowledge and other fields of expertise, such as accounting, finance, legal and corporate governance; and</p> <p>(b) a mix of industry experience, business management experience, business acumen, strategic planning experience, and listed company board experience.</p> <p>The Company believes that diversity in skill sets would support the work of the Board and Board Committees and needs of the Company, and that an optimal mix of experience would help shape the Company's strategic objectives and provide effective guidance and oversight of Management and the Company's operations.</p>	<p>Achieved – As at the end of March 2025, the Board comprises Directors who, as a group, possess a majority of the identified core skills and experience.</p> <p>In terms of skill sets, the Board comprises Directors with a variety of skills and expertise in areas including accounting, finance, legal and corporate governance.</p> <p>In terms of experience, the Board comprises Directors who are corporate and business leaders and who collectively have experience in general business management, strategic planning, serving on public listed company boards, and possess international or regional experience.</p> <p>In terms of industry experience, the Board is considering ways to enhance and add expertise, in particularly in the sharing, perception and growth of industry knowledge.</p>

The targets to ensure the existing skill sets and core competencies of the Board are complementary and enhances the efficacy of the Board and to achieve diversity on the Board are assessed from time to time by the NC, based on the composition of the Board and operations of the Group at the relevant time. In addition, the NC will review the Company's Board Diversity Policy from time to time, as appropriate, and may recommend changes to ensure its continued effectiveness and relevance, and any revisions where necessary will be recommended to the Board for approval.

Chairman and Chief Executive Officer

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

There is a balance of power and authority in the Company, such that no one individual represents a concentration of power. In line with Provision 3.1 of the Code, the roles and responsibilities between the Chairman and the Chief Executive Officer ("CEO") are held by separate individuals to ensure an appropriate distribution of power, increased accountability and greater capacity of the Board for independent decision-making.

Mr Sun Zhao Lin, one of the founders of the Group and the Executive Chairman of the Company, is responsible for the formulation and execution of overall business strategies and policies and future directions, as well as the overall management of the Group. As the Executive Chairman, he is also responsible for representing the Board to shareholders, ensuring that board meetings are held when necessary and board members are provided with adequate and timely information. He approves the board meeting agendas in consultation with the CEO, Chief Financial Officer ("CFO") and Company Secretaries, who act as facilitators at the board meetings, ensures the agenda items are adequately debated at board meetings and maintains regular dialogues with the CEO on operational matters. He also takes a leading role in promoting high standards of corporate governance.

CORPORATE GOVERNANCE REPORT

Ms Tian Ruo Nan, spouse of Mr Sun Zhao Lin, is holding the position as CEO of the Company. She is one of the founders of the Group and is responsible for and oversees the day-to-day operations of the Group. As the CEO, she is involved in the day-to-day business of the Group and leads Management in setting strategies, objectives and implementations and is also responsible for the development and financial performance of the Group.

In view that the Chairman and the CEO are immediate family members and part of the Executive Management team, all decisions made by the Board are subject to majority approval of the Board and are reviewed by the relevant Board Committees, whose members comprise of all Non-Executive and Independent Directors. The Board believes that there are adequate safeguards in place to ensure an appropriate balance of power and authority within the spirit of good corporate governance.

Pursuant to Provision 3.3 of the Code, the Board should have a Lead Independent Director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. On 1 October 2023, Mr Hoon Chee Wai has been appointed as the Lead Independent Director of the Company. The Independent Directors, led by Mr Hoon Chee Wai, meet amongst themselves without the presence of the Executive Directors and Non-Independent Directors to discuss matters of significance when required, which are thereon reported to the Chairman of the Board accordingly. Where a situation arises that may involve conflict of interests between the roles of the Chairman and the CEO, it is the Lead Independent Director's responsibility, together with the other Independent Directors to ensure that shareholders' rights are protected. As the Lead Independent Director of the Company, Mr Hoon Chee Wai is the principal liaison on board issues between the Independent Directors and the Chairman of the Board. Mr Hoon Chee Wai also led and coordinated the meetings and activities of the Independent Directors. Mr Hoon Chee Wai is available to shareholders where they have concerns, or when contact through the normal channels to the Chairman, the CEO or the CFO is unsuccessful or inappropriate. Following the retirement of Mr Hoon Chee Wai at the conclusion of the forthcoming AGM, the Board and the NC will diligently seek a suitable candidate to appoint as the new Lead Independent Director in due course.

The Board believes that notwithstanding the close family ties between the Chairman and the CEO with the current composition of the Board, it is able to make objective and prudent judgement on the Group's corporate affairs. The Board is of the view that there are sufficient safeguards and checks to ensure that the process of decision making by the Board is independent and are based on collective decisions without any individual exercising considerable concentration of power or influence.

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.

The Board has delegated to the NC the functions of developing and maintaining a transparent and formal process for the appointment and re-appointment of Directors, making recommendations for Directors who are due for retirement by rotation to seek re-election at a general meeting and determining the independence of each Director.

As at the date of this report, the NC comprises of three members, all of whom including the Chairman, are Independent Directors. The Lead Independent Director, Mr Hoon Chee Wai is also a member of the NC:

Mr Tan Eng Ann	Chairman
Mr Hoon Chee Wai	Member
Mr Soh Chun Bin	Member

The NC is established for the purposes of ensuring that there is a formal and transparent process for all board appointments. It has adopted written terms of reference defining its membership, administration and duties.

The NC meets at least once a year and at other times as required. The NC is regulated by its written terms of reference and its key functions include:

- Making recommendations to the Board on the appointment of new Executive and Non-Executive Directors, including making recommendations on the composition of the Board generally and the balance between Executive and Non-Executive Directors appointed to the Board;

CORPORATE GOVERNANCE REPORT

- Regularly reviewing the structure, size and composition of the Board having regard to the scope and nature of the operations and the core competencies of the Directors as a group and making recommendations to the Board with regards to any adjustments that are deemed necessary;
- Identifying and nominating candidates for the approval of the Board, determining annually whether or not a Director is independent, filling board vacancies as and when they arise, as well as putting in place plans for succession, in particular for the Chairman, CEO and key management personnel;
- Determining the independence of Directors on an annual basis in accordance with Guideline 2.1 of the Code and Rule 210(5) (d) of the Listing Manual;
- Recommending Directors who are retiring by rotation to be put forward for re-election (including Alternate Director);
- Deciding whether a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly when he/she has multiple board representations;
- Recommending to the Board internal guidelines to address the competing time commitments faced by Directors who serve on multiple boards;
- Assessing the effectiveness of the Board as a whole, its Board Committees and assessing the effective contribution and commitment of each individual Director to the effectiveness of the Board. The results of the performance evaluation will be reviewed by the Chairman and the assessment shall be carried out annually;
- Deciding on how the Board's performance may be evaluated and propose objective performance criteria, subject to the approval of the Board, which allow for comparison with industry peers and which address how the Board has enhanced long-term shareholders' value;
- Reviewing the training and professional development programs for the Directors; and
- Reviewing and approving any new employment of related persons and the proposed terms of their employment.

Process for Re-appointment of Directors

In the deliberations on the re-appointment of existing Directors, the NC takes into consideration the Director's contribution and performance such as his attendance, preparedness, participation and candour.

Regulation 117 of the Constitution requires the number nearest to one-third of the Directors to retire by rotation and subject themselves to re-election by the shareholders at the AGM of the Company. In addition, each Director of the Company shall retire from office once every three years. Directors who retire are eligible to stand for re-election. Regulation 121 of the Constitution provides that additional Directors appointed during the year shall only hold office until the next AGM and shall be eligible for re-election at that AGM. The Board and the NC have developed a process of evaluation of performance of the Board and Board Committees through establishment of quantifiable performance criteria.

In accordance with Regulation 117 of the Company's Constitution, Ms Tian Ruo Nan, Mr Ng San Tiong and Mr Hoon Chee Wai will retire at the forthcoming AGM. Additionally, Mr Tan Eng Ann will retire at the forthcoming AGM pursuant to Regulation 121 of the Company's Constitution.

All retiring Directors have consented to seek re-election as Directors, except for Mr Hoon Chee Wai. The NC is satisfied that all retiring Directors, being eligible, are properly qualified for re-election by virtue of their skills, experience, and their contributions of guidance and time to the Board's deliberations. The NC has recommended the re-election of the retiring Directors who have given their consent. The Board has accepted the NC's recommendation and recommends that shareholders approve the re-election of the retiring Directors. Details of the proposed resolutions are set out in the Notice of AGM in this Annual Report.

CORPORATE GOVERNANCE REPORT

Mr Hoon Chee Wai, while eligible for re-election, has expressed his intention not to seek for re-election at the forthcoming AGM and will be retired as Director upon the conclusion of the forthcoming AGM of the Company. Pursuant to Rule 704(8) of the Listing Manual, the Company is in the process of sourcing for suitable candidate and shall endeavour to find the replacement of Mr Hoon Chee Wai and reconstitute the composition of the Board Committees within two months, but in any case not later than three months from his date of cessation. Details of the Directors seeking re-election are found in Table A set out on Pages 47 to 50 of this Annual Report.

Each NC member has abstained from voting on any resolutions and making recommendations and/or participating in any deliberations in respect of matters in which he/she has an interest .

As at the date of this report, the dates of initial appointment and last re-election of each Director are set out below:

Name of Directors	Position held on the Board	Date of first appointment to the Board	Date of last re-election as Director	Directorships in other listed companies	
				Current	Past three years
Mr Sun Zhao Lin	Executive Chairman and Executive Director	5 August 2005	28 July 2023	1. Tat Hong Equipment Services Co., Ltd	–
Ms Tian Ruo Nan	Chief Executive Officer and Executive Director	28 December 2007	26 July 2022	–	–
Mr Ng San Tiong	Deputy Chairman and Non-Executive and Non-Independent Director	28 June 2007	26 July 2022	1. Tat Hong Equipment Services Co., Ltd 2. CSC Holdings Limited	–
Mr Sun Tian	Executive Director and Group General Manager	31 December 2005	29 July 2024	–	–
Mr Hoon Chee Wai	Non-Executive and Lead Independent Director	2 September 2019	28 July 2023	1. Kinergy Corporation Ltd. 2. Singapore Shipping Corporation Limited	1. Tee International Limited
Mr Soh Chun Bin	Non-Executive and Independent Director	1 October 2023	29 July 2024	1. Autagco Ltd. 2. Lorenzo International Limited 3. Triyards Holdings Limited (Liquidation in progress)	1. Geo Energy Resources Limited 2. Isoteam Ltd.
Mr Tan Eng Ann	Non-Executive and Independent Director	7 October 2024	N.A.	–	1. Isoteam Ltd.

The NC decides how the Board's performance is evaluated and proposes objective performance criteria, subject to the approval of the Board, which addresses how the Board has enhanced long-term shareholders' value. The Board also implemented a process to be carried out by the NC to evaluate the effectiveness of the Board as a whole and its Board Committees annually.

CORPORATE GOVERNANCE REPORT

The NC has also adopted internal guidelines addressing the commitments that are faced when Directors serve on multiple boards. During the financial year, the NC has reviewed the multiple directorships disclosed by each Director of the Company and their other principal commitments. The NC is satisfied that each Director has allocated sufficient time and attention to the affairs of the Group to adequately discharge their duties as Director of the Company.

Process for Selection and Appointment of New Directors

The Group has in place, policies and procedures for the appointment of new Directors, including the description on the search and nomination procedures. Where a vacancy arises, the NC will consider each candidate based on the selection criteria after consultation with the Board and taking into consideration the qualification, experience, ability to contribute effectively to the Board and to add value to the Group's business, in line with its strategic objectives before recommending the suitable candidate to the Board for approval.

Candidates may be suggested by Directors and Management or sourced from external sources. The NC will interview the candidates and assess them based on objective criteria approved by the Board such as integrity, independent mindedness, possession of the relevant skills required to complement the existing board members, ability to commit the time and effort to carry out his/her responsibilities, good decision making track record, relevant business and management experience and financial literacy. The NC will make a recommendation to the Board on the appointment. The Board appoints the most suitable candidates who must stand for election at the next AGM.

The NC does not have a practice of appointing Alternate Director(s) to Independent Director(s) except for limited periods in exceptional cases such as when a Director has medical emergency. There was no Alternate Director appointed in this financial year except that Mr Sun Tian, the Executive Director and Group General Manager, is the Alternate Director to Mr Sun Zhao Lin, the Executive Chairman and Executive Director.

Succession Planning

Succession planning is an important part of the corporate governance process. The NC seeks to refresh the Board membership progressively and in an orderly manner, to avoid losing institutional memory. Currently, there is an informal succession plan for Management which was put in place by the Chairman. Moving forward and at the relevant time, the NC will look into such plans in close consultation with the Chairman.

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.*

The NC reviews the criteria for evaluating the Board's performance and recommends to the Board a set of objective performance criteria focusing on enhancing long-term shareholders' value. Based on the recommendations of the NC, the Board has established a formal process for assessment of the effectiveness of the Board as a whole, its Board Committees and individual Directors annually.

The NC undertakes a process to assess the effectiveness of the Board as a whole, its Board Committees and individual Directors for FY2025. The appraisal parameters focus on evaluation of factors such as the size and composition of the Board and its Board Committees, the Board's access to information, Board's processes and accountability, Board's performance in relation to discharging its principal responsibilities, communication with the Management and the standards of conduct of the Directors. The performance measurements ensure that the mix of skills and experience of the Directors continue to meet the needs of the Group.

During the financial year under review, each Director was required to complete the evaluation form and individual Director's assessments adopted by the NC for annual assessment on the overall effectiveness of the Board, its Board Committees and each Director's contributions, and the results have been collated by the Chairman of NC for review or discussion. The results of the individual, Board and Board Committees' assessments are reviewed and discussed by the NC and, any recommendation and suggestion arising from the evaluation exercise are circulated to the Board for consideration on the appropriate measures to be taken.

CORPORATE GOVERNANCE REPORT

The NC, in considering the re-nomination of any Director, had considered factors including their performance in the Board as a whole, its Board Committees and individual performance including his/her attendance, preparedness, participation and contribution in the proceedings of the meetings.

The evaluation of Board's performance is conducted annually to identify areas of improvement and as a form of good board management practice. The last Board of Directors' evaluation was conducted on 28 May 2025 and the results have been presented to the NC for discussion. The NC is satisfied that the Board has been effective as a whole and that each Director has contributed to the effective functioning of the Board. In addition, the NC is also 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.

No external facilitators were used in the assessment of the Board as a whole, its Board Committees and the individual Directors. However, if need arises, the NC has full authority to engage external facilitator to assist the NC to carry out the evaluation process at the Company's expense.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

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

As at the date of this report, the RC comprises of three members, all of whom including the Chairman are Independent Directors:

Mr Soh Chun Bin	Chairman
Mr Hoon Chee Wai	Member
Mr Tan Eng Ann	Member

The RC is established for the purposes of ensuring that there is a formal and transparent procedure for fixing the remuneration packages of individual Director. The overriding principle is that no Director should be involved in deciding his/her own remuneration, except in providing information and documents if specifically requested by the RC to assist in its deliberations.

The RC meets at least once a year and at other times as required. The RC is regulated by its written terms of reference and its key functions include:

- Reviewing and recommending to the Board the remuneration packages and terms of employment of the Executive Directors and senior management or key management personnel;
- Reviewing and recommending to the Board the grant of share options schemes or any long-term incentive schemes which may be set up from time to time;
- Carrying out its duties in the manner that it deemed expedient, subject to any regulations or restrictions that may be imposed upon the RC by the Board from time to time;
- Ensuring that all aspects of remuneration including but not limited to Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind are covered; and
- Reviewing process shall take into consideration the Principles and Provisions of the Code, that the remuneration packages should be comparable within the industry and in comparable companies and shall include a performance-related element coupled with appropriate and meaningful measures of assessing individual Director's and senior management's performance, and that the remuneration packages of employees related to Executive Directors and controlling shareholders of the Group are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibility.

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The RC has reviewed the framework of remuneration for the Directors and key management personnel, and has determined specific remuneration packages for the Executive Directors, as well as for the key management personnel. The recommendations of the RC are made in consultation with the Non-Executive Directors and submitted for endorsement by the Board.

All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses and benefits-in-kind shall be covered by the RC. Each member of the RC shall abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the RC in respect of his/her remuneration package.

In structuring and reviewing the remuneration packages, the RC reviews the interests of Directors and key management personnel to align with those of shareholders by linking rewards to corporate and individual performance, as well as roles and responsibilities of each Director and key management personnel. The RC will also review the Group's obligations arising in the event of termination of these service agreements, to ensure that such service agreements contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoids rewarding poor performance.

The RC is knowledgeable in the field of executive compensation, in considering the remuneration of all Directors, has not sought external professional advice nor appointed independent remuneration consultants.

The Directors' fees to be paid to the Directors are subject to shareholders' approval at the forthcoming AGM for FY2025.

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.*

The annual reviews of the compensation are carried out by the RC to ensure that the remuneration of the Executive Directors and key management personnel commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. The performance of the Executive Directors (together with key management personnel) is reviewed periodically by the RC and the Board.

The Non-Executive Directors receive Directors' fees in accordance with their level of contributions, taking into account the factors such as efforts and time spent, as well as responsibilities and obligations of the Directors. Directors' fees are recommended by the RC and submitted to the Board for endorsement, subject for approval by the shareholders at the AGM of the Company. The Non-Executive Directors should not be over-compensated to the extent that their independence may be compromised and no Director is involved in deciding his/her own remuneration.

The Executive Directors do not receive Directors' fees. The remuneration of the Executive Directors and the key management personnel comprise primarily basic salary component and variable component which is inclusive of bonuses and other benefits. The RC has reviewed and approved the service agreements entered into with the three Executive Directors namely Mr Sun Zhao Lin, Ms Tian Ruo Nan and Mr Sun Tian unless otherwise terminated by either party giving not less than six months' notice in writing for Mr Sun Zhao Lin and Ms Tian Ruo Nan and three months' notice in writing for Mr Sun Tian.

Having reviewed and considered the variable component of the remuneration packages of the Executive Directors and key management personnel, which are moderate, the RC is of the view that the Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties. Therefore, there is no necessity for the Company to institute contractual provisions in the service agreements or employment agreements to reclaim incentive components of remuneration paid in prior years from the Executive Directors and key management personnel in exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Company.

The Company currently has no employee share option scheme or other long-term incentive scheme in place. The RC will explore a suitable incentive plan/scheme as and when it deems necessary.

CORPORATE GOVERNANCE REPORT

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.*

Directors' Remuneration

The breakdown of the remuneration of the Directors and CEO for FY2025 is set out below:

Directors	Fixed Salary	Variable Bonus	Directors' Fees	Total
Based in China	RMB	RMB	RMB	RMB
Mr Sun Zhao Lin	1,800,000	360,000	—	2,160,000
Ms Tian Ruo Nan	1,800,000	360,000	—	2,160,000
Based in Singapore	S\$	S\$	S\$	S\$
Mr Sun Tian	344,170	105,830	—	450,000
Mr Ng San Tiong	—	—	37,800	37,800
Mr Hoon Chee Wai	—	—	63,000	63,000
Dr Steve Lai Mun Fook ¹	—	—	19,500	19,500
Mr Soh Chun Bin	—	—	58,500	58,500
Mr Tan Eng Ann ²	—	—	29,250	29,250

Notes:

- 1 Dr Steve Lai Mun Fook retired as the Non-Executive and Independent Director on 29 July 2024. Accordingly, he ceased to be the Chairman of NC and a Member of AC and RC.
- 2 Mr Tan Eng Ann was appointed as the Non-Executive and Independent Director, Chairman of Nominating Committee and a Member of AC and RC on 7 October 2024.

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Key Management Personnel Remuneration

The breakdown of the total remuneration of the key management personnel (who are not Directors or the CEO), in percentage terms showing the level and mix, for FY2025 falling within the bands of S\$250,000 is set out below:

Key Management Personnel	Fixed Salary	Variable Bonus	Total
	%	%	%
S\$250,001 to S\$350,000			
Mr Yap Soon Yong	76%	24%	100%
S\$250,000 and below			
Mr Yu Hao Bo	66%	34%	100%
Mr Xu Guang Hui	73%	27%	100%
Ms Wang Xiu Xia	59%	41%	100%
Mr Cai Bing ¹	70%	30%	100%
Mr Li Cong ²	66%	34%	100%

Notes:

¹ Mr Cai Bing was appointed as the Head of Department, Research & Development on 1 July 2024.

² Mr Li Cong was appointed as the Head of Production Department on 1 July 2024.

The aggregate total remuneration paid/accrued to the key management personnel (who are not Directors or the CEO) for FY2025 is approximately S\$767,000.

The Company is transparent on its remuneration policies, which has been disclosed not only as part of compliance with Principle 8 but also in respect of Principle 7 of the Code. In particular, the Company has elaborated on the remuneration policy governing the remuneration of the Executive Directors and the factors taken into account for the remuneration of the Non-Executive and Independent Directors. The Company has also disclosed the remuneration paid by the Company and its subsidiaries to each Director and the CEO, as well as the breakdown of the components of their remuneration, for transparency, in accordance with the Rule 1207(10D) of the Listing Manual.

In considering the disclosure of remuneration of the key management personnel of the Group, the Board is of the opinion that given the confidential nature of and commercial sensitivities associated with remuneration matters and the highly competitive talent resource environment in which the Group operates where our key management personnel are required to have in-depth knowledge of our business and proprietary assets, it is not in the best interest of the Group to disclose the exact details of the remuneration of each key management personnel, so as to prevent poaching of key management personnel. The Company has disclosed the remuneration paid to each key management personnel using percentage terms and remuneration bands, as well as the breakdown components of their remuneration, for transparency. Accordingly, the Board is of the view that the non-disclosure of the exact quantum of the remuneration of each key management personnel will not be prejudicial to the interest of shareholders and complies with the intent of Provision 8.1 of the Code.

The RC has reviewed and approved the remuneration packages of the Executive Directors and key management personnel, having regard to their contributions as well as the financial performance and commercial needs of the Group and has ensured that the Executive Directors and key management personnel are adequately but not excessively remunerated. The RC will consider and deliberate on the performance conditions to which Executive Directors' and key management personnel's entitlement to short-term and long-term incentive schemes and will make the necessary disclosures as and when it deems necessary.

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Shareholders' approval will be sought at the forthcoming AGM of the Company on 28 July 2025 for the payment of Directors' fees proposed for FY2025 and the financial year ending 2026, amounting to an aggregate of S\$208,050 and S\$202,050 respectively.

There were no termination, retirement and post-employment or other long-term incentive granted to the Directors or key management personnel.

Employees who are Substantial Shareholders, or Related to a Director, the CEO or a Substantial Shareholder

There is no employee of the Group who is a substantial shareholder of the Company, or an immediate family member of Directors, the CEO or a substantial shareholder of the Company and whose remuneration has exceeded S\$100,000 during FY2025.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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

The Board recognises the importance of sound internal controls and risk management practices to good corporate governance. The Board affirms its overall responsibility for the Group's systems of internal controls and risk management, and for reviewing the adequacy and effectiveness of those systems on an annual basis. The internal control and risk management functions are performed by the Group's key management personnel and reported to the AC for review.

It should be noted, in the opinion of the Board, that such system is designed to manage rather than to eliminate the risk of failure to achieve business objectives, and that it can provide only reasonable, and not absolute, assurance against material misstatement of loss, and include the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practice, and the identification and containment of business risk.

The Board understands its accountability to shareholders on the Group's position, performance and progress. The Board will update shareholders on the operations and financial position of the Company through half year and full year financial results announcements, as well as timely announcements of other matters as prescribed by the relevant rules and regulations to provide the shareholders with a balanced and understandable analysis and explanation of the Group's financial performance, position and prospects. The Management provides the Board on a quarterly basis, financial reports and other information on the Group's performance, financial position and prospects for their effective monitoring and decision-making.

The Board has also taken steps to ensure compliance with legislative and regulatory requirements. In line with the Listing Manual, the Board provides a negative assurance statement to the shareholders in respect of the interim financial statements. For the financial year review, the CEO and CFO have provided assurance to the Board on the integrity of the Group's financial statements.

The Directors and executive officers of the Company have provided undertakings of compliance with the requirements of the SGX in accordance with Rule 720(1) of the Listing Manual.

It is the Board's policy to provide the shareholders with all important and price sensitive information on a timely basis, through SGXNet in the form of half-yearly announcements, or as and when necessary in order to discharge their duties effectively.

The Board with assistance from the Enterprise Risk Management Committee ("ERMC") and the AC, is responsible for the governance of risk by ensuring that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving strategic objectives.

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The ERM, which comprises of key management of the Group, was formed in year 2012 to assist Management in its role of managing risks, as part of the Group's efforts to strengthen its risk management processes and enable accountability for its adequacy and effectiveness. The ERM reports to the AC which, in turn, reports to the Board.

An Enterprise Risk Management ("**ERM**") programme has been implemented to identify, prioritise, assess, manage and monitor key risks. The risk management process in place covers, *inter alia*, financial, operational (including information technology) and compliance risks faced by the Group. From year 2012 to year 2015, the Management with the assistance of the Internal Auditors has enhancing the ERM programme over the identification, prioritisation, assessment, management and monitoring of key risks. The Management continued to adopt the risk management framework established. Key risks identified are deliberated by key management, and reported to the AC on a regular basis. The AC reviews the adequacy and effectiveness of the ERM programme against identified significant risks vis-à-vis changes in the Group's operating environment.

Relying on the reports from the Internal Auditors and External Auditors, the AC carried out assessment of the effectiveness of key internal controls during the financial year. Any material non-compliance or weaknesses in internal controls or recommendations from the Internal Auditors and External Auditors to further improve the internal controls were reported to the AC. The AC will also follow up on the actions taken by the Management on the recommendations made by the Internal Auditors and External Auditors.

For FY2025, the Board has received assurance from:

- (a) the CEO and CFO of the Company that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Group's risk management systems and internal control systems in addressing financial, operational, compliance and information technology risks are operating effectively.

Based on the internal controls in place, the reports from the Internal Auditors and External Auditors, as well as reviews conducted by the Management, the Board with the concurrence of the AC, is of the opinion that the Group's system of internal controls and risk management procedures in addressing the financial, operational, compliance and information technology controls, and risk management systems maintained by the Group during the FY2025 are adequate and effective.

The Board recognises that the risk management and internal control systems established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Board also noted that all internal control systems contain inherent limitations and no system of risk management and internal controls can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Audit Committee

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

As at the date of this report, the AC comprises of three members, all of whom are Independent Directors:

Mr Hoon Chee Wai	Chairman
Mr Soh Chun Bin	Member
Mr Tan Eng Ann	Member

The AC is established to assist the Board with discharging its responsibility to safeguard the Company's assets, maintain adequate accounting records and develop and maintain effective systems of internal control. The Board is of the view that the members of the AC are appropriately qualified in that they have sufficient accounting or related financial management expertise and experience to discharge its responsibilities properly.

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The AC is governed by its terms of reference, which was reviewed and amended, where appropriate, to adopt relevant best practices set out in the Guidebook and the Code. The terms of reference is used as a reference to assist the AC in discharging its responsibilities and duties, which include:

- Reviewing the audit plans of the Company's External Auditors, including the results of the Auditors' review and audit report, the management letter and the Management's response and evaluation of the Company's system of internal controls;
- Ensuring coordination where more than one audit firm is involved;
- Reviewing the semi-annual and annual financial statements of the Group focusing in particular, on significant financial reporting issues and judgements, any significant adjustments, changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards, stock exchange and statutory/regulatory requirements before submission to the Board for approval;
- Reviewing announcements relating to the Company's financial performance;
- Discussing problems and concerns arising from the audits, in consultation with the External Auditors and Internal Auditors where necessary and to meet the External Auditors and Internal Auditors without the presence of the Management, at least once annually;
- Reviewing the assistance and cooperation given by the Management to the External Auditors;
- Reviewing annually the scope and results of the audit and its cost effectiveness as well as the independence and objectivity of the External Auditors;
- Reviewing the internal audit programme and ensure coordination between External Auditors and Internal Auditors and the Management;
- Reviewing the adequacy of the Company's internal controls;
- Reviewing the scope and results of the internal audit procedures including the effectiveness of the internal audit functions and ensure that the audit functions are adequately resourced;
- Reviewing with the External Auditors, any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position and the Management's response;
- Reviewing arrangements by which staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for the independent investigations of such matters and for appropriate follow up actions;
- Reviewing any potential conflict of interest and to set out a framework to resolve or mitigate any potential conflict of interest;
- Reporting to the Board its findings from time to time on matters arising and requiring the attention of the committee;
- Reviewing Interested Person Transactions, falling within the scope of Chapter 9 of the Listing Manual;
- Recommending to the Board the appointment, re-appointment and removal of the External Auditors and approve the remuneration and terms of engagement of the External Auditors;

CORPORATE GOVERNANCE REPORT

- Determining the Company's level of risk tolerance and risk policies, and oversee Management in the design, implementation and monitoring of the risk management and internal control systems;
- Undertaking such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC; and
- Undertaking generally such other functions and duties as may be required by statute or the Listing Manual of the SGX-ST, and by such amendments made thereto from time to time.

Apart from the above functions, the AC shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore laws, rules or regulations which has or is likely to have a material impact on the Group's operating results and/or financial position. Each member of the AC shall abstain from voting on any resolutions and/or participating in any deliberations of the AC in respect of matters in which he is interested.

The AC has full access to and cooperation of the Management, External Auditors and Internal Auditors. It also has the discretion to invite any Director and/or key management personnel to attend its meetings. The AC has adequate resources to enable it to discharge its responsibilities properly.

The AC has reviewed all Interested Person Transactions for FY2025 and is of the opinion that Chapter 9 of the Listing Manual has been complied.

For FY2025, the AC met once with the External Auditors without the presence of the Management. The AC also reviewed the independence and objectivity of the External Auditors through discussions with the External Auditors and reviewed the non-audit fees, if any, awarded to them. There were no non-audit services provided by the External Auditors for FY2025. After reviewing the services provided during the financial year, the AC is satisfied that the independence and objectivity of the External Auditors are not in any way impaired.

The Company has complied with Rule 715 of the Listing Manual of the SGX-ST as all principal subsidiaries of the Company are audited by Messrs PKF-CAP LLP. All other foreign-incorporated subsidiaries are audited by suitable auditing firms for the purposes of the consolidated financial statements of the Group and audited by Messrs PKF-CAP LLP for consolidation purposes.

The AC undertakes a review of the scope of services provided by the External Auditors, the independence and the objectivity of the External Auditors on an annual basis. Messrs PKF-CAP LLP, the External Auditors of the Company, has confirmed that they are a Public Accounting Firm registered with ACRA and provided a confirmation of their independence to the AC. The AC had assessed the External Auditors based on factors such as performance, adequacy of resources and experience of their audit engagement partner and auditing team assigned to the Group's audit, the size and complexity of the Group. Accordingly, the AC is satisfied that Rule 712 of the Listing Manual is complied, and has recommended to the Board that Messrs PKF-CAP LLP be nominated for re-appointment as External Auditors at the forthcoming AGM of the Company.

The AC had reviewed and evaluated the performance of the External Auditors based on the key indicators of audit quality and guidance, where relevant, as set out in the Guidance to Audit Committee on Evaluation of Quality of Work performed by the External Auditors and Audit Quality Indicators Disclosure Framework published by ACRA such as performance, adequacy of resources and experience of their audit engagement partner and auditing team assigned to the Group's audit, taking into account the size and complexity of the Group.

Changes to accounting standards and accounting issues which have significant impact on the financial statements were reported to the AC, and highlighted by the External Auditors in their meetings with the AC. In line with Provision 10.3 of the Code, the AC does not comprise of former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of 2 years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

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In the review of the financial statements, the AC has discussed with Management and the External Auditors the accounting principles that were applied and their judgment of items that might affect the true and fair view of the financial statements. In particular, the following key audit matters impacting the financial statements were discussed with Management and the External Auditors and were reviewed by the AC.

Key audit matters

How the AC reviewed these matters and what decisions were made

Impairment of Trade Receivables	The collectability of long outstanding debts and the reasonableness of Management's expected credit losses ("ECL") assessment were reviewed by the AC. The AC concurred with Management's assessment regarding the basis on which the ECL has been applied to determine the adequacy of the allowance for impairment losses made in its financial statements.
Revenue recognition on sale of manufactured tower cranes	The AC reviewed Management's approach and assessment of the internal controls over the recognition of revenue. The AC was satisfied that Management's approach and assessment of internal controls over revenue recognition were appropriate.

Whistle-Blowing Policy

The AC had reviewed, approved and implemented an independent whistle-blowing framework which provides well-defined and accessible channels in the Group through which employees of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters within the Group. The framework includes arrangements for independent investigations and appropriate follow-up of such matters. Details of the whistle-blowing policies and arrangements have been made available to the employees. The whistle-blowing policies are designated to investigate whistleblowing reports made in good faith and ensures that the identity of the whistle-blower is kept confidential and the Group is committed to ensure protection of the whistle-blower against detrimental or unfair treatment. The AC is responsible for oversight and monitoring of whistle-blowing. As at the date of this report, there was no report received through the whistle-blowing mechanism.

The AC had reviewed the Company's key financial risk areas and noted that apart from the foreign exchange rate differences which arise when transactions are denominated in foreign currencies, the Group has not entered into any financial derivatives contracts which will give rise to financial risks.

The AC has explicit authority to investigate any matter within its terms of reference. The AC has, within its terms of reference, the authority to obtain independent professional advice at the Company's expenses as and when the need arises.

Internal Audit

The Board recognises the importance of maintaining a system of internal controls in order to safeguard the shareholders' investments and the Company's assets. The Company has outsourced its internal audit functions of the Group to Yang Lee & Associates, a professional firm to perform the review and test of controls of its processes. As recommended by the AC, the Board approved the appointment of Yang Lee & Associates as Internal Auditors of the Group. The internal audit function is expected to meet the standard set by internationally recognised professional bodies including the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The Internal Auditors has unfettered access to all the Company's documents, records, properties and personnel, including access to the Board, the AC and Management, where necessary, and has the right to seek information and explanation.

The appointed Internal Auditors reports directly to the AC and is responsible for assessing the reliability, adequacy and effectiveness of the system of internal controls to protect the fund and assets of the Group. The Internal Auditors also ensure that control procedures are complied, by assessing that the operations of the business processes under review are conducted efficiently and effectively and identifying and recommending improvement to internal control procedures, where required.

CORPORATE GOVERNANCE REPORT

The Internal Auditors plans 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 the implementation of improvements on identified internal control weaknesses.

For FY2025, the AC met once with the Internal Auditors without the presence of the Management. The AC is of the opinion that Yang Lee & Associates is adequately resourced with qualified personnel to discharge its responsibilities. The AC has reviewed the internal audit reports based on the controls in place and is satisfied that the internal audit functions has been (i) adequately resourced, (ii) staffed by suitably qualified and experienced professionals with the relevant experience and has the appropriate standing within the Group, and (iii) in accordance with the standards set by professional bodies. Yang Lee & Associates has provided a confirmation on their independence to the AC.

Based on the scope of work performed by the Internal Auditors for FY2025, there were no material weaknesses identified.

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.

All shareholders are treated fairly and equitably to facilitate their ownership rights to participate effectively in and vote at general meetings. Shareholders are also informed on the procedures for the poll voting at the general meetings. The Constitution allows a member of the Company, who is unable to attend the general meeting in person, to appoint up to two proxies to attend and vote at the meeting in place of the member.

The Company believes in high standards of transparent corporate disclosure, in line with the continuous obligations of the Company under the Listing Manual of the SGX-ST and the Companies Act 1967. The Board's policy is that all shareholders should equally and on a timely basis be informed of all major developments that impact the Group. Half yearly financial results and news releases (if any) will be published through the SGXNet. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly to all others as soon as practicable.

The forthcoming AGM in respect of FY2025 will be held in a wholly physical format. The arrangements relating to attendance and voting at the AGM, appointment of proxies, submission of questions in advance of the AGM, addressing of substantial and relevant questions at the AGM and access to documents, will be set out in the Notice of AGM. The Notice of AGM, the Proxy Form and the Request Form will be sent to shareholders by mail prior to the AGM within the prescribed statutory period. As part of the Group's commitment to conserve the environment, the Company will provide the shareholders printed copies of the Annual Report and appendix (if any) via post upon specific request by them for it. All these documents will also be made available to shareholders electronically at the Company's website at <http://www.yongmaoholdings.com/>.

The Board noted that there should be separate resolutions on each substantially separate issue that may be tabled at the general meeting. Notices of general meetings are announced via SGXNet within the mandatory period prior to the meetings (or as otherwise disseminated in accordance with such laws and regulations as may be applicable), together with explanatory notes or a circular on items of special business (if necessary), at least 14 clear calendar days before the meeting for ordinary resolutions and/or at least 21 clear calendar days before the meeting for special resolutions, so as to enable shareholders to exercise their voting rights on an informed basis.

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At the AGM, under usual circumstances, shareholders are given opportunities to express their views and the Board welcomes the views of shareholders who wish to raise issues concerning the Company, either informally or formally before or during these general meetings. Board members, Senior Management and the Company Secretary are present and available to address questions from shareholders at general meetings. Furthermore, the External Auditors are invited to attend the meeting to assist the Board in addressing any relevant queries raised by the shareholders relating to the conduct of the audit and the preparation of content of the auditors' report. The Directors' attendance at the 2024 AGM, held on 29 July 2024, is disclosed on Page 24 of this Annual Report.

In usual circumstances, the Constitution allows corporations and members of the Company to appoint one or two proxies to attend and vote at general meetings. A relevant intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her (which number and class of shares shall be specified). An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor(s)**") and/or the Supplementary Retirement Scheme ("**SRS Investor(s)**") (as may be applicable) may attend and cast his/her vote(s) at the meeting in person. CPF and SRS Investors who are unable to attend the meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the general meeting.

The Constitution does not allow for absentia voting methods such as voting via mail, email or fax, until security, integrity and other pertinent issues are satisfactorily resolved.

For greater transparency and fairness in the voting process, voting at shareholders' meetings were conducted by poll since 2013. This allows all shareholders present or represented at the meetings to vote on a one-share-one vote basis. A polling agent will be appointed by the Company for general meetings who will explain the rules, including the voting procedures that govern the general meeting and an independent scrutineer will be appointed to verify the poll results. The Company ensures that Shareholders are given the opportunity to participate effectively in and vote at general meetings. The voting results of all votes cast for or against each resolution is announced at the meeting and broadcasted via SGXNet after the meeting.

The Company prepares minutes of general meetings incorporating the substantial and relevant queries from shareholders relating to the agenda of the meeting and responses from the Board and the Management. These minutes are available to shareholders upon their request and will be available on the Company's website at <http://www.yongmaoholdings.com/>. Pursuant to Practice Note 7.5 of the Listing Manual, the Company will be publishing the minutes within one month after the AGM on SGXNet.

Dividend Policy

The Company does not have a fixed dividend policy. The form, frequency and amount of dividend paid will depend on the Company's earnings, general financial condition, results of operations, capital requirements, cash flow, general business condition, development plans and other factors as the Directors may deem appropriate.

Although declaring and recommending dividend is not fixed, the policy is to recommend dividend consistent with the Company's objective, *inter alia* of maximising shareholders' value. The Board will carefully consider and evaluate the aforementioned before proposing any dividend.

In compliance with Rule 704(24) of the Listing Manual, the Company is mindful to disclose the reason(s) for the decision together with the announcement of the financial statements, in the event that the Board decides not to declare or recommend a dividend.

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.

The Company recognises the importance of actively engaging with stakeholders to promote effective and fair communication. The Board acknowledges that the Company has to fulfill its obligation to furnish timely and material information to shareholders and to ensure full and appropriate disclosure of such information is made for complying with statutory requirements, as well as rules prescribed under the Listing Manual. Any price sensitive information will be publicly released in a timely manner through SGXNet.

CORPORATE GOVERNANCE REPORT

The Company does not have a dedicated investor relations team. However, the Company's CEO and CFO are responsible for the Company's communication with shareholders. The Board also acknowledges its obligation to furnish timely information to shareholders and ensure that full disclosure of material information to comply with statutory requirements and the Listing Manual is made. Any price sensitive information will be publicly released on SGXNet first before being announced to any group of investors or analysts.

Although the Company has not adopted a formal investor relations policy to regularly convey pertinent information to the shareholders, the Board acknowledges its obligation to furnish timely information to shareholders and ensures that full disclosure of material information in its Annual Report to comply with statutory requirements and the Listing Manual is made. By supplying shareholders with reliable and timely information, the Company is able to strengthen the relationship with its shareholders based on trust and accessibility. The Company focuses on facilitating the communications with all stakeholders, shareholders, analysts and social media on a regular basis, attending to their queries or concerns, as well as keeping the investors publicly apprised of the Group's corporate developments and financial performance.

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.

The Board considers the Company's obligations to its shareholders and also the interests of its material stakeholders as the relationships with material stakeholders may have an impact on the Company's long-term sustainability. Stakeholders are parties who may be affected by the Company's activities or whose actions can affect the ability of the Company to conduct its activities. The Board has identified and engaged its material stakeholder groups as customers, constructors, suppliers, employees, landlords, investors, social media, government, institutions and the communities.

In addition to the Company's material stakeholders, sustainability efforts (including its strategy and key areas of focus) and performance can be found in the Company's sustainability report. This is to keep the stakeholders informed on the commitment made by the Company in fostering the creation of long-term value for the stakeholders and a sustainable development of the global economy.

To keep all stakeholders of the Company updated, the Company maintains on its corporate website the latest announcements, press releases and stock details of the Company. Stakeholders have 24-hour access to the Company's website at <http://www.yongmaoholdings.com/>.

DEALING IN SECURITIES

The Group has adopted its Code of Best Practices on dealing in securities by setting out the implications of insider trading and its regulations with regard to dealing in the Company's securities by its Directors and officers, that is modeled, with some modification, on Rule 1207(19) of the Listing Manual. The Group's Code of Best Practices provides guidance for Directors, officers and employees on their dealing in the Company's securities.

The Group's Code of Best Practices prohibits the Company and its officers and employees who have access to unpublished material price sensitive information from dealing in the Company's securities. The Company and its officers and employees are advised not to deal in the Company's securities during the period commencing one month immediately preceding the announcement of the Company's semi-annually financial results and full year financial results and ending on the date of the announcement of such results on the SGX-ST, or when they are in possession of any unpublished price sensitive information of the Group. In addition, the Directors, key management personnel and employees are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period. They are also discouraged from dealing in the Company's shares for short term considerations.

CORPORATE GOVERNANCE REPORT

INTERESTED PERSON TRANSACTIONS

The Company has established internal control policy to ensure that transactions with interested persons are properly reviewed, approved and conducted at arms' length basis.

The AC has reviewed the Interested Person Transactions ("IPTs") for FY2025 and noted that the transactions have been conducted in accordance with the IPT Mandate obtained at the Company's AGM held on 29 July 2024 and that the transactions were on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders.

The following is the aggregate value of all transactions with interested persons (as defined in Chapter 9 of the Listing Manual) for FY2025:

Name of interested person	Nature of relationship	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Sales/rental income charged to		RMB'000	RMB'000
China Nuclear Huaxing Tat Hong Machinery Construction Co., Ltd. (中核华兴达丰机械租赁有限公司)	Related Corporation of a Substantial Shareholder	—	17,384
Jiangsu Zhongjian Tat Hong Equipment Rental Co., Ltd. (江苏中建达丰机械租赁有限公司)	Related Corporation of a Substantial Shareholder	—	42,585
Liaoning Yongmao Hydraulic Machinery Co., Ltd. (辽宁永茂液压机械有限责任公司)	Associate of the Controlling Shareholder	3,154	—
Purchases from			
Liaoning Yongmao Hydraulic Machinery Co., Ltd. (辽宁永茂液压机械有限责任公司)	Associate of the Controlling Shareholder	—	951
Fushun Yongmao Industry and Trade Co., Ltd. (抚顺市永茂工贸发展有限公司)	Associate of the Controlling Shareholder	—	835
Jiangsu Zhongjian Tat Hong Equipment Rental Co., Ltd. (江苏中建达丰机械租赁有限公司)	Related Corporation of a Substantial Shareholder	1,090	—
Rental fee charged by			
Fushun Yongmao Engineering Machinery Co., Ltd. (抚顺永茂工程机械有限公司)	Associate of the Controlling Shareholder	5,505	—
Sun & Tian Investment Pte. Ltd.	Ultimate Holdings Company	725	—

CORPORATE GOVERNANCE REPORT

Name of interested person	Nature of relationship	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Sales/rental income charged to		RMB'000	RMB'000
Sun Tian	Director of the Company	809	—
Other expenses charged by			
Eastime Holdings Limited	Shareholder of a Subsidiary	1,858	—
Other expenses charged by			
Beijing Weiteng Special Purpose Auto Co., Ltd. (北京威腾专用汽车有限责任公司)	Associate of the Controlling Shareholder	714	—

The current IPT Mandate will be expiring on 28 July 2025, being the date of the forthcoming AGM of the Company. The Company is proposing to seek shareholders' approval at the AGM of the Company to be held on 28 July 2025 to renew the IPT Mandate pursuant to Chapter 9 of the Listing Manual. The IPT Mandate shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the next AGM of the Company.

MATERIAL CONTRACTS

Save as disclosed in the Directors' report and financial statements, there were no material contracts entered into by the Company or any of its subsidiaries, involving the interest of the CEO, any Director or the controlling shareholder subsisting at the end of FY2025.

RISK MANAGEMENT

The Management reviews regularly the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks within the Group's policies and strategies. In addition, both the Internal and External Auditors conducted the annual review of effectiveness of the Company's material internal controls, including financial, operational and compliance, and information technology controls and risk management. Any material non-compliance and internal control weaknesses noted during their audit are reported to the AC together with their recommendations. The Management will follow up on the auditors' recommendations so as to strengthen the Group's risk management procedures.

Information in relation to the risks arising from the Group's financial operations is disclosed in the notes to the accompanying Audited Financial Statements on pages 124 to 133.

CORPORATE GOVERNANCE REPORT

TABLE A – INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

The Directors named below are retiring and being eligible, offer themselves for re-election at the upcoming AGM:

Name of Director	Ms Tian Ruo Nan	Mr Ng San Tiong	Mr Tan Eng Ann
Date of appointment	28 December 2007	28 June 2007	7 October 2024
Date of last re-appointment	26 July 2022	26 July 2022	Not Applicable
Age	69	72	57
Country of principal residence	The People's Republic of China	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board of Directors of the Company is of the opinion that Ms Tian can contribute positively to the Company after reviewing the Nominating Committee's recommendation and Ms Tian's extensive experience.	The Board of Directors of the Company is of the opinion that Mr Ng can contribute positively to the Company after reviewing the Nominating Committee's recommendation and Mr Ng's qualifications, experience and suitability.	The Board is of the opinion that Mr Tan can contribute positively to the Company after reviewing the Nominating Committee's recommendation and Mr Tan's qualifications, extensive experiences and suitability. The Board considers Mr Tan to be independent for the purpose of Rule 704(8) of the Listing Manual.
Whether appointment is executive, and if so, the area of responsibility	Executive, responsible for the formulation and execution of overall business strategy and policies and future direction as well as the overall management of our Group	Non-Executive	Non-Executive
Job Title	Chief Executive Officer and Executive Director	Deputy Chairman and Non-Executive and Non-Independent Director	Non-Executive and Independent Director, Chairman of Nominating Committee and a member of Audit Committee and Remuneration Committee
Professional qualifications	Ms Tian graduated from Dongbei Normal University (东北师范大学) having majored in Economics.	Mr Ng graduated with a Bachelor of Science (Honours) Degree from Loughborough University of Technology, in the United Kingdom.	Mr Tan is a Chartered Financial Analyst under the Association for Investment Management and Research in the United States of America and a Fellow Chartered Accountant of Singapore under the Institute of Singapore Chartered Accountants since 2002. He graduated with a Bachelor of Accountancy Degree from Nanyang Technological University, in the Republic of Singapore.

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Name of Director	Ms Tian Ruo Nan	Mr Ng San Tiong	Mr Tan Eng Ann
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	Spouse of Mr Sun Zhao Lin (Executive Director and Chairman) and mother of Mr Sun Tian (Executive Director and Group General Manager)	Managing Director of Tat Hong Holdings Ltd, a Substantial Shareholder of the Company.	None
Conflict of interest (including any competing business)	None	None	None
Working experience and occupation(s) during the past 10 years	Ms Tian is the Chief Executive Officer and Executive Director of Yongmao Holdings Limited. She is the co-founder of the Group.	<p>Mr Ng is the Managing Director of one of the world's largest crane rental company, Tat Hong Holdings Ltd and he is vastly experienced in the areas corporate management, business development and business management.</p> <p>He sits on the of board of Tat Hong Holdings Ltd as well as its regional subsidiaries and associates across Malaysia, Indonesia, Australia and China.</p> <p>He is also a director of CSC Holdings Limited, a company listed on the Stock Exchange of Singapore.</p> <p>He serves in many public and civic institutions in Singapore.</p> <p>Mr Ng is the Chairman on the Board of Trustees of the Chinese Development Assistance Council (CDAC).</p>	<p><u>Mar 2025 - Present</u> Director, IP Investment Management Pte. Ltd.</p> <p><u>Nov 2023 – Present</u> Executive Officer and Director, Ruitech International Pte. Ltd.</p> <p><u>Sep 2023 – Present</u> Executive Officer and Director, PT Anli Teknologi Indonesia</p> <p><u>Sep 2023 – Present</u> Executive Officer and Director, Anli Technology Pte. Ltd.</p> <p><u>Oct 2017 – Present</u> Non-Executive Director, IPIM Holdings Limited</p> <p><u>Apr 2019 – Feb 2025</u> Non-Executive Director, IP Real Estate Investments Pte. Ltd.</p> <p><u>Feb 2017 – Dec 2024</u> Non-Executive Director, IP Global Limited</p> <p><u>Jun 2013 – Oct 2024</u> Lead Independent Director, Isoteam Ltd.</p> <p><u>May 2006 – Mar 2024</u> Chief Financial Officer, R H International Pte Ltd</p> <p><u>May 2017 – Aug 2021</u> Non-Executive Director, SCK Securities Limited</p>

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Name of Director	Ms Tian Ruo Nan	Mr Ng San Tiong	Mr Tan Eng Ann
			<p><u>May 2018 – Jan 2021</u> Non-Executive Director, SCK Assets Management Limited</p> <p><u>Jun 2019 – Nov 2020</u> Independent Director, AM Group Holdings Limited</p> <p><u>Jun 2016 – Jan 2018</u> Independent Director, SingAsia Holdings Limited</p> <p><u>Nov 2009 – Jul 2017</u> Lead Independent Director, Hiap Tong Corporation Ltd.</p> <p><u>Sep 2014 – Sep 2016</u> Lead Independent Director, GCCP Resources Limited</p>
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries	Ms Tian holds 66,600 shares in Yongmao Holdings Limited and is deemed to be interested in 50,942,870 shares of Yongmao Holdings Limited by virtue of the shares held by Sun & Tian Investment Pte. Ltd..	Mr Ng is deemed to be interested in 21,253,153 shares of Yongmao Holdings Limited by virtue of the shares held by Tat Hong Holdings Ltd, THSC Investment Pte. Ltd., TH60 Investment Pte. Ltd. and Chwee Cheng & Sons Pte. Ltd..	Mr Tan holds 174,040 shares and S\$180,000 in principal amount of YM_D003_3/SGD Tokens at an interest rate of 4.9% per annum in Yongmao Holdings Limited.
Other principal commitments including directorships	<p>Past (for the last 5 years) Directorships: Nil</p> <p>Other Principal Commitments: Nil</p> <p>Present Directorships: 1. Yongmao Holdings Limited and its subsidiaries.</p> <p>Other Principal Commitments: Nil</p>	<p>Past (for the last 5 years) Directorships: 1. Intraco Limited</p> <p>Other Principal Commitments: Nil</p> <p>Present Directorships: 1. Tat Hong Belt Road Pte. Ltd. 2. Tat Hong Equipment (China) Pte. Ltd. 3. Tat Hong Holdings Ltd 4. Chwee Cheng & Sons Pte Ltd 5. Edmund Tie Holdings Pte Ltd</p>	<p>Past (for the last 5 years) Directorships: 1. AM Group Holdings Limited 2. SCK Assets Management Limited 3. SCK Securities Limited 4. Isoteam Ltd. 5. IP Global Limited 6. IP Real Estate Investments Pte. Ltd.</p> <p>Other Principal Commitments: Nil</p>

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Name of Director	Ms Tian Ruo Nan	Mr Ng San Tiong	Mr Tan Eng Ann
		6. ET Investment Holdings Pte Ltd 7. Tat Hong Investments Pte Ltd 8. TH Investments Pte Ltd 9. TH60 Investments Pte Ltd 10. THSC Investments Pte Ltd Other Principal Commitments: 1. Chinese Chamber Realty Private Limited 2. Chinese Development Assistance Council 3. Maris Stella High School Ltd. 4. SCCC Chinese Entrepreneurial Culture Foundation 5. Singapore Chinese Chamber of Commerce Foundation 6. Singapore Chinese Chamber of Commerce & Industry 7. SPH Foundation Limited 8. The Financial Board of the Singapore Chinese Chamber of Commerce 9. Thomson Shin Min Foundation	Present Directorships: 1. IPIM Holdings Limited 2. IP Investment Management Pte. Ltd. 3. Ruictech International Pte. Ltd. 4. Anli Technology Pte. Ltd. 5. PT Anli Teknologi Indonesia Other Principal Commitments: Nil

The retiring Directors have responded negative to items (a) to (k) listed in Rule 720(6) of the Listing Manual.

DIRECTORS' STATEMENT

The directors are pleased to submit this annual report to the members together with the consolidated financial statements of the Group for the financial year ended 31 March 2025 and the statement of financial position of the Company as at 31 March 2025.

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 of Singapore (the "Act") and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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

Directors

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

Sun Zhao Lin
 Sun Tian (also alternate to Sun Zhao Lin)
 Tian Ruo Nan
 Ng San Tiong
 Hoon Chee Wai
 Soh Chun Bin
 Tan Eng Ann (Appointed on 7 October 2024)

Arrangements to enable directors to acquire benefits by means of the acquisition of shares or debentures

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

Directors' interest in shares or debentures

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

	Holdings registered in the name of director or nominee			Holdings in which a director is deemed to have an interest		
	As at 1.4.2024 / date of appointment	As at 31.3.2025	As at 21.4.2025	As at 1.4.2024 / date of appointment	As at 31.3.2025	As at 21.4.2025
The Company - <u>Yongmao Holdings Limited</u> (Number of ordinary shares)						
Sun Tian	841,900	841,900	841,900	—	—	—
Sun Zhao Lin	—	—	—	50,942,870	50,942,870	50,942,870
Tian Ruo Nan	66,600	66,600	66,600	50,942,870	50,942,870	50,942,870
Ng San Tiong	—	—	—	21,253,153	21,253,153	21,253,153
Tan Eng Ann	174,040	174,040	174,040	—	—	—

DIRECTORS' STATEMENT

Directors' interest in shares or debentures (Cont'd)

	Holdings registered in the name of director or nominee			Holdings in which a director is deemed to have an interest		
	As at 1.4.2024 / date of appointment	As at 31.3.2025	As at 21.4.2025	As at 1.4.2024 / date of appointment	As at 31.3.2025	As at 21.4.2025
The Company - <u>Yongmao Holdings Limited</u> (Commercial paper)						
Sun Tian	–	S\$90,000	S\$90,000	–	–	–
Hoon Chee Wai	–	S\$400,000	S\$200,000	–	–	–
Tan Eng Ann	–	S\$180,000	S\$180,000	–	–	–
The immediate and ultimate holding company - <u>Sun & Tian Investment Pte. Ltd.</u> (Number of ordinary shares)						
Sun Tian	10,000	10,000	10,000	–	–	–
Sun Zhao Lin	45,000	45,000	45,000	–	–	–
Tian Ruo Nan	45,000	45,000	45,000	–	–	–

Messrs Sun Zhao Lin and Tian Ruo Nan, by virtue of the provisions of Section 7 of the Act, are deemed to have an interest in the whole of the issued share capital of the subsidiaries of the Company and Sun & Tian Investment Pte. Ltd..

Share options

No options to take up unissued shares of the Company or any subsidiaries have been granted during the financial year.

No shares were issued during the financial year to which this report relates by virtue of the exercise of the options to take up unissued shares of the Company or any subsidiary.

There were no unissued shares of the Company or any subsidiaries under option at the end of the financial year.

Audit committee

The Audit Committee at the end of the financial year comprises the following members:

Hoon Chee Wai (Chairman)
Soh Chun Bin
Tan Eng Ann

All members of the Audit Committee are non-executive and independent directors.

Audit committee (Cont'd)

The Audit Committee performs the functions set out in Section 201B(5) of the Act, the Singapore Exchange Securities Trading Limited ("SGX") Listing Manual and the Code of Corporate Governance. In performing those functions, the Audit Committee reviewed the following:

- (i) overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors;
- (ii) it met with the Company's internal auditors to discuss the results of their respective examinations and their evaluation of the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology internal controls via reviews carried out by the internal auditors and risk management system via reviews carried out by the Enterprise Risk Management Committee;
- (iii) the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- (iv) the quarterly financial information and the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2025 as well as the independent auditor's report thereon; and
- (v) interested person transactions (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange).

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

Full details regarding the Audit Committee are provided in the "Corporate Governance Report" section of the annual report.

In appointing our auditors for the Company and subsidiaries, we have complied with Rules 712 and 715 of the SGX Listing Manual.

Independent auditor

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

On behalf of the Directors

TIAN RUO NAN

SUN TIAN

Dated: 30 June 2025

INDEPENDENT AUDITORS' REPORT

To the Members of Yongmao Holdings Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Yongmao Holdings 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 31 March 2025, 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 for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matter	Our responses and work performed
<p>Impairment of trade receivables</p> <p>As at 31 March 2025, the Group has trade receivables of RMB489,201,000 (2024 - RMB458,736,000) (Note 9) which represented approximately 48% (2024 - 47%) of the net assets of the Group.</p> <p>Trade receivables arise mainly from manufacturing sale, rental and servicing of tower cranes and construction machinery and related components.</p> <p>The Group is subject to credit risk with significant judgement and accounting estimates used in determining the recoverability and expected credit losses (‘ECL’) of trade and other receivables as disclosed in Note 2(a) to the financial statements.</p>	<p>Our procedures are designed to challenge the impairment assessment of trade receivables. These procedures included, amongst others:</p> <ul style="list-style-type: none">- we discussed with management regarding the level and ageing of receivables and recoverability of amounts due from customers, along with the consistency and appropriateness of receivables and recoverability of amounts due from customers by assessing recoverability with reference to cash received. In addition, we considered the Group’s previous experience of bad debt exposure and the individual counterparty credit risk in compliance with SFRS(I) 9 simplified impairment approach;- we assessed the recoverability of overdue unprovided debt with reference to the historical levels of bad debt expense and credit profile of the counterparties;- we obtained an understanding of the key data and assumptions adopted by the management in the ECL model, including the basis of segmentation of the trade debtors based on the shared credit risk characteristics, historical default data, and the assumptions involved in management’s estimated loss rates;

INDEPENDENT AUDITORS' REPORT

To the Members of Yongmao Holdings Limited

Key Audit Matters (Cont'd)

Key Audit Matter	Our responses and work performed
<p>Impairment of trade receivables (Cont'd)</p> <p>We have identified impairment of trade receivables as a Key Audit Matter as it involved significant judgements and accounting estimates in the evaluation of the collectability of trade receivables by management.</p> <p>The Group's disclosure on trade receivables are included in Notes 2(a), 9 and 30.3 to the financial statements.</p>	<p>Our procedures are designed to challenge the impairment assessment of trade receivables. These procedures included, amongst others: (Cont'd)</p> <ul style="list-style-type: none"> - we assessed the appropriateness of management's estimates of loss allowance by examining the information used by management to derive such estimates, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted based on current market conditions and forward-looking information; - we obtained evidence of cash receipts during the year and subsequent to the year end, noting the level of account activity with customers, reviewed the past history of recovery and correspondences and/or agreements with customers to settle their outstanding balances; - we considered the consistency of judgements applied as to the recoverability of trade receivables made year on year through discussion with management on their rationale and obtaining evidence to support the judgement areas; - we corroborated management's own impairment assessment against the collectability of individually significant receivables as set out in our audit thresholds including those that are individually insignificant but considered material in aggregate through analytical procedures and tested the accuracy of ageing of customer balances; and - we considered the adequacy of the disclosures in the financial statements, in describing the inherent degree of subjectivity and key assumptions in the estimates.
<p>Revenue recognition on sale of manufactured tower cranes</p> <p>The Group's revenue is principally derived from the sale of manufactured tower cranes to numerous customers.</p> <p>Revenue of manufactured tower cranes is recognised when the Group satisfies the performance obligation by transferring the control over products promised in the contract with customer, which is the point in time when a customer accepts the machinery and signs on the goods delivery note.</p>	<p>Our procedures are designed to assess the recognition of revenue of manufactured tower cranes. These procedures included, amongst others:</p> <ul style="list-style-type: none"> - we reviewed and evaluated the appropriateness of accounting policy for revenue recognition as to whether the performance obligations are satisfied at a point in time or over time; - we performed walkthrough of the revenue process and tested the design, implementation and operating effectiveness of internal controls in relation to revenue recognition from sales of manufactured tower cranes; - we performed tests of details on selected revenue transactions against underlying documentation including shipping documents, sales invoices, customer acknowledgment and receipts; - we inspected key customer contracts to identify performance obligations and terms and conditions relating to goods acceptance and the right of return;

INDEPENDENT AUDITORS' REPORT

To the Members of Yongmao Holdings Limited

Key Audit Matters (Cont'd)

Key Audit Matter	Our responses and work performed
<p>Revenue recognition on sale of manufactured tower cranes (Cont'd)</p> <p>Sales of manufactured tower cranes contributed approximately 58% (2024 - 54%) of the Group's revenue for the year ended 31 March 2025.</p> <p>We have identified revenue recognition on sale of manufactured tower cranes as a key audit matter under SSA 240 <i>The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements</i>, because the Group's construction machinery has a variety of sales models and payment methods, including long-term payment, which is more susceptible to misstatement.</p> <p>The Group's disclosure on revenue are included in Notes 20 and 31 to the financial statements.</p>	<p>Our procedures are designed to assess the recognition of revenue of manufactured tower cranes. These procedures included, amongst others: (Cont'd)</p> <ul style="list-style-type: none"> - we assessed whether revenue is recognised when a performance obligation is satisfied with reference to the requirements of the prevailing accounting standards; - we verified selected revenue transactions to goods delivery notes, online courier tracking record, bill of lading, customer acknowledgement and receipts to assess whether the related revenue was recognised in accordance with the Group's revenue accounting policy; - we performed revenue analytical procedures on revenue by customers and comparing sales and cost of sales; - we reviewed the recognition of revenue and the extent of sales-back condition whether repurchased or otherwise by examining the contract so provided by the management of the Group; - we performed cut-off procedures on revenue to assess whether the related revenue had been recognised in the appropriate financial period; and - we considered the adequacy of the disclosures in the financial statements.

Other Matter

The financial statements for the financial year ended 31 March 2024 were audited by another auditor whose report dated 28 June 2024 expressed an unmodified opinion on those financial statements.

Other Information

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

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

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

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

INDEPENDENT AUDITORS' REPORT

To the Members of Yongmao Holdings Limited

Responsibility 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose for group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT

To the Members of Yongmao Holdings Limited

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

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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 Ang Kok Keong.

PKF-CAP LLP

Public Accountants and
Chartered Accountants

Singapore, 30 June 2025

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2025

		The Company		The Group	
		31 March	31 March	31 March	31 March
		2025	2024	2025	2024
	Note	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Non-Current					
Property, plant and equipment	4	—	—	886,132	717,243
Intangible assets	5	—	—	—	—
Subsidiaries	6	344,631	344,631	—	—
Financial assets, at FVOCI	7	92,761	83,425	92,761	83,425
Investment in an associate	8	—	—	—	—
Trade and other receivables	9	—	—	66,530	—
Deferred tax assets	10	—	—	38,060	40,520
		437,392	428,056	1,083,483	841,188
Current					
Inventories	11	—	—	354,551	408,742
Trade and other receivables	9	297	233	556,007	591,801
Amounts owing by subsidiaries	6	108,998	65,521	—	—
Amounts owing by related parties	12	—	—	48,587	47,051
Cash and bank balances	14	1,026	2,949	205,846	174,577
		110,321	68,703	1,164,991	1,222,171
Total assets		547,713	496,759	2,248,474	2,063,359
EQUITY					
Capital and Reserves					
Share capital	15	312,484	312,484	312,484	312,484
Reserves	16	207,986	180,379	654,897	615,128
Equity attributable to equity holders of the Company		520,470	492,863	967,381	927,612
Non-controlling interests		—	—	53,485	58,766
Total equity		520,470	492,863	1,020,866	986,378
LIABILITIES					
Non-Current					
Borrowings	17	—	—	132,371	2,991
Deferred capital grants	18	—	—	8,398	8,627
Deferred tax liabilities	10	165	25	27,387	53,238
Trade and other payables	19	—	—	9,061	9,937
		165	25	177,217	74,793
Current					
Trade and other payables	19	3,089	3,871	631,032	656,972
Borrowings	17	23,889	—	351,032	291,707
Deferred capital grants	18	—	—	229	229
Amounts owing to/advances from related parties	12	—	—	13,697	18,018
Amounts owing to corporate shareholders of subsidiaries	13	—	—	43,157	26,862
Current tax payable		100	—	11,244	8,400
		27,078	3,871	1,050,391	1,002,188
Total liabilities		27,243	3,896	1,227,608	1,076,981
Total equity and liabilities		547,713	496,759	2,248,474	2,063,359

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 March 2025

	Note	2025 RMB'000	2024 RMB'000
Revenue	20	880,296	790,849
Cost of sales		(626,924)	(561,915)
Gross profit		253,372	228,934
Other income	21(a)	8,763	11,129
Gain on disposal of interest in subsidiary	6	4,157	–
(Allowance)/Reversal of allowance for expected credit loss, net	30.3	(9,763)	241
Distribution costs	21(b)	(109,231)	(90,143)
Administrative expenses	21(c)	(90,193)	(75,814)
Other operating (expense)/income	21(d)	(5,603)	1,768
Finance costs	21(e)	(21,780)	(16,526)
Share of results of an associate, net of tax	8	–	(36)
Profit before taxation	22	29,722	59,553
Taxation	23	5,430	(6,051)
Profit for the year		35,152	53,502
Other comprehensive income/(loss) after tax:			
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Exchange translation difference			
- foreign operations		1,981	9,889
		1,981	9,889
<u>Items that will not be reclassified subsequently to profit or loss:</u>			
Fair value gain/(loss) on financial assets, FVOCI	24	9,336	(27,017)
Exchange translation difference			
- foreign operations		624	4,272
		9,960	(22,745)
Total other comprehensive income/(loss) after tax		11,941	(12,856)
Total comprehensive income for the year, net of tax		47,093	40,646
Profit attributable to:			
Equity holders of the Company		33,221	42,971
Non-controlling interests		1,931	10,531
		35,152	53,502
Total comprehensive income attributable to:			
Equity holders of the Company		44,538	25,843
Non-controlling interests		2,555	14,803
		47,093	40,646
		RMB cents	RMB cents
Earnings per share	25		
- basic		37.4	48.4
- diluted		37.4	48.4

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2025

	Note	Share capital RMB'000	Merger reserve RMB'000	Statutory reserve RMB'000	Fair value reserve RMB'000	Retained earnings RMB'000	Exchange fluctuation reserve RMB'000	Company RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance as at 1 April 2023		312,484	(26,769)	88,907	31,767	494,709	10,087	911,185	76,979	988,164
Profit for the year		-	-	-	-	42,971	-	42,971	10,531	53,502
Other comprehensive (loss)/income for the year	24	-	-	-	(27,017)	-	9,889	(17,128)	4,272	(12,856)
Total comprehensive (loss)/income for the year		-	-	-	(27,017)	42,971	9,889	25,843	14,803	40,646
Dividend paid	28, 6	-	-	-	-	(9,416)	-	(9,416)	(33,019)	(42,435)
Acquisition of subsidiary with non-controlling interest	6	-	-	-	-	-	-	-	3	3
Total transaction with owners, recognised directly to equity		-	-	-	-	(9,416)	-	(9,416)	(33,016)	(42,432)
Transfer to statutory reserve		-	-	3,450	-	(3,450)	-	-	-	-
Balance as at 31 March 2024		312,484	(26,769)	92,357	4,750	524,814	19,976	927,612	58,766	986,378
Profit for the year		-	-	-	-	33,221	-	33,221	1,931	35,152
Other comprehensive income for the year	24	-	-	-	9,336	-	1,981	11,317	624	11,941
Total comprehensive income for the year		-	-	-	9,336	33,221	1,981	44,538	2,555	47,093
Dividend paid	28, 6	-	-	-	-	(4,769)	-	(4,769)	(16,662)	(21,431)
Investment of subsidiary with non-controlling interest		-	-	-	-	-	-	-	7,542	7,542
Disposal of subsidiary with non-controlling interest		-	-	-	-	-	-	-	1,284	1,284
Total transaction with owners, recognised directly to equity		-	-	-	-	(4,769)	-	(4,769)	(7,836)	(12,605)
Transfer to statutory reserve		-	-	3,514	-	(3,514)	-	-	-	-
Balance as at 31 March 2025		312,484	(26,769)	95,871	14,086	549,752	21,957	967,381	53,485	1,020,866

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2025

	Note	2025 RMB'000	2024 RMB'000
Cash Flows from Operating Activities			
Profit before taxation		29,722	59,553
Adjustments for:			
Share of results of an associate	8	–	36
Amortisation of deferred capital grants	18	(229)	(228)
Depreciation of property, plant and equipment	4	104,262	90,429
Gain on disposal of interest in a subsidiary	6	(4,157)	–
Gain from bargain purchases of a subsidiary	6	–	(178)
Gain on derecognition of lease		–	(18)
Gain on settlement of debt	21(a)	(117)	–
Gain on disposal of property, plant and equipment, net	22	(577)	(115)
Property, plant and equipment written off	22	1,077	1,554
Allowance/(Reversal of allowance) for expected credit loss, net	30.3	9,763	(241)
Bad debts written off after disposal of subsidiary (Note A)	21(d)	5,521	–
(Reversal of allowance)/Allowance for obsolete and slow-moving inventories, net	11	(873)	3,766
Reversal of over-accrual of housing fund contribution	19	(1,619)	(1,405)
Provision/(Reversal of provision) for assurance warranty	19	556	(1,712)
Interest expense	21(e)	21,780	16,526
Interest income	21(a)	(3,115)	(4,902)
Operating profit before working capital changes		161,994	163,065
Increase in inventories (Note B)		(110,714)	(181,416)
(Increase)/Decrease in operating receivables		(42,108)	16,616
(Decrease)/Increase in operating payables		(33,894)	27,974
Cash (used in)/generated from operations		(24,722)	26,239
Interest paid		(21,498)	(15,796)
Tax paid		(14,539)	(3,002)
Net cash (used in)/generated from operating activities		(60,759)	7,441
Cash Flows from Investing Activities			
Acquisition of property, plant and equipment (Note C)		(24,473)	(32,448)
Cash inflow from acquisition of subsidiary	6	–	91
Cash outflow from disposal of subsidiary	6	(79)	–
Proceeds from disposal of property, plant and equipment		577	453
Interest received		3,134	4,917
Net cash used in investing activities		(20,841)	(26,987)

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2025

	Note	2025 RMB'000	2024 RMB'000
Cash Flows from Financing Activities			
Proceeds from loans and borrowings		447,858	363,392
Proceeds from hire purchase with financial institutions		41,836	16,327
Proceeds from lease liabilities		1,514	–
Repayment of loans and borrowings		(347,131)	(398,219)
Repayment of hire purchase with financial institutions		(33,472)	(25,424)
Repayment of principal portion of lease liabilities		(3,318)	(5,352)
Advances from/Repayment to related parties, net		1,396	3,731
Loan from shareholders of subsidiaries		16,671	24,767
(Increase)/Decrease in restricted bank balances		(40,000)	24,228
Capital injection by shareholder of a subsidiary	6	7,542	–
Dividends paid to non-controlling interests		(16,662)	(33,019)
Dividends paid to equity holders of the Company	28	(4,769)	(9,416)
Net cash generated from/(used in) financing activities		71,465	(38,985)
Net decrease in cash and cash equivalents		(10,135)	(58,531)
Cash and cash equivalents as at beginning of year		164,577	215,567
Exchange differences on translation of cash and bank balances as at beginning of year		1,404	7,541
Cash and cash equivalents as at end of year	14	155,846	164,577

Note:

A. Bad debts written off after disposal of subsidiary

Included in the amount, RMB5,415,000 of operating loans advanced to a since-disposed subsidiary was written off.

B. Increase in inventories

Included in increase in inventories were tower cranes and tower crane components and accessories that were self-constructed amounting to RMB226,311,000 (2024 - RMB226,948,000) (Note 4) which were held for rental purposes and have been presented under operating activities in accordance with SFRS(I) 1-7 *Statement of Cash Flows*.

C. Acquisition of property, plant and equipment

During the financial year ended 31 March 2025, the Group acquired property, plant and equipment with an aggregate cost of RMB24,589,000 (2024 – RMB32,478,000) and right-of-use assets additions of RMB80,569,000 (2024 – Nil). As at 31 March 2025, there were amount outstanding of RMB96,000 (2024 - RMB96,000) (Note 19) and down-payments of RMB3,000 (2024 - RMB119,000) (Note 9) owing/made to suppliers of property, plant and equipment. Cash payment of RMB24,473,000 (2024 – RMB32,448,000) were made to purchase property, plant and equipment.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2025

D. Reconciliation of liabilities arising from financing activities

The following is the disclosures of the reconciliation of items for which cash flows have been, or would be, classified as financing activities, excluding equity items:

	Cash flows			Non-cash movements		
	1 April 2024 RMB'000	Additions RMB'000	Repayments RMB'000	Additions/ (Derecognition) of lease, net and others RMB'000	Exchange difference RMB'000	31 March 2025 RMB'000
Bank loans (Note 17.1)	249,081	402,136	(325,298)	–	22	325,941
Hire purchase with financial institutions (Note 17.2)	44,188	41,836	(33,472)	–	295	52,847
Lease liabilities (Note 17.3)	1,429	1,514	(3,318)	80,399	702	80,726
Short term securities loans (Note 17.4)	–	45,722	(21,833)	–	–	23,889
Borrowings	294,698	491,208	(383,921)	80,399	1,019	483,403
Restricted bank balance	(10,000)	(40,000)	–	–	–	(50,000)
Amount owing to related parties (Note 12.2)						
- Non-trade	9,742	3,148	(1,752)	–	10	11,148
	9,742	3,148	(1,752)	–	10	11,148
Amount owing to corporate shareholders of subsidiaries (Note 13)						
- Loan	26,715	16,671	–	(1,805)	445	42,026
	26,715	16,671	–	(1,805)	445	42,026

	Cash flows			Non-cash movements		
	1 April 2023 RMB'000	Additions RMB'000	Repayments RMB'000	Derecognition of lease, net and others RMB'000	Exchange difference RMB'000	31 March 2024 RMB'000
Bank loans (Note 17.1)	283,731	363,392	(398,219)	–	177	249,081
Hire purchase with financial institutions (Note 17.2)	50,635	16,327	(25,424)	–	2,650	44,188
Lease liabilities (Note 17.3)	7,028	–	(5,352)	(550)	303	1,429
Borrowings	341,394	379,719	(428,995)	(550)	3,130	294,698
Restricted bank balance	(34,228)	–	24,228	–	–	(10,000)
Amount owing to related parties (Note 12.2)						
- Non-trade	5,814	8,000	(4,269)	–	197	9,742
	5,814	8,000	(4,269)	–	197	9,742
Amount owing to corporate shareholders of subsidiaries (Note 13)						
- Loan	1,703	24,767	–	–	245	26,715
	1,703	24,767	–	–	245	26,715

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

1 General information

The financial statements of the Company and of the Group for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company is listed on the Singapore Exchange Mainboard and incorporated and domiciled in Singapore as a limited liability company.

The registered office and principal place of business of the Company is located at 81 Ubi Avenue 4, #09-01 UB. One, Singapore 408830.

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries are listed in Note 6 to the financial statements.

The immediate and ultimate holding company of the Company is Sun & Tian Investment Pte. Ltd., a company incorporated in Singapore.

2(a) Basis of preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards International ("SFRS(I)"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company, rounded to the nearest thousand ("RMB'000"). All financial information is presented in Renminbi, unless otherwise stated.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year.

Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and evaluated based on historical experience and expectations of future events. Revisions to accounting estimates are recognised in the reporting period in which the estimate is revised and in any future reporting periods affected.

The areas involving significant judgement and critical accounting estimates and assumptions used are described below.

Critical judgements used in applying accounting policies

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

Allowance for obsolete and slow-moving inventories

Where necessary, allowance is product for obsolete and slow-moving inventories to adjust the carrying value of inventories to the lower of cost and net realisable value. Management has estimated the allowance for obsolete and slow-moving inventories based on period of an ageing analysis for inventories at the end of reporting period. The carrying amount of the Group's inventories at the end of the reporting period is disclosure in Note 11.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2(a) Basis of preparation (Cont'd)

Critical judgements used in applying accounting policies (Cont'd)

Income tax (Note 23) and Deferred tax (Note 10)

The Group has exposure to income taxes in several jurisdictions. Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made. The carrying amounts of the Group and the Company's income tax payables as at 31 March 2025 are RMB11,244,000 (2024: RMB8,400,000) and RMB100,000 (2024: nil).

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilised. This involves judgement regarding future financial performance of the particular legal entity or tax group in which the deferred tax assets have been recognised. Management has assessed that it is reasonable to recognise deferred tax assets based on probable future taxable income.

The carrying amounts of the Group and the Company's deferred tax assets and deferred tax liabilities as at 31 March 2025 are RMB38,060,000 and RMB27,387,000 (2024: RMB40,520,000 and RMB53,238,000) and nil and RMB165,000 (2024: nil and RMB25,000), respectively.

Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

Revenue recognition involving put option on tower cranes

In certain sales contracts for tower cranes, the Group grants customers a put option which entitles them to sell back the equipment to the Group at a pre-determined price upon maturity of the option. Significant judgment is required in determining the appropriate timing and pattern of revenue recognition for these arrangements, taking into account the existence of such put options.

Key sources of estimation uncertainty

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

Allowances for expected credit losses ("ECL") of trade receivable (Notes 9)

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2(a) Basis of preparation (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Allowances for expected credit losses ("ECL") of trade receivable (Notes 9) (Cont'd)

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 30.3.

The carrying amount of the Group's financial assets at the end of the reporting period is disclosed in Notes 6.1, 9, 12.1 and 14 to the financial statements.

Fair value estimation on unquoted securities (Note 7)

The Group holds unquoted shares in Tat Hong Equipment (China) Pte. Ltd. ("THEC") that are not traded in an active market with a carrying amount of RMB92,761,000 (2024 – RMB83,425,000) as at 31 March 2025.

In deriving the proximity to the fair value of this investment, the management made reference to the market price of the quoted shares held in Tat Hong Equipment Service Co., Ltd. ("THES"), an entity listed on the Hong Kong Exchanges and Clearing Limited ("HKEX") which is the underlying investment in this unquoted equity investment. If the change in unquoted equity investment has been higher/lower by 1% from management's estimates, the Group's carrying amount of financial assets - FVOCI would have been lower/higher by RMB928,000 (2024 – RMB834,000).

Further details are disclosed in Note 32 to the financial statements.

2(b) New and revised SFRS(I) issued but not yet effective

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

Reference	Description	Effective date (Annual periods beginning on or after)
<u>Amendments to SFRS(I)</u>		
SFRS(I) 1-21, SFRS(I) 1	<i>Lack of Exchangeability</i>	1 January 2025
SFRS(I) 9, SFRS(I) 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Various	<i>Annual Improvements to SFRS(I)s - Volume 11</i>	1 January 2026
SFRS(I) 18	<i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
SFRS(I) 1-21, SFRS(I) 1	<i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
SFRS(I) 10, SFRS(I) 1-28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Yet to be determined

Except for the adoption of SFRS(I) 18, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2(b) New and revised SFRS(I) issued but not yet effective (Cont'd)

Further information about those SFRS(I)s that are expected to be applicable to the Group is described below.

SFRS(I) 18 Presentation and Disclosure in Financial Statements

In April 2024, SFRS(I) 18 Presentation and Disclosure in Financial Statements was issued, replacing SFRS(I) 1-1 Presentation of Financial Statements. SFRS(I) 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, of which the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 1-7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method from 'profit or loss' to 'operating profit or loss' and removing the optionality around the classification of cash flows from dividends and interest. There are also consequential amendments to several other standards.

SFRS(I) 18, and the amendments to the other standards, is effective for annual reporting periods beginning on or after 1 January 2027, with retrospective application required. Earlier application is permitted and must be disclosed.

The Group is currently assessing the potential impact of these amendments on the primary financial statements and the related notes to the financial statements.

3 Material accounting policy information

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances. Information on its subsidiaries is given in Note 6 to the financial statements.

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

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

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts as at that date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Consolidation (Cont'd)

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

- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

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

Thus, the Group controls an investee, if and only if, the Group has all of the following:

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

The Group 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 Group 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 Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group 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.

A change in the ownership interest

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Consolidation (Cont'd)

A change in the ownership interest (Cont'd)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)s).

Acquisition

The acquisition method of accounting is used to account for business combinations entered into by the Group. Business combination is accounted for using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether it includes, at a minimum, an input and substantive process, and whether the acquired set has the ability to produce outputs.

Acquisition-related costs are expensed as incurred.

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

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

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

Transactions with non-controlling interest

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statements of financial position, separately from equity attributable to owners of the Company.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is computed utilising the straight-line method to allocate the depreciable amount of these assets after deducting the residual value over their estimated useful lives as follows:

Land use rights	Over the lease term of 45 years to 50 years
Warehouses space	Over remaining period of 1 to 2 years
Buildings and plant structure	20 years
Plant and machinery	1 - 12 years
Motor vehicles	1 - 10 years
Electronic system and equipment	1 - 10 years
Furniture and fittings	5 years
Renovation	2 - 10 years

No depreciation has been provided on construction-in-progress.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate at the end of each reporting period as a change in estimates. The useful lives and depreciation method are reviewed at each financial year-end to ensure that the method and year of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

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

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

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

Right-of-use of assets under leasing arrangements are presented together with the owned assets of the same class in property, plant and equipment. Details of such leased assets are disclosed in Note 4(c) to the financial statements. See also accounting policy "Leases".

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Investments in subsidiaries

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

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses on an individual subsidiary basis. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Investments in an associate

An associate is an entity over which the Group has significant influence. 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 company are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, 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 are initially recognised 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 Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date, and this fair value is regarded as its fair value on initial recognition in accordance with SFRS(I) 9. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate may be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Financial assets

Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVPL").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

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

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise cash and bank balances, trade and other receivables and amount owing by related companies.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- **FVOCI:** Debt instruments that are held for collection of contractual cash flows and for sale where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other income/other operating expenses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "Interest income".
- **FVPL:** Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "Other income".

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Financial assets (Cont'd)

Classification and measurement (Cont'd)

At subsequent measurement (Cont'd)

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as “fair value gains/losses” in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as “Dividend income”.

Impairment

The Group recognises a loss allowance for expected credit losses (“ECL”) on debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions 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 increase 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 twelve months after the reporting date.

(i) 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 considered includes the future prospects of the industries in which the Group’s debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group’s core operations.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Financial assets (Cont'd)

Impairment (Cont'd)

(i) Significant increase in credit risk (Cont'd)

Despite the foregoing, 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 it has an external (if any) or internal credit rating of “investment grade” as per globally understood definition.

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.

(ii) 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 the receivables which meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; 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).

(iii) Credit-impaired financial assets

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

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Financial assets (Cont'd)

Impairment (Cont'd)

(iv) Write-off policy

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

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses 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; 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.

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.

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, contract assets are each assessed as a separate group);
- 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Financial assets (Cont'd)

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

Impairment of non-financial assets

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

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

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

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

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value-in-use, based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

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

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

A reversal of an impairment loss on a revalued asset is credited directly to equity under the heading revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in profit or loss, a reversal of that impairment loss is recognised as income in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined on a weighted-average basis, and includes all costs in bringing the inventories to their present location and condition. In the case of manufactured products, cost consists of cost of raw materials, direct labour and an appropriate proportion of production overheads based on the normal operating capacity.

Allowance is made, where necessary, for obsolete, slow-moving and defective inventories in arriving at the net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Cash and bank balances

Cash and bank balances comprise cash on hand and deposits with financial institutions, which are subject to an insignificant risk of change in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents are presented net of restricted bank balances.

Share capital

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

Dividends

Final dividends proposed by the directors are not accounted for in the equity attributable to equity holders as an appropriation of retained profits, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Financial liabilities

The Company's and the Group's financial liabilities include trade and other payables, amount owing to corporate shareholders of subsidiaries, related party balances and borrowings.

Financial liabilities are recognised when the Company and the Group become a party to the contractual agreements of the instrument. All interest-related charges are recognised as an expense in "finance costs" in profit or loss. Financial liabilities are derecognised if the Company's and the Group's obligations specified in the contract expire or are discharged or cancelled.

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

Borrowings are recognised initially at the fair value of proceeds received less attributable transaction costs, if any. Borrowings are subsequently stated at amortised cost which is the initial fair value less any principal repayments. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to profit or loss over the period of the borrowings using the effective interest method. The interest expense is chargeable on the amortised cost over the period of the borrowings using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Financial liabilities (Cont'd)

Borrowings are derecognised when the obligation is discharged, cancelled or expired. The difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction.

Trade and other payables, amount owing to subsidiaries, a corporate shareholder of a subsidiary, related party balances and borrowings are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

Dividend distributions to shareholders, if any, are included in current financial liabilities when the dividends are payable.

Financial guarantees

The Company has issued corporate guarantees to banks and financial institutions for borrowings granted to its subsidiaries. These guarantees are financial guarantee contracts as they require the Company to reimburse the banks if the entities fail to make principal or interest payments when due in accordance with the terms of their respective borrowings. Intra-group transactions are eliminated on consolidation.

Leases

(i) *Where the Group is the lessee*

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

- Right-of-use ("ROU") assets

The Group recognised a ROU asset and lease liability at the date which the underlying asset is available for use. ROU assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the ROU assets.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term which is determined on the same basis as property, plant and equipment.

- Lease liabilities

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Leases (Cont'd)

(i) Where the Group is the lessee (Cont'd)

- Lease liabilities (Cont'd)

Lease payments include the following:

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

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

Lease liability is presented within “borrowings” in the statements of financial position.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- there is a change in future lease payments arising from changes in an index or rate;
- there is a change in the Group's assessment of whether it will exercise an extension option; or
- there is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

- Short-term and low-value leases

The Group has elected to not recognise ROU assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low-value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

- Variable lease payments

Variable lease payments, if any, that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Leases (Cont'd)

(ii) *Where the Group is the lessor*

The Group recognises lease payments received from plant and machinery under operating leases as income on a straight-line basis over the lease term within “revenue” in profit or loss.

Any change in the scope or the consideration for a lease that is not part of the original terms and conditions of the lease is accounted for as lease modification:

- The Group accounts for a modification to an operating lease, if any, as a new lease from the effective date of the modification, recognising the remaining lease payments as income on either straight-line basis or another systematic basis over the remaining lease term.

Intermediate lessor in sublease

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease was assessed as an operating lease, the Group recognises lease income from sublease in profit or loss within “Other income”. The ROU asset relating to the head lease was not derecognised.

For contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the date of the financial position; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the date of the financial position, to recover or settle the carrying amounts of its assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Income taxes (Cont'd)

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and liabilities are recognised on transactions that, on initial recognition, give rise to equal amounts of deductible and taxable temporary differences, arising from leases.

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

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or bank balances unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Revenue excludes goods and services taxes ("GST") and value-added taxes ("VAT"), where applicable, and is arrived at after deduction of trade discounts.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method.

Commission costs that are incremental and directly attributable to securing a contract, and are expected to generate future economic benefits, are capitalized as contract cost assets as deferred expenses and amortised over the shorter of the expected benefit period or contract term, with the amortisation recognized systematically in line with the related revenue recognition.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

Sale of goods

Revenue from the sale of goods is measured based on the consideration to the Group expects to be entitled in exchange for transferring promised goods to a customer. Revenue is recognised when the Group satisfied a performance obligation by transferring a promised goods to the customer, which is when the customer obtains control of the goods. Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Revenue from sale of goods is recognised when control of the goods has transferred to the customer at the point in time. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Rental income

Rental income receivable under operating leases is recognised on a straight-line basis over the lease term of the lease. Rental income is recognised over time. Lease incentives, if any, granted are recognised as an integral part of the total rental income to be received. Contingent rentals, if any, are recognised as income in the accounting period in which they are earned.

Rendering of services

Service income is recognised in the accounting period in which the relevant services are rendered at the point of time.

Interest income

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

Dividend income

Dividend income from investments is recognised gross when the right to receive the dividend has been established.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Government grants

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

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

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

Employee benefits

Pension obligations

The Company and the Group participate in the defined contribution national pension and other welfare schemes as provided by the laws of the countries in which it has operations. The contributions to these schemes are charged to profit or loss in the period to which the contributions relate.

Employee leave entitlements

Employee entitlements to annual leave are recognised for the Singapore incorporated companies in the Group when they accrue to employees. Accrual is made for unconsumed leave as a result of services rendered by employees up to the end of the reporting period.

No provision has been made for employee leave entitlements of the other entities as any unconsumed annual leave not utilised will be forfeited.

Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Company's subsidiaries in People's Republic of China make contributions to the Employees Provident Fund. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

Key management personnel

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

Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formulae that takes into consideration the profit attributable to the Company's equity holders after certain adjustments. The Group recognises a provision when contractually obliged to pay or when there is a past practice that has created a constructive obligation to pay.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Provisions and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding three years, commencing from the date when the products are put into commercial production.

Functional currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in RMB, which is also the functional currency of the Company, rounded to the nearest thousand ("RMB'000"), unless otherwise stated.

Conversion of foreign currencies

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, if any, are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3 Material accounting policy information (Cont'd)

Conversion of foreign currencies (Cont'd)

Transactions and balances (Cont'd)

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

Foreign exchange gains and losses are presented on a net basis in profit or loss within "Other operating expenses".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Translation of Group entities' financial statements

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

- (i) assets and liabilities are translated at the closing exchange rates at the date of the end of the reporting period;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held.

Diluted earnings per share, where applicable, is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments.

Disclosures on the Group's operating segments are provided in Note 31 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

4 Property, plant and equipment

The Group	Land use rights RMB'000	Warehouse space RMB'000	Buildings and plant structure RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Electronic system and equipment RMB'000	Furniture and fittings RMB'000	Renovation RMB'000	Construction -in-progress RMB'000	Total RMB'000
Cost										
At 1 April 2023	21,934	27,598	228,801	774,366	36,742	9,809	276	13,482	1,345	1,114,353
Additions	-	-	14,265	14,846	905	477	24	1,961	-	32,478
Transfer from construction-in-progress	-	-	-	1,124	-	-	-	-	(1,124)	-
Disposals/write-off	-	(1,066)	(446)	-	(272)	(7)	-	(3,398)	-	(5,189)
Transfer from inventories ¹	-	-	-	226,061	-	-	-	-	887	226,948
Transfer to inventories ¹	-	-	-	(69,012)	-	-	-	-	-	(69,012)
Exchange translation difference	-	1,481	-	29,554	524	35	3	431	-	32,028
At 31 March 2024, 1 April 2024	21,934	28,013	242,620	976,939	37,899	10,314	303	12,476	1,108	1,331,606
Additions	-	80,569	-	4,129	3,522	2,486	24	-	14,428	105,158
Transfer from construction-in-progress	-	-	161	702	-	-	-	-	(863)	-
Disposals/write-off	-	(594)	(419)	(2,680)	(2,439)	(217)	(79)	(3,044)	-	(9,472)
Disposals of subsidiary	-	-	-	(11,184)	(131)	-	-	(516)	-	(11,831)
Transfer from inventories ¹	-	-	-	226,092	-	-	-	-	219	226,311
Transfer to inventories ¹	-	-	-	(95,465)	-	-	-	-	-	(95,465)
Exchange translation difference	-	1,030	-	5,810	129	11	1	50	127	7,158
At 31 March 2025	21,934	109,018	242,362	1,104,343	38,980	12,594	249	8,966	15,019	1,553,465
Accumulated depreciation										
At 1 April 2023	4,719	21,633	107,765	357,721	30,863	8,281	190	8,904	-	540,076
Depreciation for the year	443	4,854	10,582	70,209	1,468	593	13	2,267	-	90,429
Disposals/write-off	-	(533)	(108)	-	(269)	(7)	-	(1,848)	-	(2,765)
Transfer to inventories ¹	-	-	-	(28,384)	-	-	-	-	-	(28,384)
Exchange translation difference	-	1,227	-	13,071	451	32	1	225	-	15,007
At 31 March 2024, 1 April 2024	5,162	27,181	118,239	412,617	32,513	8,899	204	9,548	-	614,363
Depreciation for the year	443	5,672	10,909	83,572	1,327	675	20	1,644	-	104,262
Disposals/write-off	-	(447)	(117)	(2,825)	(2,487)	(113)	(49)	(2,055)	-	(8,093)
Disposals of subsidiary	-	-	-	(9,878)	(106)	-	-	(388)	-	(10,372)
Transfer to inventories ¹	-	-	-	(35,398)	-	-	-	-	-	(35,398)
Exchange translation difference	-	363	-	2,048	106	10	1	43	-	2,571
At 31 March 2025	5,605	32,769	129,031	450,136	31,353	9,471	176	8,792	-	667,333
Net book value										
At 31 March 2025	16,329	76,249	113,331	654,207	7,627	3,123	73	174	15,019	886,132
At 31 March 2024	16,772	832	124,381	564,322	5,386	1,415	99	2,928	1,108	717,243

¹ Plant and equipment that are held for rental to others are transferred to inventories at their carrying amount when they cease to be on rental and become held for resale. Inventories are transferred to plant and equipment upon inception of lease.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

4 Property, plant and equipment (Cont'd)

		2025	2024
The Group	Note	RMB'000	RMB'000
Depreciation expense charged to:			
Cost of sales		88,995	76,026
Distribution costs		11,622	10,978
Administrative expenses		3,645	3,425
	22	104,262	90,429

- (a) As at the end of the reporting period, the carrying amount of property, plant and equipment of the Group which have been secured for certain bank loans and hire purchase with financial institutions is as follows:

		31 March	31 March
		2025	2024
The Group	Note	RMB'000	RMB'000
At net book value,			
- Plant and machinery	17.1, 17.2	108,104	85,372

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

4 Property, plant and equipment (Cont'd)

- (b) Right-of-use ("ROU") assets under leasing arrangements are presented together with property, plant and equipment as follows:

ROU assets classification within property, plant and equipment

The Group	Note	Land use rights RMB'000	Warehouse space RMB'000	Motor vehicles RMB'000	Total RMB'000
<u>Cost</u>					
At 1 April 2023		21,934	27,598	3,007	52,539
Derecognition of ROU asset		—	(1,066)	—	(1,066)
Transferred to property, plant and equipment		—	—	(550)	(550)
Exchange translation difference		—	1,481	138	1,619
At 31 March 2024, 1 April 2024		21,934	28,013	2,595	52,542
Additional of ROU asset		—	80,569	2,626	83,195
Disposal/Derecognition of ROU asset		—	(593)	(1,541)	(2,134)
Transferred to property, plant and equipment		—	—	(623)	(623)
Exchange translation difference		—	1,029	29	1,058
At 31 March 2025		21,934	109,018	3,086	134,038
<u>Accumulated depreciation</u>					
At 1 April 2023		4,719	21,633	2,019	28,371
Depreciation for the year	26(b)	443	4,854	420	5,717
Derecognition of ROU asset		—	(533)	—	(533)
Transferred to property, plant and equipment		—	—	(495)	(495)
Exchange translation difference		—	1,227	86	1,313
At 31 March 2024, 1 April 2024		5,162	27,181	2,030	34,373
Depreciation for the year	26(b)	443	5,672	215	6,330
Disposal/Derecognition of ROU asset		—	(448)	(1,540)	(1,988)
Transferred to property, plant and equipment		—	—	(478)	(478)
Exchange translation difference		—	363	12	375
At 31 March 2025		5,605	32,768	239	38,612
<u>Net book value</u>					
At 31 March 2025		16,329	76,250	2,847	95,426
At 31 March 2024		16,772	832	565	18,169

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

4 Property, plant and equipment (Cont'd)

- (c) ROU assets consist of prepaid land use rights held by the Group.

Land use rights

Land use rights relate to the following plots of land at No. 2, Qianlingerlu Road, Shuncheng District, Fushun City, Liaoning Province, the People's Republic of China ("PRC"), 113126 where the Group's PRC manufacturing and storage facilities reside:

	Land area Square metres	Amount paid RMB'000	Tenure years	Expiry date
Parcel of land #1	182,373	9,858	50	13 January 2060
Parcel of land #2	29,395	9,902	50	31 December 2063
Parcel of land #3	1,421	479	50	31 December 2063
Parcel of land #4	106	35	45	13 January 2060
Parcel of land #5	4,916	1,660	45	13 January 2060
	218,211	21,934		

The land use rights are transferable and amortised as follows:

	31 March 2025 RMB'000	31 March 2024 RMB'000
The Group		
Amount to be depreciated:		
Not later than one year	443	443
Later than one year and not later than five years	1,772	1,772
Later than five years	14,114	14,557
	16,329	16,772

- (d) As at 31 March 2025, the carrying amount of plant and machinery leased out under operating leases was RMB632,055,000 (2024 – RMB530,495,000). These operating leases do not contain contingent lease rentals. The undiscounted lease payments from these operating leases to be received after reporting date are disclosed in Note 26.

- (e) The following are the amounts recognised for assets subject to operating leases:

	2025 RMB'000	2024 RMB'000
The Group		
<u>Plant and machinery leased out under SFRS(I) 16</u>		
Net book value	632,055	530,495
Depreciation, included in cost of sales	78,334	65,984
Additions during the year		
- Transfer from inventories	223,087	226,061

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

5 Intangible assets

	Crawler crane design and manufacturing drawings	
	31 March 2025	31 March 2024
	RMB'000	RMB'000
The Group		
<u>Cost</u>		
Balance at beginning of year	1,000	1,000
Write-off during the year	(1,000)	–
Balance as at end of year	–	1,000
<u>Accumulated amortisation</u>		
Balance at beginning of year	1,000	1,000
Write-off during the year	(1,000)	–
Balance as at end of year	–	1,000
<u>Net book value</u>		
Balance as at end of year	–	–

Crawler crane design and manufacturing drawings purchased from a related party, Fushun Engineering Machinery Manufacturing Co., Ltd. (抚顺工程机械制造有限公司) is for the purpose of providing capabilities to the Group to manufacture crawler cranes in the future.

6 Subsidiaries

	31 March 2025	31 March 2024
	RMB'000	RMB'000
The Company		
<u>Unquoted equity investments, at cost</u>		
Balance at beginning of year	344,631	344,363
Additional investment during the year	–	268
Balance as at end of year	344,631	344,631

On 1 April 2023, the Company has incorporated a wholly-owned subsidiary in Singapore under the name Suncrane Machinery Pte. Ltd. As at 31 March 2024, the registered and paid up capital contribution is RMB268,000.

6.1 Amounts owing by subsidiaries

	31 March 2025	31 March 2024
	RMB'000	RMB'000
The Company		
Amounts owing by subsidiaries presented as current assets		
- Non-trade		
- Interest-free	22,335	27,988
- Interest-bearing	86,663	37,533
	108,998	65,521

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

6 Subsidiaries (Cont'd)

6.1 Amounts owing by subsidiaries (Cont'd)

Amounts owing by subsidiaries are denominated in the following currencies:

	31 March 2025	31 March 2024
	RMB'000	RMB'000
The Company		
Singapore dollar	44,263	27,988
Hong Kong dollar	64,735	37,533
	108,998	65,521

The non-trade amounts owing by subsidiaries, relate to advances made, are unsecured and receivable on demand. The interest-bearing advances owing by a subsidiary is charged at the interest of 5.2%-5.9% (2024 – 5.9%) per annum.

Details of the Group's significant subsidiaries at the reporting date are as follows:

Name	Country of incorporation/ principal place of business	Cost of investments		Proportion of ownership interest and voting rights held by the Group		Principal activities
		31 March 2025 RMB'000	31 March 2024 RMB'000	31 March 2025 %	31 March 2024 %	
Subsidiaries held by the Company						
Fushun Yongmao Construction Machinery Co., Ltd. (“Fushun Yongmao”) [抚顺永茂建筑机械有限公司] ^{1,3}	PRC	320,569	320,569	100	100	Manufacturing, sale and rental of tower cranes and construction machinery
Yongmao Machinery Pte. Ltd. (“YMM”) ²	Singapore	2,490	2,490	100	100	Sale and servicing of tower cranes and construction machinery
Yongmao Machinery (H.K.) Company Limited (“YMHK”) ⁵	Hong Kong	21,304	21,304	60	60	Sale, distribution, rental and servicing of tower cranes, construction machinery and related components
Suncrane Machinery Pte. Ltd. (“SMPL”) ^{1,7}	Singapore	268	268	100	100	Sale, rental and servicing of tower cranes and construction machinery
		344,631	344,631			

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

6 Subsidiaries (Cont'd)

Details of the Group's significant subsidiaries at the reporting date are as follows: (Cont'd)

Name	Country of incorporation/ principal place of business	Cost of investments		Proportion of ownership interest and voting rights held by the Group		Principal activities
		31 March 2025 RMB'000	31 March 2024 RMB'000	31 March 2025 %	31 March 2024 %	
<u>Subsidiaries held by Fushun Yongmao</u>						
Beijing Yongmao Jiangong Machinery Manufacturing Co., Ltd. (“Beijing Yongmao”) (北京永茂建工机械 ^{1,4} 制造有限公司)	PRC	— ⁶	— ⁶	100	100	Manufacturing and sale of tower cranes and construction machinery
Liaoning Yongmao Heavy Industry Co., Ltd (“Liaoning Xingmao”) (辽宁永茂重工 ^{1,3} 有限公司)	PRC	— ⁶	— ⁶	100	100	Sale, distribution, rental and servicing of tower cranes, construction machinery and related components
<u>Subsidiaries held by YMHK</u>						
Eastime Engineering Limited (“EEL”) ⁵	Hong Kong	— ⁶	— ⁶	60	60	Sale, distribution, rental and servicing of tower cranes, construction machinery and related components
<u>Subsidiaries held by SMPL</u>						
Suncrane Machinery (H.K.) Co., Ltd. (“SMHK”) ^{1,5}	Hong Kong	— ⁶	— ⁶	60	60	Sale, distribution, rental and servicing of tower cranes, construction machinery and related components

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

6 Subsidiaries (Cont'd)

Details of the Group's significant subsidiaries at the reporting date are as follows: (Cont'd)

- ¹ Audited by PKF Hong Kong Limited for consolidation purposes and reviewed by PKF-CAP LLP
- ² Audited by PKF-CAP LLP
- ³ Audited by PRC auditors, Liaoning ZhongHuaXin Certified Public Accountants Co., Ltd. (辽宁中华信会计师事务所有限公司), for local statutory reporting purposes
- ⁴ Audited by PRC auditors, Beijing Xin Hao Certified Public Accountants (北京欣昊会计师事务所), for local statutory reporting purposes
- ⁵ Audited by PKF Hong Kong Limited for local statutory reporting purposes and reviewed by PKF-CAP LLP for consolidation purposes
- ⁶ Interest held through subsidiaries
- ⁷ Not required to be audited by law in the country of incorporation

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

The Group has the following subsidiaries that have material NCI:

Name of subsidiary	Proportion of ownership interest held by NCI	Total comprehensive Income allocated to NCI during the reporting period	Accumulated NCI	Dividends paid to NCI	(Disposal)/ Investments by NCI
	%	RMB'000	RMB'000	RMB'000	RMB'000
31 March 2025					
<u>Held by the Company</u>					
Yongmao Machinery (H.K.) Company Limited group of companies	40	(4,658)	37,510	16,662	(1,284)
<u>Held by Suncrane Machinery Pte. Ltd.</u>					
Suncrane Machinery (H.K.) Co., Ltd. group of companies	40	7,213	16,961	—	7,542
31 March 2024					
<u>Held by the Company</u>					
Yongmao Machinery (H.K.) Company Limited group of companies	40	12,600	57,546	33,019	—
<u>Held by Suncrane Machinery Pte. Ltd.</u>					
Suncrane Machinery (H.K.) Co., Ltd. group of companies	40	2,203	2,206	—	3

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

6 Subsidiaries (Cont'd)

Summarised financial information about subsidiaries with material NCI

Summarised financial information in respect of each of the Group's subsidiaries that have material NCI is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Summarised statement of financial position

	Yongmao Machinery (H.K.) Company Limited group of companies		Suncrane Machinery Pte. Ltd. group of companies	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
The Group	RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets	188,998	157,944	103,852	78,073
Current assets	128,749	147,892	54,020	12,345
Total assets	317,747	305,836	157,872	90,418
Non-current liabilities	86,341	20,289	5,071	790
Current liabilities	137,633	140,118	120,727	83,778
Total liabilities	223,974	160,407	125,798	84,568
Net assets	93,773	145,429	32,074	5,850

Summarised statement of profit or loss and other comprehensive (loss)/income

	Yongmao Machinery (H.K.) Company Limited group of companies		Suncrane Machinery Pte. Ltd. group of companies	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
The Group	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	197,284	198,939	71,882	13,006
(Loss)/Profit before taxation	(14,909)	27,368	22,697	6,483
(Loss)/Profit after taxation	(12,664)	22,716	18,562	5,545
Other comprehensive income	—	—	—	—
Total comprehensive (loss)/income	(12,664)	22,716	18,562	5,545
Total comprehensive (loss)/income allocated to non-controlling interests	(4,658)	12,600	7,213	2,203
Dividends paid to non-controlling interests	16,662	33,019	—	—

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

6 Subsidiaries (Cont'd)

Summarised financial information about subsidiaries with material NCI (Cont'd)

Summarised cash flows

	Yongmao Machinery (H.K.) Company Limited group of companies		Suncrane Machinery Pte. Ltd. group of companies	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	RMB'000	RMB'000	RMB'000	RMB'000
The Group				
Cash flows generated from/(used in):				
Operating activities	80,298	42,004	38,592	22,993
Investing activities	(34,470)	50,474	—	(83,348)
Financing activities	(58,836)	(108,143)	(618)	72,643

Summarised financial information in respect of the material NCI in YMHK and SMPL has been presented in so far as it relates to the consolidated financial information of YMHK and SMPL and its subsidiaries.

Management is of the view that presenting the consolidated summarised financial information of YMHK and SMPL is more relevant and appropriate that allows users to better understand the interest that NCI has in that group's activities and cash flows.

Disposal of a subsidiary

On 3 September 2024, the Company's 60% owned subsidiary, Yongmao Machinery (H.K.) Company Limited ("YMHK") had transferred its entire 75% equity interest in Yongmao Machinery (Cambodia) Co., Ltd ("YMC") (the "Disposal") to one of the minority shareholders of YMC. Following the completion of the Disposal, YMHK ceased to own any interest in YMC and YMC had ceased to be subsidiary of YMHK.

The value of assets and liabilities of YMC and the cash flow effect of the disposal were:

	RMB'000
Property, plant and equipment	1,459
Right-of-use of assets	91
Trade and other receivables	857
Deferred tax assets	265
Cash and bank balances	79
Total assets	2,751
Trade and other payables	(8,179)
Borrowing	(115)
Total liabilities	(8,294)
Net assets derecognised	(5,543)
Non-controlling interests	1,386
Gain on disposal	4,157
<i>Cash flow effect of the disposal</i>	
Sales proceed from disposal	—
Less: Cash and bank balances in subsidiary disposed of	(79)
Net cash outflow on disposal	(79)

The transfer of shares was at zero consideration taking into account that YMC is at negative NTA as at the date of the Disposal.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

6 Subsidiaries (Cont'd)

Acquisition of subsidiary

On 6 December 2023, the Group acquired 69% equity interest in Liaoning Xingmao Heavy Industry Co., Ltd. ("LNXM"). As a result, LNXM becomes the wholly-owned subsidiary.

Details of the consideration paid, assets acquired and liabilities assumed, and bargain purchase arising, and the effects on the cash flows of the Group are as follows:

		2024 RMB'000
The Group	Note	
<i>Identifiable assets acquired and liabilities assumed</i>		
At fair value		
Cash and bank balances		269
Other receivables		276
Other payables		(29)
Identifiable net assets acquired		516
<i>Goodwill arising</i>		
Consideration transferred		178
Fair value of pre-existing interest in the acquiree	8	160
		338
Less: Fair value of identifiable net assets acquired		(516)
Bargain purchase arising on acquisition	21(a)	(178)
<i>Effects on cash flows of the Group</i>		
Cash consideration paid		178
Less: Cash and bank balances in acquiree		(269)
Cash inflow on acquisition		(91)

Included in the Group's profit for the year is loss of RMB22,000 attributable to the additional business generated by LNXM. Revenue for the year generated by LNXM amounts to RMB111,000. Had the business combination during the year been effected at 1 April 2023, the Group's revenue would have been RMB790,849,000, and the Group's profit for the year would have been RMB53,422,000.

The transaction resulted in a gain on bargain purchase of RMB178,000 recognised in "other income" in Note 21(a). The gain was arrived at on a willing-buyer willing-seller basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

7 Financial assets, at FVOCI

		31 March 2025 RMB'000	31 March 2024 RMB'000
The Company and The Group	Note		
<u>Unquoted equity investments</u>			
Balance as at beginning of year		83,425	110,442
Fair value gain/(loss) recognised in other comprehensive income, net of nil tax	24	9,336	(27,017)
Balance as at end of year		92,761	83,425

The financial assets pertains to an investment of 11.6% equity interest in Tat Hong Equipment (China) Pte. Ltd. ("THEC"). The Group has elected to measure this equity security at FVOCI due to the Group's intention to hold this equity instrument for long-term appreciation as part of the Group's business model.

On 13 January 2021, Tat Hong Equipment Service Co., Ltd. ("THES") which is substantially owned by THEC, was listed on the Hong Kong Exchanges and Clearing Limited ("HKEX"). In deriving the proximity to the fair value of this investment, the Company and the Group measure the fair value based on revalued net assets value as at 31 March 2025.

See Note 32 to the fair value measurement of the investment in THEC.

8 Investment in an associate

	31 March 2024 RMB'000
The Group	
Unquoted equity shares, at cost	
- at beginning of year	1,240
- derecognition	(1,240)
- at end of year	—
Share of post-acquisition losses and reserves	
- at beginning of year	(1,044)
- share of loss during the year	(36)
- derecognition	1,080
- at end of year	—

The Group's wholly owned subsidiary, Fushun Yongmao Construction Machinery Co., Ltd. ("Fushun Yongmao"), owns 31% share interest of the joint venture Company, Liaoning Xingmao Heavy Industry Co., Ltd. (辽宁兴茂重工有限公司).

Fushun Yongmao acquires 69% interest in Liaoning Xingmao at a cash consideration of RMB178,000 in prior year. The consideration is arrived at on a willing-buyer and willing-seller basis and is paid in cash upon legal completion on 6 December 2023. The details of Liaoning Xingmao, included the ownership interest, are disclosed in Note 6.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

9 Trade and other receivables

	Note	The Company		The Group	
		31 March 2025 RMB'000	31 March 2024 RMB'000	31 March 2025 RMB'000	31 March 2024 RMB'000
Trade receivables		—	—	540,604	500,265
Credit loss allowance for trade receivables	30.3	—	—	(51,403)	(41,529)
Net trade receivables		—	—	489,201	458,736
Bills receivable		—	—	16,151	13,881
Staff advances		—	—	2,921	2,726
Accrued interest income		—	—	37	56
Refundable deposits		77	76	31,115	19,054
Other receivables		—	—	1,986	4,803
		77	76	541,411	499,256
GST or VAT receivables		—	—	17,972	8,632
Advances made to suppliers of raw materials		—	—	47,076	75,464
Down payment for property, plant and equipment		—	—	3	4
Advances made to freight forwarder		—	—	3	119
Deferred expenses	20	—	—	8,789	—
Prepayments		220	157	7,043	6,138
Prepaid interest		—	—	240	210
Tax recoverable		—	—	—	1,204
Other tax receivables		—	—	—	774
Total trade and other receivable		297	233	622,537	591,801
Less:					
Trade and other receivables - non-current		—	—	(66,530)	—
		297	233	556,007	591,801

Trade receivables are non-interest bearing and generally have credit terms of 30 to 180 days (2024 - 30 to 180 days), excluding the retention money withheld.

The Group allows certain customers with appropriate credit standing to make payments in instalments generally over a period of 24 to 60 months ("instalment payment method"). Instalment payments with term more than one year are discounted at a rate comparable to the Company's average financing rate. Amounts receivable more than one year after the reporting date are classified as non-current. As at 31 March 2025, the total trade receivables under this arrangement amounted to RM92,264,000.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

9 Trade and other receivables (Cont'd)

As at the end of the reporting period, ageing analysis of trade and other receivables that are categorised as financial assets¹ is as follows:

	The Company		The Group	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	RMB'000	RMB'000	RMB'000	RMB'000
Current	77	76	230,757	145,169
Past due 0 to 3 months	—	—	133,922	117,908
Past due 3 to 6 months	—	—	42,883	47,105
Past due over 6 months	—	—	133,849	189,074
	77	76	541,411	499,256

¹ Excludes advances/down payments made to suppliers, prepaid expenses, deferred expenses, tax recoverable and other tax receivables.

- (i) Trade receivables include retention money of RMB13,444,000 (2024 - RMB35,721,000) that are considered current and not past due.
- (ii) The bills receivable from third parties which are interest-free mature as follows:

	31 March 2025	31 March 2024
The Group		
The earliest date	29 April 2025	18 April 2024
The latest date	30 September 2026	4 February 2025

- (iii) The advances made to suppliers of raw materials relate to down-payments placed with suppliers for the supply to be made.
- (iv) The advances made to staff are for business purposes. The carrying value approximates the fair value of the advances.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

10 Deferred taxes

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 the deferred taxes relate to the same fiscal authority.

10.1 Deferred tax assets

The movement in deferred tax assets (prior to offsetting of balances within the same tax jurisdiction) is as follows:

	Note	The Company		The Group	
		31 March 2025 RMB'000	31 March 2024 RMB'000	31 March 2025 RMB'000	31 March 2024 RMB'000
Balance as at beginning of year		—	—	40,520	32,668
Transfer to profit or loss					
- current year	23	—	—	(2,270)	5,083
- (over)/underprovision in respect of prior years	23	—	—	(190)	2,769
		—	—	38,060	40,520
Exchange translation difference		—	—	—	—
Balance as at end of year		—	—	38,060	40,520
To be recovered within one year		—	—	—	—
To be recovered after one year		—	—	38,060	40,520
		—	—	38,060	40,520

The deferred tax assets comprise tax on the following temporary differences:

The Group	Deferred income RMB'000	Deferred capital grants RMB'000	Provisions RMB'000	Unrealised intra group profits RMB'000	Others RMB'000	Total RMB'000
At 1 April 2023	294	1,363	10,044	17,283	3,684	32,668
Credited/(Charged) to income statement	2,263	(34)	1,401	4,260	(38)	7,852
At 31 March 2024	2,557	1,329	11,445	21,543	3,646	40,520
Credited/(Charged) to income statement	2,111	(35)	310	(4,523)	(323)	(2,460)
At 31 March 2025	4,668	1,294	11,755	17,020	3,323	38,060

The Group has unabsorbed tax losses amounting to approximately RMB30,865,000 (2024 – RMB40,102,000), which are subject to agreement with the relevant tax authorities. These unabsorbed tax losses can be carried forward for offsetting against future taxable income provided that the provisions of the relevant tax legislations are complied with. These unabsorbed losses cannot be allowed to offset the taxable profits of other subsidiaries.

The tax losses carried forward do not expire under current tax legislations, except for tax losses of a subsidiary in the PRC of RMB28,718,000 (2024 – RMB30,333,000) which expires over a 10 years period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

10 Deferred taxes (Cont'd)

10.1 Deferred tax assets (Cont'd)

Deferred tax assets have not been recognised in respect of the following items:

	The Company		The Group	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	RMB'000	RMB'000	RMB'000	RMB'000
Tax losses expire				
- within 1 year	—	—	6,073	—
- between 2 and 5 years	—	—	1,107	6,137
- more than 5 years	—	—	—	—
- do not expire	—	—	206	2,566
Other deductible temporary differences	—	—	898	712
	—	—	8,284	9,415

Deferred tax assets are recognised for tax losses and other deductible temporary differences carried forward to the extent that realisation of the related tax benefit through future taxable profit is probable.

10.2 Deferred tax liabilities

The movement in deferred tax liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

		The Company		The Group	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
	Note	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at beginning of year		25	—	53,238	46,950
Transfer to/(from) profit or loss					
- current year	23	139	25	(26,411)	3,755
- under-provision in respect of prior years	23	—	—	—	996
		164	25	26,827	51,701
Disposal of subsidiary		—	—	265	—
Exchange translation difference		1	—	295	1,537
Balance as at end of year		165	25	27,387	53,238
To be recovered within one year		—	—	—	—
To be recovered after one year		165	25	27,387	53,238
		165	25	27,387	53,238

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

10 Deferred taxes (Cont'd)

10.2 Deferred tax liabilities (Cont'd)

The deferred tax liabilities comprise tax on the following temporary differences:

	Unremitted foreign interest income RMB'000
The Company	
At 1 April 2023	—
Credited to income statement	25
At 31 March 2024	25
Credited to income statement	139
Exchange fluctuation difference	1
At 31 March 2025	165

	Accelerated tax depreciation RMB'000	Unremitted foreign interest income RMB'000	Undistributed earnings of PRC subsidiaries RMB'000	Total RMB'000
The Group				
At 1 April 2023	30,081	12	16,857	46,950
Charged to income statement	2,534	25	2,192	4,751
Exchange fluctuation difference	1,537	—	—	1,537
At 31 March 2024	34,152	37	19,049	53,238
Charged to income statement	(17,017)	134	(9,528)	(26,411)
Disposal of subsidiary	265	—	—	265
Exchange fluctuation difference	294	1	—	295
At 31 March 2025	17,694	172	9,521	27,387

Foreign income not remitted to Singapore - undistributed earnings of the PRC subsidiaries

Pursuant to the PRC Corporate Income Tax Law and the tax treaty between the PRC and Singapore, a 5% withholding tax is levied on the dividends to the Company from the subsidiaries established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. The Group made provision for deferred tax liabilities on withholding tax at 5% of all retained earnings subject to withholding taxes of its PRC subsidiaries.

The Company historically recognized deferred tax liabilities on withholding tax levied on dividends of undistributed earnings of PRC subsidiaries. The Group had determined a portion of the profits from the subsidiaries would not be distributed in the foreseeable future due to the business operation needs of the subsidiaries. Accordingly, RMB9,528,000 of deferred tax liability had been written back.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

11 Inventories

		31 March 2025 RMB'000	31 March 2024 RMB'000
The Group	Note		
<u>Trading stocks, at cost</u>			
Raw materials		71,904	74,027
Work-in-progress		247,577	261,390
Finished goods		56,806	95,927
		376,287	431,344
Less:			
Allowance for obsolete and slow-moving inventories			
Balance at beginning of year		(22,602)	(18,799)
Reversal of allowance/(Allowance) for slow-moving inventories, net	22	873	(3,766)
Exchange translation		(7)	(37)
Balance at end of year		(21,736)	(22,602)
		354,551	408,742
Included in cost of sales are inventories charged of:		466,900	408,646

The write back on the allowance for slow-moving inventories as the inventories were used and sold above the cost.

12 Related party balances

12.1 Amounts owing by related parties

	31 March 2025 RMB'000	31 March 2024 RMB'000
The Group		
Amounts owing by related parties - trade	53,853	52,317
Less: Expected credit loss allowance at beginning and end of year	(5,266)	(5,266)
	48,587	47,051

Related parties mainly relate to Tat Hong Holding group of companies which are usually due within 30 - 180 days and are non-interest bearing.

12.2 Amounts owing to/advances from related parties

	31 March 2025 RMB'000	31 March 2024 RMB'000
The Group		
Amounts owing to/advance from related parties		
- trade	2,549	8,276
- non-trade	11,148	9,742
	13,697	18,018

The non-trade amounts owing to related parties relate to advances and payments made on behalf, are unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

13 Corporate shareholders of subsidiaries balance

	31 March 2025 RMB'000	31 March 2024 RMB'000
The Group		
Amounts owing to corporate shareholders of subsidiaries		
- loan	42,026	26,715
- interest payable	1,131	147
	43,157	26,862

Including the loan is an amount of Nil (2024 - RMB1,799,000) which is unsecured and is due to be repayable on 31 March 2025 (2024 - 31 March 2024). The said loan has been renewed on 31 March 2025 for a further period of 1 year. Interest is charged at Nil (2024 - 3.5%) per annum.

The loan of RMB42,026,000 (2024 - RMB24,916,000) is unsecured and is due to be repayable on 31 March 2025. Interest is charged at 5.2%-5.9% per annum.

14 Cash and bank balances

	The Company		The Group	
	31 March 2025 RMB'000	31 March 2024 RMB'000	31 March 2025 RMB'000	31 March 2024 RMB'000
Cash on hand	—*	—*	107	53
Bank balances	1,026	2,949	128,115	95,323
Fixed deposits	—	—	77,624	79,201
	1,026	2,949	205,846	174,577

* Represents amount less than RMB1,000.

The fixed deposits of the Group as at 31 March 2025 are placed with banks for short-term tenors of less than twelve months. The effective interest rate on these fixed deposits is approximately 1.64% (2024 - 2.31%) per annum.

For the purpose of the consolidated statement of cash flows, the year-end cash and bank balances comprise the following items:

	31 March 2025 RMB'000	31 March 2024 RMB'000
The Group		
Cash and bank balances	205,846	174,577
Less: Restricted bank balances	(50,000)	(10,000)
Cash and cash equivalents per consolidated statement of cash flows	155,846	164,577

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

14 Cash and bank balances (Cont'd)

Restricted bank balances are pledged in relation to the following items:

		31 March 2025	31 March 2024
	Note	RMB'000	RMB'000
The Group			
Bank loans	17.1	21,270	10,000
Bills payable	19	28,730	–
		50,000	10,000

15 Share capital

	No. of shares	RMB'000
The Company and The Group		
Issued and fully paid with no par value:		
Balance as at beginning and end of the year	88,749,997	312,484

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

16 Reserves

	The Company		The Group	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	RMB'000	RMB'000	RMB'000	RMB'000
<u>Non-distributable</u>				
Merger reserve	–	–	(26,769)	(26,769)
Fair value reserve	14,086	4,750	14,086	4,750
Statutory reserve	–	–	95,871	92,357
Exchange fluctuation reserve	–	–	21,957	19,976
	14,086	4,750	105,145	90,314
<u>Distributable</u>				
Retained earnings	193,900	175,629	549,752	524,814
	207,986	180,379	654,897	615,128

The merger reserve arises from the difference between the purchase consideration and the carrying value of the share capital of the subsidiary acquired under the pooling-of-interests method of consolidation.

Fair value reserve represents the fair value changes of financial assets, at FVOCI until they are disposed of.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

16 Reserves (Cont'd)

In accordance with the Foreign Enterprise Law applicable to subsidiaries in the People's Republic of China ("PRC"), the subsidiaries are required to make appropriation to a Statutory Reserve Fund ("SRF"). At least 10% of the statutory after tax profits as determined in accordance with the applicable PRC accounting standards and regulations must be allocated to the SRF until the cumulative total of the SRF reaches 50% of the subsidiaries' registered capital. Subject to the approval from the relevant PRC authorities, the SRF may be used to offset any accumulated losses or increase the registered capital of the subsidiaries. The SRF is not available for dividend distribution to shareholders.

Exchange fluctuation reserve arises from the translation of the financial statements of the entities whose functional currencies are different from the functional currency of the Company.

17 Borrowings

		The Company		The Group	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
	Note	RMB'000	RMB'000	RMB'000	RMB'000
The Group					
<u>Non-current</u>					
Bank Loan	17.1	—	—	53,250	—
Hire purchase with financial institutions	17.2	—	—	3,337	2,333
Lease liabilities	17.3	—	—	75,784	658
		—	—	132,371	2,991
<u>Current</u>					
Bank loans	17.1	—	—	272,691	249,081
Hire purchase with financial institutions	17.2	—	—	49,510	41,855
Lease liabilities	17.3	—	—	4,942	771
Short term securities loan	17.4	23,889	—	23,889	—
		23,889	—	351,032	291,707
		23,889	—	483,403	294,698

The carrying amounts of current and non-current portion of the borrowings approximate their fair value.

As at the end of the reporting period, the Group has unutilised bank loans and hire purchase facilities of RMB67,063,000 (2024 – RMB47,412,000). Bank loan facilities which expire within one year from the reporting date are subject to annual review.

The non-current bank loan of the Group amounting to RMB53,250,000 as at 31 March 2025 will mature over the period from August 2027 to February 2028.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

17 Borrowings (Cont'd)

17.1 Bank loans

	31 March 2025 RMB'000	31 March 2024 RMB'000
The Group		
Bank loans		
- secured	33,011	20,000
- unsecured	292,930	229,081
	325,941	249,081

Bank loans of the Group are secured by way of certain bank deposits (Note 14) and property, plant and equipment Note 4(a).

Unsecured bank loans facilities are guaranteed by the Company, a fellow subsidiary and certain directors of the Company.

The average effective interest rate of the bank loans ranges is 4.8% (2024 - 5.2%) per annum. Interest is repriced on monthly and yearly basis.

Certain loans were subject to the fulfilment of certain financial covenants of the Group. As at 31 March 2025, the Group was in compliance with these financial covenants.

The table below analyses the maturity profile of the Group's bank loans based on contractual undiscounted cash flows:

	31 March 2025		31 March 2024	
	Carrying amount RMB'000	Contractual cash flows RMB'000	Carrying amount RMB'000	Contractual cash flows RMB'000
The Group				
<u>Variable interest rate loans</u>				
Less than one year	272,691	277,840	249,081	255,327
Between one to five years	53,250	58,532	—	—

The Group manages the liquidity risk by maintaining sufficient cash to enable them to meet their normal operating commitments and having an adequate amount of committed credit facilities.

17.2 Hire purchase with financial institutions

The table below analyses the maturity profile of the Group's hire purchase with financial institutions based on contractual undiscounted cash flows:

	31 March 2025		31 March 2024	
	Carrying amount RMB'000	Contractual cash flows RMB'000	Carrying amount RMB'000	Contractual cash flows RMB'000
The Group				
<u>Variable interest rate</u>				
Less than one year	49,510	52,019	41,855	44,942
Between one to five years	3,337	3,440	2,333	2,407
	52,847	55,459	44,188	47,349

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

17 Borrowings (Cont'd)

17.2 Hire purchase with financial institutions (Cont'd)

All hire purchase facilities granted by financial institutions to subsidiaries are secured by the underlying assets Note 4(a) and corporate guarantees provided by the Company. The hire purchase liabilities have an average effective interest rate ranges from 4.5% - 7.9% (2024 – 5.4% - 7.1%) per annum. In respect of hire purchase facilities, the Group received monies directly from the financial institutions for the assets pledged.

17.3 Lease liabilities

The Group leases land use rights, warehouse space and motor vehicles. The movements of the lease liabilities are as follows:

	31 March 2025 RMB'000	31 March 2024 RMB'000
The Group		
Balance at beginning of year	1,429	7,028
Additions	81,968	–
Payment of lease liabilities	(3,318)	(5,352)
Derecognition of lease	(55)	(550)
Exchange difference	702	303
Balance as at end of year	80,726	1,429
Presented as:		
Current	4,942	771
Non-current	75,784	658
	80,726	1,429

The undiscounted lease payments of the lease liabilities are as follows:

	31 March 2025 RMB'000	31 March 2024 RMB'000
The Group		
Minimum lease payments payable:		
Due not later than one year	9,213	894
Due later than one year and not later than five years	39,439	645
Due later than five years	56,931	–
	105,583	1,539
Less: Interest expenses allocated to future periods	(24,857)	(110)
Present value of minimum lease payments	80,726	1,429

The lease liabilities have an average effective interest rate ranges from 3.2% - 6.0% (2024 – 4.5% - 5.7%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

17 Borrowings (Cont'd)

17.4 Short term securities loan

The short-term securities loan is the issuance of tokenised short-term commercial papers on a regulated digital private market platform to fund the Group's working capital requirements. As at 31 March 2025, approximately RMB3.6 million (was subscribed by certain Directors of the Group, amounting to approximately 15.2% of the total short-term securities loan amongst the subscribers for the short-term commercial papers.

The short term securities loan has an interest rate of 5.05% per annum and matured in April 2025.

18 Deferred capital grants

	Note	31 March 2025 RMB'000	31 March 2024 RMB'000
The Group			
Cost			
Balance at beginning and end of year		11,264	11,264
Accumulated amortisation			
Balance at beginning of year		2,408	2,180
Amortisation for the year	22	229	228
Balance as at end of year		2,637	2,408
Net carrying amount		8,627	8,856
Amount to be amortised:			
Not later than one year		229	229
Later than one year and not later than five years		915	915
Later than five years		7,483	7,712
		8,398	8,627
		8,627	8,856

Deferred capital grants relate to government grants received for the acquisition of land use rights undertaken by the Group's subsidiary in the PRC (see Note 4). There are no unfulfilled conditions or contingencies attached to these grants.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

19 Trade and other payables

	The Company		The Group	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	—	—	191,229	219,020
Bills payable	—	—	49,050	18,052
Accrual for purchases	—	—	96,234	106,921
Advances from customers	—	—	86,807	84,764
Deferred Income	—	—	47,856	57,380
Refundable deposits	—	—	54,262	67,262
Amount owing to suppliers of property, plant and equipment	—	—	96	96
Provision for assurance warranty	—	—	3,011	2,455
Accrued directors' fees	1,021	1,010	1,021	1,010
Deposits received	—	—	882	7,661
Rental payables to a director of the Company	—	—	1,336	395
Liability assumed for payments made on behalf for subsistence allowances	—	—	10,246	11,286
Accrued interest expenses	—	—	396	946
Other accrued expenses	1,988	2,656	83,779	77,182
Other governmental tax payable	—	—	991	724
Other payables	81	205	12,897	11,755
	3,090	3,871	640,093	666,909
Less:				
Trade and other payables				
- non-current	—	—	(9,061)	(9,937)
	3,090	3,871	631,032	656,972

In the financial year ended 31 March 2025, bills payable matured within 1 month from year-end. This bills payable were secured by bank deposits of RMB28,730,000 (31 Mar 2024 – RMB Nil) (Note 14).

The accrual for purchases relates to purchase orders placed and goods were received but suppliers' invoices not yet been received.

The advances from customers represent deposits for sales order made for the delivery of equipment when ready.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

19 Trade and other payables (Cont'd)

Provision for assurance warranty

The Group accounts for the warranty assurance that the product complies with agreed-upon specifications in accordance with SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. The customer does not have the option to purchase such warranty separately. Provision for assurance warranty relates to the estimated costs of after-sale services and warranty costs for sale of tower cranes and tower crane components and accessories to the Group's customers. The warranty sum is recognised at the end of the reporting period for expected warranty claims based on past experience of the level of repairs and returns, and probability and amounts of claims.

The movements in provision for assurance warranty are as follows:

		31 March 2025	31 March 2024
The Group	Note	RMB'000	RMB'000
Balance at beginning of year		2,455	4,167
Provision/(Reversal of provision) during the year	22	556	(1,712)
Balance at end of year		3,011	2,455

Liability assumed for payments made on behalf for subsistence allowances

Liability assumed for payments made on behalf for subsistence allowances relates to ex-employees of 北京市建筑工程机械厂, a wholly-owned subsidiary of Beijing Construction which is not related to the Group. This liability is regarded as payment on behalf. Pursuant to a restructuring exercise signed between Fushun Yongmao Industry Group Co., Ltd. ("FYIG") and Beijing Construction in 2006, this was transferred to Beijing Yongmao, whereby Beijing Yongmao is to administer the liability by virtue of the liability from FYIG, the payment of subsistence allowances/staff welfare benefits is to be made out of the assets acquired from Beijing Construction. Beijing Yongmao is incorporated in the PRC in 2006 pursuant to the restructuring exercise and whose shareholders were then FYIG (66%) and Beijing Construction (34%). In 2008, the Group through its wholly-owned subsidiary, Fushun Yongmao acquired 66% of the equity interests in Beijing Yongmao from FYIG (the "Acquisition"). This liability is assumed when Fushun Yongmao took over from FYIG pursuant to the sale and purchase agreement dated 18 August 2008 ("S&P Agreement") entered into between FYIG and Fushun Yongmao. As the liability assumed for the subsistence allowances had crystallised at the time the Group took over Beijing Yongmao, the liability to Beijing Yongmao is deemed fixed at the point of acquisition. The liability provided was based on agreed figures ("the fair value at inception") in the S&P Agreement with FYIG at the time the Group took over Beijing Yongmao from FYIG. By virtue of the warranty from FYIG to the Group pursuant to the Acquisition, the Group is only responsible for this payment to be made on behalf for subsistence allowances as stated therein. In the opinion of the directors of the Group, there is no actuarial risk to the Group.

This accrual is not a defined contribution nor a defined benefits plan under SFRS(I) 1-19. The carrying amount of this liability assumed for payments made on behalf for subsistence allowances approximates the fair value when the liability was assumed. The movements in the liability assumed for payments made on behalf for subsistence allowances are as follows:

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

19 Trade and other payables (Cont'd)

	31 March 2025 RMB'000	31 March 2024 RMB'000
The Group		
Balance at beginning of year	11,286	12,691
Payments made during the year	(1,040)	(1,405)
Balance at end of year	10,246	11,286
Comprises		
- current portion	1,185	1,349
- non-current portion	9,061	9,937
	10,246	11,286
Amount due within one year	1,185	1,349
Amount due after one year and not after five years	4,742	5,397
Amount due after five years	4,319	4,540
	10,246	11,286

Other accrued expenses

The Group

As at the reporting date, other accrued expenses of RMB61,755,000 (2024 - RMB77,182,000) mainly relates to accruals of salaries and related costs and freight and transportation charges. During the financial year ended 31 March 2025, the Group reversed over-accrual of housing fund contributions of RMB1,619,000 (2024 - RMB1,405,000).

Contract liability

	31 March 2025 RMB'000	31 March 2024 RMB'000
The Group		
<u>Receipt in advance from customers</u>		
Balance at beginning of year	84,764	81,076
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the period	(25,520)	(20,199)
Increase in contract liabilities as a result of billing in advance	27,563	23,887
Balance as at end of year	86,807	84,764

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

20 Revenue

Revenue representing sale, rental and servicing of tower cranes, tower crane components and accessories, excluding applicable goods and services taxes or value-added taxes.

The Group derives revenue from transfer of goods and services over time and at a point in time as follows:

	2025 RMB'000	2024 RMB'000
The Group		
Sale of manufactured tower cranes	514,066	424,803
Sale of tower crane components and accessories	96,380	92,237
Service income	54,525	60,949
Revenue from contracts with customers - at a point in time	664,971	577,989
Rental income – over time	215,325	212,860
Total revenue	880,296	790,849

Service income relates mainly to servicing, maintenance, installation, erection and dismantlement charges for tower cranes.

The segment analysis of the Group is disclosed in Note 31 to the financial statements.

Assets recognised from costs to fulfil contracts

As at 31 March 2025, the Group recognised RMB8,789,000 (31 March 2024: nil) as assets arising from costs to fulfil contracts.

21(a) Other income

	Note	2025 RMB'000	2024 RMB'000
The Group			
Amortisation of deferred capital grants	18	229	228
Gain on disposal of property, plant and equipment	22	577	115
Gain on settlement of debt		117	–
Gain on derecognition of lease		–	18
Government grants*		2,406	649
Gain from bargain purchase of a subsidiary	6	–	178
Interest income		3,115	4,902
Rental income of premises		1,141	937
Sale of scrap materials		291	279
Others		887	3,823
		8,763	11,129

* Government grants mainly represent operating subsidies and rebate from the relevant jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

21(b) Distribution costs

The Group	Note	2025 RMB'000	2024 RMB'000
Depreciation expense	4	11,622	10,978
Employee benefit expenses	21(f)	21,895	28,260
Freight charges		55,995	36,470
Office expenses		1,119	829
Operating lease rentals	26(b)	6,461	2,686
Promotion and advertising expenses		3,324	2,587
Sales service expenses		1,596	(931)
Transportation expenses		5,498	4,699
Insurances		1,435	4,002
Others		286	563
		109,231	90,143

21(c) Administrative expenses

The Group	Note	2025 RMB'000	2024 RMB'000
Depreciation expense	4	3,645	3,425
Directors' fee		1,121	1,006
Employee benefit expenses	21(f)	54,527	41,042
Entertainment expenses		2,241	2,341
Office expenses		3,646	3,655
Operating lease rentals	26(b)	815	1,000
Other governmental taxes		5,596	5,568
Professional fees		6,601	6,384
Transportation and travelling expenses		5,651	6,113
Others		6,350	5,280
		90,193	75,814

21(d) Other operating expenses/(income)

The Group	Note	2025 RMB'000	2024 RMB'000
Bank charges		1,714	1,621
Donation		100	—
Exchange gain	22	(4,261)	(5,156)
Property, plant and equipment written off	22	1,077	1,554
Bad debts written off (non-trade)		5,521	—
Others		1,452	213
		5,603	(1,768)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

21(e) Finance costs

The Group	Note	2025 RMB'000	2024 RMB'000
Interest expenses:			
- loan from corporate shareholders of subsidiaries		1,964	903
- bank loans		13,378	12,370
- hire purchase with financial institutions		3,486	3,069
- lease liabilities	26(b)	2,952	184
		21,780	16,526

21(f) Employee benefit expenses

The Group		2025 RMB'000	2024 RMB'000
Directors' remuneration:			
- Directors of the Company:			
- salaries and related costs		6,739	6,162
- defined contributions		230	240
- Directors of the subsidiaries:			
- salaries and related costs		2,813	1,476
- defined contributions		162	142
Key management personnel (other than directors):			
- salaries and related costs		3,736	2,484
- defined contributions		435	334
Other than directors and key management personnel:			
- salaries and related costs		132,918	122,342
- defined contributions		11,379	17,195
		158,412	150,375

The Group		2025 RMB'000	2024 RMB'000
Included in:			
- Cost of sales		81,990	81,073
- Distribution costs		21,895	28,260
- Administrative expenses		54,527	41,042
		158,412	150,375

Key management personnel are as disclosed in the "Key Management" section of the annual report.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

22 Profit before taxation

The Group	Note	2025 RMB'000	2024 RMB'000
Profit before taxation has been arrived at after charging/(crediting):			
Allowance/(Reversal of allowance) for expected credit loss, net	30.3	9,763	(241)
(Reversal of allowance)/Allowance for obsolete and slow-moving inventories, net	11	(873)	3,766
Audit fee:			
- auditor of the Company and other firms affiliated with PKF International		963	1,074
- other auditor - non-network firm		300	315
Non-audit fee:			
- auditor of the Company		14	8
Amortisation of deferred capital grants	18	(229)	(228)
Depreciation of property, plant and equipment	4	104,262	90,429
Exchange gain	21(d)	(4,261)	(5,156)
Gain on disposal of property, plant and equipment		(577)	(115)
Operating lease rentals	26(b)	12,781	9,191
Property, plant and equipment written off	21(d)	1,077	1,554
Reversal of over-accrual of housing fund contribution	19	(1,619)	(1,405)
Provision/(Reversal of provision) for assurance warranty	19	556	(1,712)
Sub-contractor costs and costs of rental of tower cranes		160,024	153,269

23 Taxation

The Group	Note	2025 RMB'000	2024 RMB'000
Current taxation		18,816	9,787
Deferred tax assets	10.1	2,270	(5,083)
Deferred tax liabilities	10.2	(26,411)	3,755
		(5,325)	8,459
Over-provision in respect of prior years			
- current taxation		(295)	(635)
- deferred tax, net	10.1, 10.2	190	(1,773)
		(105)	(2,408)
		(5,430)	6,051

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

23 Taxation (Cont'd)

The tax expense on the Group's results before tax differs from the theoretical amount that would arise using the various applicable corporate tax rate of income tax as follows:

	2025 RMB'000	2024 RMB'000
The Group		
Profit before taxation	29,722	59,553
Share of results of an associate, net of tax	–	36
	29,722	59,589
Tax at domestic rate applicable to profits in the countries concerned ¹	6,795	13,879
Corporate tax rebate/exemption	(2,144)	(4,004)
Tax incentives	(1,612)	(1,420)
Tax effect on non-deductible expenses ²	3,852	3,192
Utilisation of unrecognised tax benefits	(2,688)	(5,380)
Tax on undistributed earnings of PRC subsidiaries	(9,528)	2,192
Over-provision in respect of prior years		
- current taxation	(295)	(635)
- deferred tax	190	(1,773)
	(5,430)	6,051

¹ This is prepared by aggregating separate reconciliations for each national jurisdiction.

² Expenses not deductible for tax purposes relate mainly to depreciation and amortisation of non-qualifying assets and other disallowed expenses incurred in the ordinary course of business.

On 27 November 2024, the local tax authority of Liaoning Province had granted Fushun Yongmao and regarded the subsidiary as a "high technological company (高新技术企业)". Pursuant to relevant PRC's taxation law, the subsidiary is subject to taxation at a preferential rate of 15%. Such incentive is valid till November 2027 and is subject to renewal.

The domestic tax rates applicable to the profit of the following companies are as follows:

	Country	Rate	Basis
Yongmao Holdings Limited	Singapore	17.0%	Full tax
Yongmao Machinery Pte. Ltd.	Singapore	17.0%	Full tax
Suncrane Machinery Pte. Ltd.	Singapore	17.0%	Full tax
Yongmao Machinery (H.K.) Company Limited	Hong Kong	16.5%	Full tax
Eastime Engineering Limited	Hong Kong	16.5%	Full tax
Suncrane Machinery (H.K.) Co., Ltd.	Hong Kong	16.5%	Full tax
Suncrane Engineering (H.K.) Co., Ltd. ¹	Hong Kong	16.5%	Full tax
Eastime Engineering (Macau) Co., Ltd.	Macau	12.0%	Full tax
Changzhou Yongmao Heavy Industry Machinery Co., Ltd. ¹ (常州永茂重工机械有限公司)	The PRC	25.0%	Full tax
Liaoning Yongmao Heavy Industry Co., Ltd. (辽宁永茂重工有限公司)	The PRC	25.0%	Full tax
Liaoning Xingmao Heavy Industry Co., Ltd. (辽宁兴茂重工有限公司)	The PRC	25.0%	Full tax
Beijing Yongmao Jiangong Machinery Manufacturing Co., Ltd. (北京永茂建工筑机械制造有限公司)	The PRC	25.0%	Full tax

¹ Subsidiaries do not have any taxable profit during the financial year as they are dormant.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

24 Other comprehensive income/(loss) after tax

	Note	2025 RMB'000	2024 RMB'000
The Group			
Fair value gain/(loss) on financial assets - FVOCI ¹	7	9,336	(27,017)
Exchange translation difference			
- foreign operations		2,605	14,161
		11,941	(12,856)

¹ No effect on income tax.

25 Earnings per share

The Group

The basic and diluted earnings per share of the Group is calculated based on the Group's profit after taxation attributable to equity holders of the Company of RMB33,221,000 (2024 – RMB42,971,000) on the existing number of ordinary shares in issue of 88,749,997 at the end of the reporting periods.

As there are no dilutive potential ordinary shares that are outstanding during the financial year, the basic earnings per share is the same as the diluted earnings per share.

26 Leases

Nature of the Group's leasing activities - Where the Group is a lessee,

Leasehold land

The Group leases parcels of leasehold land (Note 4) where a subsidiary's buildings and operations are located in China. The Group has made full payment to the right-of-use of the leasehold land. Leases of land have lease term of 45 or 50 years which will expire on 13 January 2060, at earliest and 31 December 2063, at latest date. There is no externally imposed covenant on these lease arrangements.

Warehouse space

The Group leases warehouse space. The Group makes monthly payments for the warehouse and office space. The leases for warehouse space have lease terms of 1 - 10 years which will expire on 30 September 2026, at earliest and 30 July 2034, at latest date. There is no externally imposed covenant on these lease arrangements.

Motor vehicles

The Company has lease contracts for motor vehicles used in its operations. Leases of motor vehicles generally have lease terms of 4-7 years. There is no externally imposed covenant on these lease arrangements.

Office equipment

The Group leases office equipment (e.g. photocopier) for use in its operations. Leases of office equipment have a lease term of 5 years. The Group applies the "low-value asset" recognition exemption for these leases.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

26 Leases (Cont'd)

Nature of the Group's leasing activities - Where the Group is a lessee, (Cont'd)

Staff accommodation and office space

The Group leases residential units in Macau and China for staff accommodation and office space and warehouse in Singapore and China. These leases generally have lease terms of 12 months or less. As the lessees and lessors each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty and cost from exercise of termination option, the management has assessed and is of the view that these perpetual lease contracts qualify as short-term leases. The Group's short-term leases commitment at the reporting date are not substantially dissimilar to these giving rise to the Group's short-term lease expense for the year.

(a) Carrying amounts of right-of-use assets and lease liabilities

The carrying amounts of right-of-use assets and lease liabilities recognised and the movements during the financial year ended 31 March 2025 are disclosed in Note 4 and Note 17.3 to the financial statements respectively.

(b) Amounts recognised in profit or loss

The following are the amounts recognised in profit or loss:

		2025 RMB'000	2024 RMB'000
The Group	Note		
<u>Leases under SFRS(I) 16</u>			
Depreciation of right-of-use assets, included in:			
- distribution costs		5,500	4,874
- administrative expenses		830	843
	4(b)	6,330	5,717
Interest expense on lease liabilities, included in finance costs	21(e)	2,952	184
Income from subleasing, included in other income		959	937
Expenses in relation to short-term leases, included in:			
- cost of sales		5,505	5,505
- distribution costs		6,461	2,686
- administrative expenses		815	997
	22	12,781	9,188
Low-value asset, included in administrative expenses		13	3

(c) Total cash outflows

The Group had total cash outflows for leases of RMB19,064,000 (2024 - RMB14,727,000) in the financial year ended 31 March 2025.

Nature of the Group's leasing activities - Where the Group is a lessor,

Operating leases, in which the Group is the lessor, relate to plant and machinery Note 4(d) owned by the Group. All operating lease contracts contain market review clauses in the event that the lessee exercises its option for extension. The lessee does not have an option to purchase the property at the expiry of the lease period.

These leases are classified as operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred. The Group's revenue from rental income received on the plant and machinery are disclosed in Note 20.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

26 Leases (Cont'd)

Nature of the Group's leasing activities - Where the Group is a lessor, (Cont'd)

Undiscounted lease payments from these operating leases to be received after the reporting date are as follows:

	31 March 2025	31 March 2024
	RMB'000	RMB'000
The Group		
Year 1	160,470	112,565
Year 2	85,646	11,491
Year 3	19,878	880
Total undiscounted lease payments	265,994	124,936

Nature of the Group's leasing activities - Where the Group is an intermediate lessor,

Subleases - classified as operating leases

The Group acts as an intermediate lessor under arrangement in which it subleases out certain warehouse space and equipment to third parties for monthly lease payments. The sublease periods do not form a major part of the remaining lease terms under the head leases and the present value of the lease payments do not amount substantially to the fair value of the underlying assets. Accordingly, the subleases are classified as operating leases.

27 Financial guarantees

The Group

Seller Undertaking provided to banks or financial institution

- (a) A subsidiary, Fushun Yongmao has agreed to provide guarantee under the Seller Undertaking to a maximum sum of RMB26,268,000 (2024 – RMB8,000,000) to a bank for certain customers who have obtained bank loans to finance their purchase of tower cranes and tower crane accessories and components of the Group. To the extent of the bank loans that remained outstanding as at 31 March 2025, the balances are RMB24,598,000 (2024 – RMB6,349,000).
- (b) A subsidiary, Fushun Yongmao has agreed to provide guarantee under the Seller Undertaking to a maximum sum of RMB285,113,000 (2024 - RMB239,845,000) to hire purchase companies for certain customers who have purchased tower cranes through hire purchase financing. To the extent of the purchase amount that remained outstanding as at 31 March 2025, the balance is RMB98,718,000 (2024 – RMB82,760,000).

Certain of the Group's sale of tower cranes to the customers in the PRC are financed by borrowings from banks or financial institutions using revolving master credit facility granted by the banks or financial institutions coupled with an undertaking ("Seller Undertaking") provided by the Group to the relevant banks or financial institutions that in the event of default of the customers in making the instalment payments, the Group has to make good the loans outstanding and upon the Group making good the loans, the ownership of the tower cranes will be transferred back to the Group.

Under such sales arrangement, the customer makes an upfront payment of up to 30% (non-refundable) in general of the sales price to the Group and obtains a loan from the bank or financial institution for the balance payment. Upon approval of the bank or financial institution, the bank or financial institution disburses the loan amount in full to the Group. The Group ceased effective control of the tower crane sold upon delivery. In return, the bank or financial institution requires the tower crane to be mortgaged to them.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

27 Financial guarantees (Cont'd)

The Group (Cont'd)

Seller Undertaking provided to banks or financial institutions (Cont'd)

For a financial guarantee contract, the Group 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. Accordingly, cash shortfalls are the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the entity expects to receive from the holder, the debtor or any other party. The Group is required to pay the bank or financial institution the balance outstanding and repossesses the tower crane acting as collateral for credit enhancement pursuant to the Seller Undertaking.

If the Seller Undertaking were to be crystallised on the assumption of default by customers in making the instalment payments to the bank or financial institution, the Seller Undertaking deemed payable would be:

	31 March 2025	31 March 2024
	RMB'000	RMB'000
The Group		
Seller Undertaking provided to certain banks	24,598	6,349
Seller Undertaking provided to hire purchase companies	98,718	82,760
	123,316	89,109

The manner in which the Seller Undertaking arrangement is agreed whereby the Group received an upfront non-refundable cash deposit which constitute up to 30% of the selling price of the respective tower cranes, the reimbursable unpaid sum to the banks or financial institutions to repossess the tower crane acting as collateral for credit enhancement is unlikely to cause any loss (if material) should the debtor defaulted. The management expected the credit loss for financial guarantee to be immaterial.

28 Dividends

	2025	2024
	RMB'000	RMB'000
The Group		
Ordinary dividends		
Final one-tier tax exempt dividends paid in respect of the previous financial year of S\$0.01 (2024 - S\$0.02) per share	4,769	9,416

At the forthcoming Annual General Meeting, a final exempt (one-tier) dividend of 1.0 Singapore cent per share amounting to a total of RMB4,807,000 (SGD887,500) will be proposed. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 March 2026.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

29 Significant related party transactions

Other than the related party information disclosed elsewhere in the financial statements, the followings are the significant related party transactions entered into by the Company and its related parties at mutually agreed amounts:

	2025 RMB'000	2024 RMB'000
The Group		
Sales/rental income charged to related parties		
- Beijing Weiteng Special Purpose Auto Co., Ltd. (北京市威腾专用汽车有限公司)	(68)	5,641
- China Nuclear Huaxing Tat Hong Machinery Construction Co., Ltd. (中核华兴达丰机械工程有限公司)	17,384	8,836
- Jiangsu Zhongjian Tat Hong Equipment Rental Co., Ltd. (江苏众建达丰机械租赁有限公司) (formerly known as 江苏中建达丰机械租赁有限公司)	42,585	8,475
- Jiangsu Hengxingmao Financial Leasing Co., Ltd. (江苏恒兴茂融资租赁有限公司)	457	3,136
- Liaoning Yongmao Hydraulic Machinery Co., Ltd. (辽宁永茂液压机械有限公司)	3,154	1,116
Sales/rental income charged to related parties		
- Guangdong Tat Hong Machinery Construction Co., Ltd. (广东达丰机械工程有限公司)	300	326
Purchases from related parties		
- Beijing Weiteng Special Purpose Auto Co., Ltd. (北京市威腾专用汽车有限公司)	28	176
- Fushun Yongmao Industry and Trade Co., Ltd. (抚顺市永茂工贸发展有限公司)	835	731
- Jiangsu Zhongjian Tat Hong Equipment Rental Co., Ltd. (江苏众建达丰机械租赁有限公司)	1,090	3,240
- Liaoning Yongmao Hydraulic Machinery Co., Ltd. (辽宁永茂液压机械有限公司)	951	451
- Ronghe Tat Hong Mechanical Engineering Co., Ltd. (江苏融合达丰机械工程有限公司)	201	—
Rental fee charged by ultimate holding company		
- Sun & Tian Investment Pte. Ltd.	725	704
Rental fee charged by a related party		
- Fushun Yongmao Engineering Machinery Co., Ltd. (抚顺永茂工程机械有限公司)	5,505	5,505
Rental fee charged by directors of the Company		
- Sun Tian (孙田)	809	809
- Tian Ruo Nan (田若南)	132	132

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

29 Significant related party transactions (Cont'd)

	2025 RMB'000	2024 RMB'000
The Group (Cont'd)		
Purchases of property, plant and equipment from a related party		
- Beijing Weiteng Special Purpose Auto Co., Ltd. (北京市威腾专用汽车有限公司)	—	1,733
Loan interest charged by corporate shareholders of a subsidiaries		
- Yongmao Machinery (Cambodia) Co., Ltd	—	63
- Eastime Holding Ltd	1,858	147
Other expenses charged by a related party		
- Beijing Weiteng Special Purpose Auto Co., Ltd. (北京市威腾专用汽车有限公司)	714	678
- Ronghe Tat Hong Mechanical Engineering Co., Ltd. (江苏融合达丰机械工程有限公司)	—	221
Dividend paid to non-controlling interest	16,662	33,019
- Eastime Holdings Limited		

30 Financial risk management objectives and policies

The Group has policies which set out the Company's and the Group's overall business strategies and its risk management philosophy and financial risk management policies.

The Company and the Group are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks included interest rate risk, currency risk, credit risk, liquidity risk and price risk. The Company's and the Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Company and the Group do not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rate and foreign exchange.

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

30.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's and the Group's financial instruments will fluctuate because of changes in market interest rates.

The exposure of the Group to interest rate risk is loan from corporate shareholders of a subsidiary, Eastime Holding Ltd. (Note 13) and borrowings (Note 17).

The other financial instruments of the Group that are not included above are not subject to interest rate risks, as they are non-interest bearing or bear interest at fixed rates.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

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

30.1 Interest rate risk (Cont'd)

Sensitivity analysis for interest rate risk

For the variable rate financial liabilities owing for borrowings and loan from corporate shareholder of a subsidiary, a change of 50 basis points ("bp") in effective interest rate at the reporting date would increase/(decrease) profit or loss before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	2025		2024	
	Profit before tax RMB'000	Equity RMB'000	Profit before tax RMB'000	Equity RMB'000
The Group				
Effective interest rate				
- decrease by 50bp per annum	1,828	1,828	1,914	1,914
- increase by 50bp per annum	(1,828)	(1,828)	(1,914)	(1,914)

This arises mainly as a result of lower/higher interest expenses on loan from a third party, borrowings and loan from corporate shareholder of a subsidiary.

The Company has no interest-bearing financial instruments, hence, is not exposed to any movements in market interest rates.

30.2 Currency risk

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

The Company and the Group operate and sell its products in several countries other than the PRC and transacts in foreign currencies including Singapore dollar ("SGD"), United States dollar ("USD"), Euro and Hong Kong dollar ("HKD"). As a result, the Company and the Group are exposed to movements in foreign currency exchange rates. However, the Company and the Group do not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

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

30.2 Currency risk (Cont'd)

The currency exposure of the Group and the Company as follows:

The Group	SGD RMB'000	USD RMB'000	Euro RMB'000	HKD RMB'000	MOP RMB'000	Total RMB'000
At 31 March 2025						
Financial assets						
Cash and bank balances	67,253	29,752	14	20,282	206	117,507
Trade and other receivables	22,282	25,994	3,212	81,949	347	133,784
	89,535	55,746	3,226	102,231	553	251,291
Financial liabilities						
Borrowings	(32,979)	–	–	(95,648)	–	(128,627)
Amounts owing to related parties	–	–	–	–	–	–
Amounts owing to corporate shareholders of subsidiaries	–	–	–	(43,157)	–	(43,157)
Trade and other payables	(6,346)	(1,438)	–	(20,667)	–	(28,451)
	(39,325)	(1,438)	–	(159,472)	–	(200,235)
Currency exposure on financial assets and liabilities	50,210	54,308	3,226	(57,241)	553	51,056
Less:						
Net financial assets denominated in respective entity's functional currency	(67,795)	–	–	57,682	(553)	(10,666)
Currency exposure on financial assets and liabilities	(17,585)	54,308	3,226	441	–	40,390

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

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

30.2 Currency risk (Cont'd)

The Group	SGD RMB'000	USD RMB'000	Euro RMB'000	HKD RMB'000	MOP RMB'000	Total RMB'000
At 31 March 2024						
Financial assets						
Cash and bank balances	69,805	11,980	16	34,125	288	116,214
Trade and other receivables	23,174	8,348	163	71,220	2,077	104,982
	92,979	20,328	179	105,345	2,365	221,196
Financial liabilities						
Borrowings	(6,139)	—	—	(31,489)	—	(37,628)
Amounts owing to related parties	(1,742)	—	—	—	—	(1,742)
Amounts owing to corporate shareholders of subsidiaries	—	(1,799)	—	(25,063)	—	(26,862)
Trade and other payables	(11,123)	(1,373)	—	(42,387)	(117)	(55,000)
	(19,004)	(3,172)	—	(98,939)	(117)	(121,232)
Currency exposure on financial assets and liabilities	73,975	17,156	179	6,406	2,248	99,964
Less:						
Net financial assets denominated in respective entity's functional currency	(63,935)	1,971	—	(6,406)	(2,248)	(70,618)
Currency exposure on financial assets and liabilities	10,040	19,127	179	—	—	29,346

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

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

30.2 Currency risk (Cont'd)

The Company	SGD RMB'000	USD RMB'000	HKD RMB'000	Total RMB'000
At 31 March 2025				
Financial assets				
Cash and bank balances	976	50	–	1,026
Amounts owing by subsidiaries	44,263	–	64,735	108,998
Trade and other receivables	77	–	–	77
	45,316	50	64,735	110,101
Financial liabilities				
Borrowings	(23,889)	–	–	(23,889)
Trade and other payables	(2,370)	–	–	(2,370)
	(26,259)	–	–	(26,259)
Currency exposure on financial assets and liabilities	19,057	50	64,735	83,842
At 31 March 2024				
Financial assets				
Cash and bank balances	2,899	50	–	2,949
Amounts owing by subsidiaries	27,988	–	37,533	65,521
Trade and other receivables	76	–	–	76
	30,963	50	37,533	68,546
Financial liabilities				
Trade and other payables	(2,791)	–	–	(2,791)
	(2,791)	–	–	(2,791)
Currency exposure on financial assets and liabilities	28,172	50	37,533	65,755

Sensitivity analysis for currency risk

The following tables demonstrate the sensitivity to a reasonably possible change in the SGD, USD, Euro and HKD exchange rates (against RMB), with all other variables held constant, of the Company's and the Group's profit before tax.

		2025 Profit before tax RMB'000	2024 Profit before tax RMB'000
The Group			
SGD	- strengthen 5% (2024 - 5%)	(879)	502
	- weaken 5% (2024 - 5%)	879	(502)
USD	- strengthen 5% (2024 - 5%)	2,715	956
	- weaken 5% (2024 - 5%)	(2,715)	(956)
HKD	- strengthen 5% (2024 - 5%)	161	–
	- weaken 5% (2024 - 5%)	(161)	–
Euro	- strengthen 5% (2024 - 5%)	22	9
	- weaken 5% (2024 - 5%)	(22)	(9)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

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

30.2 Currency risk (Cont'd)

Sensitivity analysis for currency risk (Cont'd)

		2025	2024
		Profit	Profit
		before tax	before tax
		RMB'000	RMB'000
The Company			
SGD	- strengthen 5% (2024 - 5%)	953	1,409
	- weaken 5% (2024 - 5%)	(953)	(1,409)
USD	- strengthen 5% (2024 - 5%)	3	3
	- weaken 5% (2024 - 5%)	(3)	(3)
HKD	- strengthen 5% (2024 - 5%)	3,237	1,877
	- weaken 5% (2024 - 5%)	(3,237)	(1,877)

Exposures to foreign exchange rates vary during the period depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Company's and the Group's exposure to currency risk.

30.3 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopts the policy of dealing only with:

- Customers of appropriate credit standing and history, and obtaining sufficient collateral where appropriate to mitigate credit risk; and
- High credit quality counterparties rating by external credit rating companies.

The Group's exposure to credit risk arises primarily from trade and other receivables, amount owing by related parties, amount owing by corporate shareholders of subsidiaries and bank balances. Cash is held with reputable financial institutions. For trade receivables, the Group adopt the policy of dealing only with customers of appropriate credit history. For other financial assets, the Group and the Company adopt the policy of dealing only with high credit quality counterparties.

For sale of tower cranes in the PRC, the Group typically requires a down-payment of up to 30% of the contract price upon the order being placed. Upon delivery, up to 65% of the contract price is payable and the balance is to be paid by the customer at the expiry of the 12-month warranty period for manufacturing defects. For certain customers in the PRC, the Group gives credit terms up to 180 days from the date of invoice.

For the Group's overseas sale of tower cranes, the Group typically requires a down-payment of up to 30% of the contract price upon the order being placed. Upon shipment, the balance of the contract price is payable by way of letter of credit or telegraphic transfer.

The credit terms granted to customers are recommended by the Group's sales department and approved by the Group's Chief Executive Officer, Tian Ruo Nan and are determined based on the credit worthiness, payment history, transaction volume, financial background, market reputation and the existing relationship that the Group has with its customers.

The carrying amounts of trade and other receivables represent the Group's maximum exposure to credit risk in relation to its financial assets. The Group has no other significant concentration of credit risk other than as at 31 March 2025, the five largest trade receivables represent approximately 41% (2024 - 33%) of the total trade receivables at the end of the reporting period. No other financial assets carry a significant exposure to credit risk.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

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

30.3 Credit risk (Cont'd)

The credit risk for trade and other receivables of the Group by geographical areas is as follows:

	31 March 2025	31 March 2024
	RMB'000	RMB'000
The Group		
The PRC	416,835	397,535
Singapore	13,073	20,685
Hong Kong and Macau	82,297	72,518
Other countries	29,206	8,518
	541,411	499,256

The allowance for expected credit loss of trade and other receivables is based upon a review of the expected collectability of all trade and other receivables.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position, except for financial guarantees provided by the Group to subsidiaries. The Group's policy is to provide financial guarantees only to subsidiaries. The maximum exposure of the Company in respect of the intra-group financial guarantee (see Note 17) at the reporting date if the facilities are fully drawn down by the subsidiaries is RMB148,682,000 (2024 – RMB159,031,000). At the reporting date, the Company does not consider it probable that a claim will be made against the Company under the intra-group financial guarantee. The Company expects the credit loss for intra-group financial guarantees to be immaterial.

The Group's major classes of financial assets are bank deposits, trade receivables, amounts owing by related parties and a corporate shareholder of a subsidiary. Cash is held with banks of good standing.

Trade receivables

The Group assesses the ECL associated with its trade receivables on a forward-looking basis and historical information which is used for any significant increase in credit risk. An allowance for impairment is made for the lifetime ECL on initial recognition of the receivable. These assessments are made on a customer by customer basis.

12-month ECL loss rates are adjusted based on the historical loss rate and applicable forward-looking macroeconomic economic factor in the PRC, Hong Kong and Singapore given the economic uncertainty in so far as the collectability of debt is concerned.

Where the receivables are written off, the Group and the Company continue to engage in enforcement activity to attempt to recover the receivables due.

To limit the Group's exposure to credit risk on trade receivables, the Group's assesses internally, the size of the deposit that is required from the customers at inception. For sales under instalment payment method that has instalment payment periods generally ranging from 24 to 60 months, are extended to customers who have a strong credit rating.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

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

30.3 Credit risk (Cont'd)

Trade receivables (Cont'd)

The Group uses historical loss rate and forward-looking macroeconomic factor in assessing ECL. The Group monitors changes in credit risk by tracking published default rates. To determine whether published default rates remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings, the Group supplements this by reviewing available press and regulatory information. Lifetime ECL are measured using the probability of default approach. Lifetime probabilities of default are based on historical data and are recalibrated by evaluating a range of possible outcomes which includes available information about current conditions and forecast of future economic conditions.

The movement in the allowance for impairment for trade receivables during the year is as follows:

	Company		Group	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	RMB'000	RMB'000	RMB'000	RMB'000
Movements in trade receivables allowance:				
At beginning of year	—	—	41,529	41,553
Allowance/(Reversal of allowance) for expected credit loss, net	—	—	9,763	(241)
Exchange translation	—	—	111	217
At the end of year	—	—	51,403	41,529

As at 31 March 2025, cash and bank balances are held with financial institutions of good standing. The credit risk on cash and bank balances is low as these balances are placed with reputable financial institutions. Other receivables that are neither past due nor impaired are substantially companies with good collection track records with the Group. The above are subject to immaterial credit loss.

The Company

The Company is not exposed to significant expected credit losses on its bank balances, amount owing by subsidiaries and trade and other receivables. No adjustment has been made to the allowance for trade and other receivables and amount owing by subsidiaries as the amount to be adjusted is insignificant.

30.4 Liquidity risk

Liquidity or funding risk is the risk that the Company and the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The exposure of the Company and the Group to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company and the Group manage its liquidity risk by ensuring the availability of adequate funds to meet all its obligations in a timely and cost-effective manner.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

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

30.4 Liquidity risk (Cont'd)

The table below analyses the maturity profile of the Company's and the Group's financial liabilities based on contractual undiscounted cash flows:

The Group	Less than 1 year RMB'000	Between 1 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
At 31 March 2025				
Trade and other payables	540,222	5,472	6,732	552,426
Borrowings	363,211	101,411	56,931	521,553
Amounts owing to related parties	13,697	—	—	13,697
Amount owing to a corporate shareholder of a subsidiary	45,490	—	—	45,490
Corporate guarantees	123,316	—	—	123,316
	1,085,936	106,883	63,663	1,256,482

At 31 March 2024				
Trade and other payables	501,712	5,397	4,540	511,649
Borrowings	301,163	3,052	—	304,215
Amounts owing to related parties	18,018	—	—	18,018
Amount owing to a corporate shareholder of a subsidiary	26,862	—	—	26,862
Corporate guarantees	89,109	—	—	89,109
	936,864	8,449	4,540	949,853

The Company	Note	Less than 1 year RMB'000	Between 1 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
At 31 March 2025					
Borrowings		24,141	—	—	24,141
Trade and other payables		3,090	—	—	3,090
Corporate guarantees	30.3	148,682	—	—	148,682
		175,913	—	—	175,913

At 31 March 2024					
Borrowings		—	—	—	—
Trade and other payables		3,871	—	—	3,871
Corporate guarantees	30.3	159,031	—	—	159,031
		162,902	—	—	162,902

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

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

30.5 Market price risk

Price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The Company and the Group are exposed to market price risks arising from the fair value of its unquoted investment in THEC which is made reference to the market price of the main underlying asset held by THEC (Note 7). The financial assets, at FVOCI are held for strategic rather than trading purposes. The Group does not actively trade equity investments.

31 Operating segments

Management has determined the operating segments based on the reports reviewed by the Group's chief operating decision-maker that are used to make strategic decisions, allocate resources, and assess performance.

The Group's chief operating decision-maker considers the business from a geographic segment perspective. Management manages and monitors the business in the two primary geographical areas of operations namely, 1) the PRC; 2) Hong Kong and Macau; 3) Singapore; and 4) Corporate functions. The following summary describes the operations in each of the Group's reportable segments:

The PRC	:	Engaged predominantly in the manufacture and sale, with some rental and servicing of tower cranes and tower crane components and accessories
Hong Kong and Macau	:	Engaged predominantly in the rental and servicing, with some sale of tower cranes and tower crane components and accessories
Singapore	:	Engaged predominantly in the sale and servicing of tower cranes and tower crane components and accessories
Corporate functions	:	Engaged predominantly in the corporate functions

The segment information provided to the Group's chief operating decision-maker for the reportable segment is included below. Performance is measured based on segment profit before taxation, as included in the internal management reports that are reviewed by the Group's chief operating decision-maker. Segment profit is used to measure performance as management believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

31 Operating segments (Cont'd)

2025	The PRC RMB'000	Hong Kong and Macau RMB'000	Singapore RMB'000	Corporate functions RMB'000	Total RMB'000
Sales					
Total segment sales	925,572	263,943	178,109	–	1,367,624
Inter-segment sales	(429,391)	(55,762)	(2,175)	–	(487,328)
Sales to external parties	496,181	208,181	175,934	–	880,296
Comprises:					
Sale of manufactured tower cranes and tower crane components and accessories	405,635	65,982	138,829	–	610,446
Rental and service income	90,546	142,199	37,105	–	269,850
	496,181	208,181	175,934	–	880,296
Results					
Interest income	293	260	2,562	–	3,115
Depreciation expense	58,206	33,964	12,092	–	104,262
Interest expense	14,059	6,472	698	551	21,780
Allowance/(Reversal of allowance) for expected credit loss, net	3,141	6,622	–	–	9,763
Bad debts written off (non-trade)	–	5,521	–	–	5,521
Reportable segment profit before taxation	11,699	16,789	5,992	(4,758)	29,722
Other segment information					
Reportable segment assets	1,480,128	361,724	256,505	94,085	2,192,442
Additions to property, plant and equipment	3,264	99,213	2,681	–	105,158
Reportable segment liabilities	813,661	159,391	188,947	26,978	1,188,977

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

31 Operating segments (Cont'd)

2024	The PRC RMB'000	Hong Kong and Macau RMB'000	Singapore RMB'000	Corporate functions RMB'000	Total RMB'000
Sales					
Total segment sales	897,014	211,408	158,045	—	1,266,467
Inter-segment sales	(460,839)	(12,887)	(1,892)	—	(475,618)
Sales to external parties	436,175	198,521	156,153	—	790,849
Comprises:					
Sale of manufactured tower cranes and tower crane components and accessories	379,257	16,913	120,870	—	517,040
Rental and service income	56,918	181,608	35,283	—	273,809
	436,175	198,521	156,153	—	790,849
Results					
Interest income	766	426	3,710	—	4,902
Depreciation expense	35,238	46,184	9,007	—	90,429
Interest expense	13,102	3,091	333	—	16,526
(Reversal of allowance)/Allowance for expected credit loss, net	(597)	356	—	—	(241)
Share of loss of an associate	36	—	—	—	36
Reportable segment profit before taxation	9,591	33,548	20,128	(3,714)	59,553
Other segment information					
Reportable segment assets	1,398,101	275,718	251,803	86,607	2,012,229
Additions to property, plant and equipment	20,522	9,602	2,354	—	32,478
Reportable segment liabilities	699,653	101,408	210,411	3,871	1,015,343

Sales between segments are carried out at market terms. The revenue from external parties reported to the Group's chief operating decision-maker is measured in a manner consistent with that in the consolidated statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

31 Operating segments (Cont'd)

Reconciliation of reportable segment profit or loss, assets and liabilities and other material items:

The Group	2025 RMB'000	2024 RMB'000
Assets		
Total reportable segment assets	2,192,442	2,012,229
Deferred tax assets	38,060	40,520
GST or VAT receivables	17,972	8,632
Tax recoverable	–	1,204
Other tax receivables	–	774
Consolidated total assets	2,248,474	2,063,359
Liabilities		
Total reportable segment liabilities	1,188,977	1,015,343
Deferred tax liabilities	27,387	53,238
Current tax payable	11,244	8,400
Consolidated total liabilities	1,227,608	1,076,981

Revenue information based on geographical location of customers is as follows:

The Group	2025 RMB'000	2024 RMB'000
The PRC	382,800	313,043
Hong Kong and Macau	205,443	186,743
Singapore	41,954	103,147
Asia - others	75,455	23,750
Middle East	122,296	99,187
United States of America and Europe	52,348	64,970
Others	–	9
	880,296	790,849

Non-current assets¹ information based on geographical location is as follows:

The Group	2025 RMB'000	2024 RMB'000
The PRC	579,943	483,972
Hong Kong and Macau	230,284	147,376
Others	75,905	85,895
	886,132	717,243

¹ Non-current assets exclude financial instruments, investment in an associate and deferred tax assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

32 Fair value measurement

Definition of fair value

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

Fair value measurement of financial instruments

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

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

		Level 1	Level 2	Level 3	Total
The Company and The Group	Note	RMB'000	RMB'000	RMB'000	RMB'000
At 31 March 2025					
Assets					
Financial assets - FVOCI	7	–	–	92,761	92,761

At 31 March 2024

Assets					
Financial assets - FVOCI	7	–	–	83,425	83,425

On 13 January 2021, THES which is substantially owned by THEC, was listed on the HKEX. The investment in THES comprise mainly the investment in quoted shares in THES and other unquoted equity investments which are dormant companies and have no transactions in the past three years. As to the extent of the fair value of the unquoted equity investments, management has assessed that there is no recoverable amount to the assets other than the cash in bank and liabilities are reported at current.

As THES is substantially owned by THEC which the Company holds 11.6% equity interest in, the Company measure the fair value based on revalued net asset value.

There were no transfers into or out of fair value hierarchy levels for financial years ended 31 March 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

32 Fair value measurement (Cont'd)

Fair value measurement of financial instruments (Cont'd)

The following table summarises the quantitative information about the significant unobservable inputs used in the Level 3 fair value measurements.

			2025	2024
	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value	
Unquoted equity shares	Investment in quoted equity (THES)	HKD1.15	An increase (decrease) in 1% of the price movement, the decrease (increase) of the fair value by RMB928,000	An increase (decrease) in 1% of the price movement, the decrease (increase) of the fair value by RMB834,000
	Discount for lack of marketability ("DLOM")	0%	An increase of 5% DLOM applied will decrease the fair value by RMB4,638,000	An increase of 5% DLOM applied will decrease the fair value by RMB4,171,000

Accounting classifications of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

	The Company		The Group	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
Financial assets, at FVOCI	92,761	83,425	92,761	83,425
Trade and other receivables ¹	77	76	541,411	499,256
Amounts owing by subsidiaries	108,998	65,521	–	–
Amounts owing by related parties	–	–	48,587	47,051
Cash and bank balances	1,026	2,949	205,846	174,577
Financial assets, at amortised costs	110,101	68,546	795,844	720,884
Financial liabilities				
Trade and other payables ²	3,090	3,871	501,428	521,586
Borrowings	23,889	–	483,403	294,698
Amounts owing to related parties	–	–	13,697	18,018
Amounts owing to corporate shareholders of subsidiaries	–	–	43,157	26,862
Financial liabilities, at amortised costs	26,979	3,871	1,041,685	861,164

¹ Excludes advances/down payments made to suppliers, prepaid expenses, deferred expenses, tax recoverable and other tax payables.

² Excludes advances from customers, deferred income, other governmental tax payable and provision for assurance warranty.

The fair value of current financial assets and liabilities, approximate their carrying amount due to their short-term maturities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

33 Capital management

The Group's objectives when managing capital are:

- (a) to safeguard the Group's ability to continue as a going concern;
- (b) to support the Group's stability and growth;
- (c) to provide capital for the purpose of strengthening and the Group's risk management capability; and
- (d) to provide an adequate return to shareholders.

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

There were no changes in the Group's approach to capital management during the financial year. The Group is not subject to externally imposed capital requirements.

The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2025 and 31 March 2024.

Gearing has a significant influence on the Group's capital structure and the Group monitors capital using a gearing ratio. The Group's policies are to keep the gearing ratio between 40% and 80%. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables plus amounts owing to/advances from related parties, corporate shareholders of subsidiaries less cash and bank balances.

Total capital is calculated as equity plus net debt.

	31 March 2025	31 March 2024
	RMB'000	RMB'000
The Group		
Net debt	974,504	831,910
Total equity	967,381	927,612
Total capital	1,941,885	1,759,522
Gearing ratio	50.2%	47.3%

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

34 Contingent liabilities

Yongmao Machinery (H.K.) Company Limited ("YMHK") and Eastime Engineering Limited ("EEL")

On 8 September 2022, the Group announced that an accident occurred involving a tower crane owned by the Company's 60% owned subsidiary, YMHK in the customer worksite in Sau Mau Ping, Hong Kong where the tower crane collapsed during operations and hit workers at the worksite resulted in the death of three workers and six other workers injured.

YMHK was the owner of the tower cranes while EEL was the operating company and employer of the staff involved in the accident.

The Company has made various announcements on 8 September 2022, 13 March 2023, 22 March 2023, 3 April 2023, 3 July 2023, 29 September 2023, 10 October 2023, 1 February 2024, 2 May 2024, 1 August 2024, 20 November 2024, 1 April 2025, 28 April 2025 and 24 June 2025 that, there have been no material developments concerning the accident. This includes the cases related to (i) the Relevant Summonses issued to YMHK, EEL and EEL's project manager by the Labour Department ("LD Summonses") and the Building Department ("BD Summonses"); and (ii) claim by family member of the deceased worker (collectively "the legal cases").

As at the date of this report, the quantum that may be involved with respect to the legal cases are yet undetermined and would depend on events in the future. The management is of the view that no provision is required as at 31 March 2025.

35 Other matter

The financial statements for the financial year ended 31 March 2024 were audited by another auditor whose report dated 28 June 2024 expressed an unmodified opinion on those financial statements.

36 Reclassifications and comparative figures

In preparing the financial statements for the year ended 31 March 2025, the Group made reclassifications in the presentation and disclosures of certain balances in the previously issued financial statements for the year ended 31 March 2024.

The reclassifications were made to be consistent with the current year's presentation, and to better reflect the nature of the transactions. The prior year reclassification made is to reclassify the refundable deposits from trade receivables

The impact of the prior year reclassification on the relevant account captions of the Group's comparative financial information is summarised below:

Year ended 31 March 2024	As previously reported RMB'000	Reclassification RMB'000	As reclassified RMB'000
Statements of financial position			
<u>Current assets</u>			
Trade receivables	516,928	(16,663)	500,265
Refundable deposits	2,391	16,663	19,504

STATISTICS OF SHAREHOLDINGS

As at 19 June 2025

SHAREHOLDERS' INFORMATION

Total Number of Shares	:	88,749,997
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share (excluding treasury shares)
Number and Percentage of Treasury Shares	:	Nil
Number and Percentage of Subsidiary Holdings Held	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	4	1.15	110	0.00
100 - 1,000	105	30.08	60,100	0.07
1,001 - 10,000	171	49.00	715,517	0.80
10,001 - 1,000,000	65	18.62	6,975,447	7.86
1,000,001 AND ABOVE	4	1.15	80,998,823	91.27
TOTAL	349	100.00	88,749,997	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	SHARES	%
1	SUN & TIAN INVESTMENT PTE LTD	50,942,870	57.40
2	TAT HONG HOLDINGS LTD	21,253,153	23.95
3	CITIBANK NOMINEES SINGAPORE PTE LTD	6,842,800	7.71
4	2G CAPITAL PTE LTD	1,960,000	2.21
5	PHILLIP SECURITIES PTE LTD	968,840	1.09
6	RAFFLES NOMINEES (PTE.) LIMITED	966,950	1.09
7	SUN TIAN	841,900	0.95
8	CHIA KEE KOON	763,100	0.86
9	DBS NOMINEES (PRIVATE) LIMITED	365,600	0.41
10	UOB KAY HIAN PRIVATE LIMITED	273,980	0.31
11	SEE BENG LIAN JANICE	170,000	0.19
12	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	139,448	0.16
13	CHEN LAY GEOK	136,800	0.15
14	HO KIM HONG	120,000	0.14
15	YAU KOK SAN	115,885	0.13
16	LEE SWEE KHIM	114,000	0.13
17	OH CHUN SIANG	108,000	0.12
18	TAN ENG ANN	103,040	0.12
19	CHIA SIONG LIM	100,000	0.11
20	GOH GEOK KHIM	100,000	0.11
TOTAL		86,386,366	97.34

STATISTICS OF SHAREHOLDINGS

As at 19 June 2025

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Indirect Interest	%
Sun Zhao Lin ¹	—	—	50,942,870	57.40
Tian Ruo Nan ¹	66,600	0.08	50,942,870	57.40
Sun & Tian Investment Pte. Ltd.	50,942,870	57.40	—	—
Tat Hong Holdings Ltd	21,253,153	23.95	—	—
THSC Investments Pte. Ltd. ²	—	—	21,253,153	23.95
TH60 Investments Pte. Ltd. ³	—	—	21,253,153	23.95
Chwee Cheng & Sons Pte Ltd ³	—	—	21,253,153	23.95
Ng San Tiong Roland ⁴	—	—	21,253,153	23.95
Ng Sun Ho Tony ⁴	—	—	21,253,153	23.95
Ng San Wee David ⁴	—	—	21,253,153	23.95
Ng Sun Giam Roger ⁴	—	—	21,253,153	23.95
Augusta Investments Zero Pte. Ltd. ⁵	—	—	21,253,153	23.95
Augusta AB Holdco Pte. Ltd. ⁵	—	—	21,253,153	23.95
Augusta Fundco Pte. Ltd. ⁵	—	—	21,253,153	23.95
Augusta Fund 1, LP ⁶	—	—	21,253,153	23.95
Augusta GP Pte. Ltd. ⁶	—	—	21,253,153	23.95
Affirma Capital Managers (Singapore) Pte. Ltd. ⁶	—	—	21,253,153	23.95
Affirma Capital (Singapore) Pte. Ltd. ⁷	—	—	21,253,153	23.95
Affirma Capital Limited ⁷	—	—	21,253,153	23.95

The percentage of shareholding above is computed based on the total issued shares of 88,749,997 excluding treasury shares.

Notes:-

- (1) Mr Sun Zhao Lin and Ms Tian Ruo Nan are spouses to each other. They are the directors and substantial shareholders of Sun & Tian Investment Pte. Ltd. and are deemed to be interested in the shares of the Company by virtue of the shares held by Sun & Tian Investment Pte. Ltd..
- (2) THSC Investments Pte. Ltd. ("**THSC**") owns 100% interest in Tat Hong Holdings Ltd ("**THH**"). Accordingly, THSC is deemed to be interested in the shares of the Company held by THH.
- (3) TH60 Investments Pte. Ltd. ("**TH60**") owns approximately 70.8% interest in THSC, which in turn is wholly owned by Chwee Cheng & Sons Pte Ltd ("**CCSPL**"). Accordingly, each of TH60 and CCSPL is deemed to be interested in the shares of the Company held by THH.
- (4) Pursuant to the terms of a trust deed dated 29 July 1997 (as amended) (the "**Trust Deed**"), Mr Ng San Tiong Roland and his brothers, Messrs Ng Sun Ho Tony, Ng San Wee David and Ng Sun Giam Roger, are joint trustees of the Chwee Cheng Trust (collectively, the "**Trustees**") constituted under the Trust Deed and which owns approximately 38.33% of CCSPL. As Trustees, each Trustee has a deemed interest in the shares of CCSPL held by Chwee Cheng Trust and accordingly, is deemed to be interested in the shares of the Company held by THH.
- (5) Augusta Investments Zero Pte. Ltd. ("**Augusta Investments Zero**"), which owns approximately 29.2% interest in THSC, is wholly owned by Augusta AB Holdco Pte. Ltd. ("**Augusta AB**"), which in turn is wholly owned by Augusta Fundco Pte. Ltd. ("**Augusta Fundco**"). Accordingly, each of Augusta Investments Zero, Augusta AB and Augusta Fundco is deemed interested in the shares of the Company held by THH.
- (6) Augusta Fund 1, LP owns 100% interest in Augusta Fundco. Augusta GP Pte. Ltd. ("**Augusta GP**") is the general partner of Augusta Fund 1, LP and Affirma Capital Managers (Singapore) Pte. Ltd. ("**Affirma Capital Managers**") is the fund manager of Augusta Fund 1, LP. Accordingly, Augusta Fund 1, LP acts on the directions of Augusta GP and Affirma Capital Managers. As a result, each of Augusta Fund 1, LP, Augusta GP and Augusta Capital Managers is deemed interested in the shares of the Company held by THH.
- (7) Affirma Capital (Singapore) Pte. Ltd. ("**Affirma Singapore**") owns 100% interest in each of Affirma Capital Managers and Augusta GP and in turn, Affirma Capital Limited ("**Affirma Capital**") owns 100% interest in Affirma Singapore. Accordingly, each of Affirma Singapore and Affirma Capital is deemed interested in the shares of the Company held by THH.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

14.45% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**AGM**”) of Yongmao Holdings Limited will be held at 81 Ubi Avenue 4, #09-01 UB. One, Singapore 408830 on Monday, 28 July 2025 at 11.00 a.m. (Singapore time) to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and Audited Financial Statements of the Company for the financial year ended 31 March 2025 together with the Auditor’s Report thereon. **(Resolution 1)**
2. To declare a final tax exempt (one-tier) dividend of 1.0 Singapore cent per ordinary share for the financial year ended 31 March 2025. **(Resolution 2)**
3. To re-elect Ms Tian Ruo Nan, a Director who is retiring pursuant to Regulation 117 of the Company’s Constitution, and being eligible, offers herself for re-election. **(Resolution 3)**

[See Explanatory Note (i)]
4. To re-elect Mr Ng San Tiong, a Director who is retiring pursuant to Regulation 117 of the Company’s Constitution, and being eligible, offers himself for re-election. **(Resolution 4)**

[See Explanatory Note (ii)]
5. To re-elect Mr Tan Eng Ann, a Director who is retiring pursuant to Regulation 121 of the Company’s Constitution, and being eligible, offers himself for re-election. **(Resolution 5)**

[See Explanatory Note (iii)]
6. To note the retirement of Mr Hoon Chee Wai, a Director who is retiring pursuant to Regulation 117 of the Company’s Constitution, and will not be seeking for re-election.

[See Explanatory Note (iv)]
7. To approve the payment of Directors’ fees of S\$208,050 for the financial year ended 31 March 2025 (2024: S\$188,550). **(Resolution 6)**
8. To approve the payment of Directors’ fees of S\$202,050 for the financial year ending 31 March 2026, payable quarterly in arrears. (2025: S\$208,050). **(Resolution 7)**
9. To re-appoint Messrs PKF-CAP LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 8)**
10. To transact any other ordinary business which may properly be transacted at an AGM.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

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

11. Authority to allot and issue shares

That, pursuant to Section 161 of the Companies Act 1967 (the “**Act**”) and Rule 806(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), authority be and is hereby given to the Directors of the Company to:-

- (a) (i) issue shares in the capital of the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares pursuant to any Instruments made or granted by the Directors of the Company while this Resolution was in force,

(the “**Share Issue Mandate**”)

provided that:

- (1) the aggregate number of shares (including shares to be issued pursuant to the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares and Instruments to be issued other than on a *pro-rata* basis to existing shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of the Instruments or any convertible securities;
 - (b) new shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;

Adjustments in accordance with sub-paragraphs (2)(a) or (2)(b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of passing of the Share Issue Mandate.

NOTICE OF ANNUAL GENERAL MEETING

- (3) in exercising the Share Issue Mandate conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable requirements under the Act and the Constitution for the time being; and
- (4) unless revoked or varied by the Company in a general meeting, the Share Issue Mandate conferred by this Resolution shall continue in force (i) until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments, whichever is earlier.

(Resolution 9)

[See Explanatory Note (v)]

12. **Renewal of Shareholders' Mandate for Interested Person Transactions**

That for the purposes of Chapter 9 of the Listing Manual of the SGX-ST:

- (a) approval be and is given for the renewal of the mandate for the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9), or any of them to enter into any of the transactions falling within the types of Interested Person Transactions as set out in the Appendix to the Notice of AGM dated 11 July 2025 (the **"Appendix"**) with any party who is of the class of interested persons described in the Appendix, provided that such transactions are made on the normal course of business, at arm's length and on commercial terms and in accordance with the guidelines of the Company for Interested Person Transactions as set out in the Appendix (the **"Shareholders' Mandate"**);
- (b) the Shareholders' Mandate shall, unless revoked or varied by the Company in a general meeting, 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 earlier; and
- (c) authority be given to the Directors of the Company to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by the Shareholders' Mandate and/or this Resolution.

(Resolution 10)

[See Explanatory Note (vi)]

By Order of the Board

Cheok Hui Yee / Yap Soon Yong
Company Secretaries

11 July 2025
Singapore

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (i) Ms Tian Ruo Nan will, upon her re-election as a Director of the Company, remain as Chief Executive Officer and Executive Director of the Company. Pursuant to Rule 720(6) of the Listing Manual, further information on Ms Tian is set out on Pages 47 to 50 of the Company's Annual Report.
- (ii) Mr Ng San Tiong will, upon his re-election as a Director of the Company, remain as Deputy Chairman and Non-Executive and Non-Independent Director of the Company. Pursuant to Rule 720(6) of the Listing Manual, further information on Mr. Ng is set out on Pages 47 to 50 of the Company's Annual Report.
- (iii) Mr Tan Eng Ann will, upon his re-election as a Director of the Company, remain as Non-Executive and Independent Director of the Company. Mr Tan is considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. Pursuant to Rule 720(6) of the Listing Manual, further information on Mr. Tan is set out on Pages 47 to 50 of the Company's Annual Report.
- (iv) Mr Hoon Chee Wai will, upon his retirement as a Director of the Company, relinquish his position as Non-Executive and Lead Independent Director, Chairman of Audit Committee, and a member of Nominating Committee and Remuneration Committee of the Company.
- (v) Ordinary Resolution 9 proposed in item 11 above, if passed, will authorise and empower the Directors of the Company from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding, in total, fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to twenty per centum (20%) may be issued other than on a *pro-rata* basis to existing shareholders of the Company.

For determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Resolution is passed after adjusting for new shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards which were issued and outstanding or subsisting at the time when this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.
- (vi) Ordinary Resolution 10 proposed in item 12 above, if passed, will authorise the Interested Person Transactions as described in the Appendix to the Notice of AGM dated 11 July 2025 and recurring in the year and will empower the Directors of the Company to do all acts necessary to give effect to the Shareholders' Mandate. This authority will, unless previously revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM 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.

NOTICE OF RECORD DATE AND DIVIDEND PAYMENT DATE

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 20 August 2025 for the purpose of determining the entitlements of a final tax exempt (one-tier) dividend of 1.0 Singapore cent per ordinary share to be proposed at the AGM of the Company to be held on 28 July 2025.

Duly completed registrable transfers received by the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd. of 36 Robinson Road, #20-01 City House, Singapore 068877, up to 5.00 p.m. on 19 August 2025 will be registered to determine members' entitlements to the said dividend.

Members whose Securities Account with The Central Depository (Pte) Limited are credited with shares up to 5.00 p.m. on 19 August 2025 will be entitled to the proposed dividend.

The proposed payment of the dividend, if approved by the members at the AGM to be held on 28 July 2025, will be made on 5 September 2025.

Notes:

Format of Meeting

1. The AGM is being convened, and will be held, in a wholly physical format, at 81 Ubi Avenue 4, #09-01 UB. One, Singapore 408830 on Monday, 28 July 2025 at 11.00 a.m. (Singapore time). **There will be no option for shareholders to participate in the AGM proceedings virtually.**

NOTICE OF ANNUAL GENERAL MEETING

Appointment of Proxy(ies)

2. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's instrument appointing proxy(ies) ("**proxy form**") appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.
3. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where more than two (2) proxies are appointed, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

"**Relevant Intermediary**" has the meaning ascribed to it in Section 181 of the Act.

4. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.
5. Investors holding shares through The Central Provident Fund Investment Scheme ("**CPF**") ("**CPF investors**") and Supplementary Retirement Scheme ("**SRS**") ("**SRS investors**"):
 - (a) may attend, speak and vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, and should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m., on 16 July 2025 (being seven (7) working days prior to the date of the AGM), in which case, the CPF and SRS Investors shall be precluded from attending the AGM.
6. The proxy form must be submitted to the Company in the following manner:
 - (a) if submitted personally or by post, be lodged with the registered office of the Company at 81 Ubi Avenue 4, #09-01 UB. One, Singapore 408830; or
 - (b) if submitted electronically, be submitted via email to investor@yongmaoholdings.com,

in either case, no later than 11.00 a.m. on 26 July 2025, being not less than forty-eight (48) hours before the time appointed for holding the AGM, and failing which, the proxy form will not be treated as valid.

7. The proxy form must be signed by the appointor or his/her attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised. 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 proxy form.
8. Completion and submission of the proxy form by a member shall not preclude him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of a proxy or proxies for the AGM shall be deemed to be revoked if the member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person(s) appointed under the relevant proxy form to the AGM.
9. The Company shall be entitled to reject a proxy form which is invalid, incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form.
10. A depositor's name must appear in the depository register maintained by The Central Depository (Pte) Limited ("**Depository Register**") as at seventy-two (72) hours before the time appointed for holding the AGM in order for the depositor to be entitled to attend, speak and vote at the AGM.

Submission of Questions prior to the AGM

11. All members, including CPF/SRS investors may submit questions relating to the resolutions to be tabled for approval at the AGM or the Company's businesses and operations in advance of the AGM. To do so, all questions must be submitted no later than **5.00 p.m. on 18 July 2025** through any one of the following means:
 - (a) by depositing the physical copy at the registered office of the Company at **81 Ubi Avenue 4, #09-01 UB. One, Singapore 408830**; or
 - (b) by email to the Company at investor@yongmaoholdings.com.

The Company will endeavour to address substantial and relevant questions and will upload the Company's responses to the queries from shareholders on the SGXNet and Company's website by 24 July 2025.

12. If the questions are deposited in physical copy at the Company's registered office or sent via email, and in either case not accompanied by the completed and executed proxy form, the following details must be included with the submitted questions: (i) the member's full name; and (ii) the member's address; and (iii) the manner in which the member holds shares in the Company (e.g. via CDP, CPF, or SRS) for verification purposes, failing which the submission will be treated as invalid.
13. The Company will, within one (1) month after the date of the AGM, publish the minutes of the AGM on the Company's website at <https://yongmao.listedcompany.com/> and on the SGXNET website at <https://www.sgx.com/securities/company-announcements>, and the minutes will include the responses to substantial and relevant questions which are addressed during the AGM, if any.

NOTICE OF ANNUAL GENERAL MEETING

Access to Documents

14. Printed copies of this Notice of AGM, the accompanying proxy form and the request form for a printed copy of the Annual Report 2025 (the “**Request Form**”) will be despatched to shareholders at his/her registered address appearing in the Register of Members or (as the case may be) the Depositor Register. A printed copy of the Annual Report 2025 will only be despatch to the shareholders upon submission of the Request Form by the shareholders. The Annual Report 2025 (together with the Notice of AGM, the accompanying proxy form, the Appendix to the Notice of AGM dated 11 July 2025, the Request Form) have also been made available on the Company's corporate website at <https://yongmao.listedcompany.com/> and the SGXNET website at <https://www.sgx.com/securities/company-announcements>.

Personal data privacy:

By (a) attending the AGM; (b) 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 (c) submitting any questions prior to, or at, the AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxy(ies) and/or representative(s) appointed for the AGM (including any adjournment thereof), addressing substantial and relevant questions from members received prior to, or at, the AGM, preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

APPENDIX – SUMMARY SHEET FOR RENEWAL OF SHAREHOLDERS’ MANDATE FOR INTERESTED PERSON TRANSACTIONS

1. INTRODUCTION

Yongmao Holdings Limited (the “**Company**”) together with its subsidiaries (collectively the “**Group**”) is seeking approval from the Shareholders at the Annual General Meeting (“**AGM**”) to be held on 28 July 2025 for the renewal of the Shareholders’ Mandate to authorise the Group to enter into various Interested Person Transactions in compliance with Chapter 9 of the Listing Manual of Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

2. GENERAL

We anticipate that our Group would, in the ordinary course of business, enters into transactions with persons who are considered “Interested Persons” as defined in Chapter 9 of the Listing Manual of SGX-ST. It is likely that such transactions will occur with some degree of frequency and could arise at any time, and from time to time. Such transactions include, but are not limited to, the categories of transactions described below.

Chapter 9 of the Listing Manual of SGX-ST applies to transactions entered or to be entered into by an entity at risk with a party that is an interested person of the listed company. Save for transactions which are excluded under Chapter 9 of the Listing Manual of SGX-ST, an immediate announcement and (if applicable) shareholders’ approval would be required in respect of a transaction with interested persons if the value of that transaction is equal to or exceeds certain financial thresholds.

Under the SGX-ST’s Listing Manual:

- (a) an “entity at risk” means:
 - (i) the listed company;
 - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
 - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the “**listed group**”), or the listed group and its interested person(s), has control over the associated company;
- (b) an “interested person” means a director, chief executive officer or controlling shareholder of the listed company or an associate of any such director, chief executive officer or controlling shareholder;
- (c) an “associate” means:

in relation to an interested person who is a director, chief executive officer, substantial or controlling shareholder includes:

 - (i) an immediate family member (that is, the spouse, child, adopted-child, step-child, sibling and parent) of such director, chief executive officer, substantial or controlling shareholder;
 - (ii) the trustees of any trust of which the director or his immediate family, the chief executive officer or his immediate family, substantial or controlling shareholder or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object;
 - (iii) any company in which the director and his immediate family, the chief executive officer and his immediate family, substantial or controlling shareholder and his immediate family together has an interest (directly or indirectly) of 30% or more; and

APPENDIX

- (iv) where a substantial shareholder or a controlling shareholder which is a corporation, its subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an interest of 30% or more;
- (d) An “associated company” means a company in which at least 20% but not more than 50% of its shares are held by the listed company or the group;
- (e) An “approved exchange” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9;
- (f) A “controlling shareholder” means a person who holds (directly or indirectly) 15% or more of the nominal amount of all voting shares in the company. The Exchange may determine that a person who satisfies this paragraph is not a controlling shareholder or in fact exercises control over a company; and
- (g) An “interested person transaction” means a transaction between an entity at risk and an interested person.

Pursuant to Rule 920(2) of the Listing Manual of SGX-ST, the Company may treat a general mandate as having been obtained from the Shareholders (“**Shareholders’ Mandate**”) for the Company to enter into certain categories of interested person transactions with the classes of interested person set out below, if the information required by Rule 920(1)(b) is included in the Prospectus. Rule 920(1)(b) of the Listing Manual of SGX-ST requires the following information to be disclosed:

- (i) the names of the interested persons with whom the entity at risk will be transacting;
- (ii) the nature of the transactions contemplated under the mandate;
- (iii) the rationale for, and benefit to, the entity at risk;
- (iv) the methods or procedures for determining transaction prices;
- (v) an independent financial adviser’s opinion on whether the methods or procedures in (iv) are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the listed company and its minority shareholders;
- (vi) an opinion from the Audit Committee if it takes a different view to the independent financial adviser;
- (vii) a statement from the issuer that it will obtain a fresh mandate from shareholders if the methods or procedures in (iv) become inappropriate; and
- (viii) a statement that the interested person will abstain, and has undertaken to ensure that its associates will abstain, from voting on the resolution approving the transaction.

The Shareholders’ Mandate will be effective from the date of the passing of the resolution to be proposed at the AGM and will continue to be in force until the next AGM. We will seek the approval of our Shareholders for a renewal of the Shareholders’ Mandate at each subsequent AGM of the Company.

In accordance with Rule 920(1)(b)(viii) of the Listing Manual, interested persons will abstain, and have undertaken to ensure that their associates will abstain from voting on resolutions approving interested person transactions involving themselves and the Group. Furthermore, such interested persons shall not act as proxies in relation to such resolutions unless voting instructions have been given by shareholders who are unrelated to such interested persons or their associates.

Rule 905 and Rule 906 of the Listing Manual do not apply to any transaction which has a value that is below S\$100,000 with an interested person and therefore transactions below S\$100,000 need not be covered under the Shareholders’ Mandate.

3. CLASSES OF INTERESTED PERSONS

The Shareholders' Mandate will apply to transactions between the Group and the following persons ("**Interested Persons**"):

- (a) Mr Sun Zhao Lin, Ms Tian Ruo Nan and Mr Sun Tian (the "**Sun Family Members**") and their associates (other than the Company), including Fushun Yongmao Industry and Trade Co., Ltd ("**FYIT**") and their respective subsidiaries or associated companies, if any; and
- (b) Tat Hong Holdings Ltd and its subsidiaries and associated companies (the "**Tat Hong Group**").

Transactions with interested persons that do not fall within the ambit of the Shareholders' Mandate shall be subject to the provisions of Chapter 9 and/or any other applicable provisions of the Listing Manual of SGX-ST.

4. CATEGORIES OF INTERESTED PERSON TRANSACTIONS

The following transactions (the value of which is S\$100,000 or more) with the Interested Persons (the "**Interested Person Transactions**") are in connection with the provision to, or the obtaining from, these Interested Persons of products and services which are recurrent transactions of a revenue or trading nature or which are necessary for the day-to-day operations of the Group:

- (i) the sale of products (including the sale of tower cranes and tower crane accessories to companies within the Tat Hong Group) and the provision of services; and
- (ii) the purchase of products and services (including the purchases of consumables from FYIT).

5. RATIONALE FOR AND BENEFITS OF THE SHAREHOLDERS' MANDATE

In view of the time-sensitive nature of commercial transactions, it would be advantageous to the Company to obtain the Shareholders' Mandate to enter into the Interested Person Transactions, provided that all such transactions are carried out on normal commercial terms. The Shareholders' Mandate (if approved and renewed on an annual basis) will eliminate, among others, the need for the Company to convene separate general meetings on each occasion to seek Shareholders' approval as and when potential transactions with interested persons arise. This will reduce substantially the administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising its corporate objectives and adversely affecting its business opportunities.

The Interested Person Transactions are entered into or, are to be entered into, by the Group in the ordinary course of business. They are recurring transactions which are likely to occur with some degree of frequency and arise at any time and from time to time.

The Directors are of the view that it will be beneficial to the Group to transact or continue to transact with the Interested Persons after the listing of the Company on the SGX-ST. Disclosure will be made where required under the prevailing listing rules, in the Company's annual report and financial results on the aggregate value of Interested Person Transactions conducted pursuant to the Shareholders' Mandate during the current financial year, and in the annual reports for the subsequent financial years during which the Shareholders' Mandate is in force.

APPENDIX

6. GUIDELINES AND REVIEW PROCEDURES FOR INTERESTED PERSON TRANSACTIONS

The Audit Committee has reviewed and approved the following internal control procedures that will apply to Interested Person Transactions. These procedures are implemented with a view to ensuring that Interested Person Transactions are undertaken on normal commercial terms and/or on an arm's length basis; that is, the transactions are transacted on terms not more favourable to the Interested Persons than if they were transacted with an unrelated third party, and are not prejudicial to the interests of the Company and the minority Shareholders.

The Company shall monitor transactions with Interested Persons entered into by the Group and categorise these transactions as follows:

- (a) any transaction, whose value is less than 3% of the latest audited net tangible assets of the Group will be reviewed and approved by a non-interested Executive Director. In the event that all the Executive Directors have an interest, whether directly or indirectly, in the transaction, it will be reviewed and approved by a non-interested and Non-Executive Director; and
- (b) any transaction, whose value is equal to or exceeds 3% of the latest audited net tangible assets of the Group will be reviewed and approved by at least one member of our Audit Committee.

For the purpose of the above review, where applicable, when supplying products or services to an Interested Person, the sale price or fee, and the terms, of at least two successful sales or supplies of a similar nature to non-Interested Persons within the last three months will be used for comparison. The sale price or fee for the supply of goods or services shall not be lower than the lowest sale price or fee of such other transaction(s) (of a similar nature) with non-Interested Persons.

Similarly, where applicable, when purchasing items from or engaging the services of an Interested Person, at least two successful purchases or quotations for the purchase or provision of same or similar items or services from non-Interested Persons within the last three months will be used (where available) for comparison. The purchase price or fee shall not be higher than the most competitive price, fee or quote of such other transaction(s) (of a similar nature) with non-Interested Persons. In determining the most competitive price or fee, non-price factors, including but not limited to quality, delivery time, and track record will be taken into account.

In the event that it is not possible for appropriate information (for comparative purposes) to be obtained, a Director (with no interest, direct or indirect, in the Interested Person Transactions) will determine whether the price, fees and/or the other terms offered by or to the Interested Persons are fair and reasonable, and approve such Interested Person Transactions. In so determining, such Director will consider whether the price, fees and/or other terms is in accordance with usual business practices and pricing policies and consistent with the usual margins and/or terms to be obtained for the same or substantially similar types of transactions to determine whether the relevant transaction is undertaken at an arm's length and on normal commercial terms.

For all on-going and future Interested Person Transactions in respect of the renting of properties, appropriate steps will be taken with a view to ensuring that the rent is commensurate with the prevailing market rates, including adopting measures such as making enquiries with landlords of similar property and obtaining necessary reports or reviews published by property agents (including an independent valuation report by a property valuer, where considered appropriate). The amount payable shall be based on the most competitive market rental rate of similar property in terms of size and location, based on the results of the relevant enquiries.

The Company will maintain a register of Interested Persons. This register will be updated regularly and will be sent to the Chief Financial Officer of the Group. The purpose of this register is to enable the Chief Financial Officer to identify the Interested Persons so as to facilitate the recording of all Interested Person Transactions excluding those below S\$100,000.

The Company will also maintain a register of transactions carried out with Interested Persons including those pursuant to the Shareholders' Mandate (recording the basis, including the quotations obtained to support such basis, on which they were entered into). This register of transactions shall be reviewed by the Audit Committee on a quarterly basis.

In addition, the Group's internal audit plan will incorporate a review of the transactions entered into in the relevant financial year pursuant to the Shareholders' Mandate. The internal auditor, if any, shall be required to review such transactions and report directly to the Audit Committee on them. In the event that the Company does not have any internal auditor, the Company's external auditor will be required to review such transactions and report directly to the Audit Committee. Such internal audit plan is subject to the approval of the Audit Committee and the Board.

In the event that our Chief Executive Officer, a member of the Board or a member of the Audit Committee (where applicable) is interested in any Interested Person Transactions, he/she will abstain from any decision making by the Audit Committee or the Board in respect of that transaction.

If during the quarterly reviews, the Audit Committee is of the view that the internal control procedures as stated above are not sufficient to ensure that the Interested Person Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the minority Shareholders, the Company will obtain a fresh mandate from Shareholders based on new guidelines and review procedures with interested persons. All Interested Person Transactions shall be reviewed and approved by at least one member of the Audit Committee prior to entry while a fresh mandate is being sought from Shareholders. In the event that a member of the Audit Committee is interested in any of the Interested Person Transactions, that member will abstain from reviewing that particular transaction.

The Audit Committee will also review transactions with interested persons on a quarterly basis with a view to ensuring that the prevailing rules of the SGX-ST (in particular, Chapter 9) are complied with. Our Audit Committee and our Board shall have the overall responsibility for the determination of the review procedures with the authority to sub-delegate to individuals or committees within the Group as they deem appropriate.

7. AUDIT COMMITTEE'S STATEMENT

The Audit Committee of the Company has reviewed the terms of the Shareholders' Mandate. Having considered, *inter-alia*, the categories, rationale and benefits, and guidelines on review procedures for the Interested Person Transactions, the Audit Committee confirms that (i) the review procedures for determining the prices of Interested Person Transactions have not changed since approval for the Shareholders' Mandate was last given; and (ii) the review procedures set out in the Shareholders' Mandate are sufficient to ensure that the Interested Person Transactions are on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. However, should the Audit Committee subsequently find that the existing procedures require material changes and are no longer relevant, the Audit Committee will recommend to the Board that a Shareholders' meeting be convened for Shareholders' approval in respect of a fresh mandate.

APPENDIX

8. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

- (a) The interests of the Directors and Substantial Shareholders of the Company in the issued share capital of the Company as at 19 June 2025 are set out below:

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Directors				
Sun Zhao Lin ⁽¹⁾	—	—	50,942,870	57.40
Tian Ruo Nan ⁽¹⁾	66,600	0.08	50,942,870	57.40
Ng San Tiong Roland ⁽⁵⁾	—	—	21,253,153	23.95
Sun Tian ⁽²⁾	841,900	0.95	—	—
Hoon Chee Wai	—	—	—	—
Soh Chun Bin	—	—	—	—
Tan Eng Ann	174,040	0.20	—	—
Substantial Shareholders (other than Directors)				
Sun & Tian Investment Pte. Ltd.	50,942,870	57.40	—	—
Tat Hong Holdings Ltd	21,253,153	23.95	—	—
THSC Investments Pte. Ltd. ⁽³⁾	—	—	21,253,153	23.95
TH60 Investments Pte. Ltd. ⁽⁴⁾	—	—	21,253,153	23.95
Chwee Cheng & Sons Pte Ltd ⁽⁴⁾	—	—	21,253,153	23.95
Ng Sun Ho Tony ⁽⁵⁾	—	—	21,253,153	23.95
Ng San Wee David ⁽⁵⁾	—	—	21,253,153	23.95
Ng Sun Giam Roger ⁽⁵⁾	—	—	21,253,153	23.95
Augusta Investments Zero Pte. Ltd. ⁽⁶⁾	—	—	21,253,153	23.95
Augusta AB Holdco Pte. Ltd. ⁽⁶⁾	—	—	21,253,153	23.95
Augusta Fundco Pte. Ltd. ⁽⁶⁾	—	—	21,253,153	23.95
Augusta Fund 1, LP ⁽⁷⁾	—	—	21,253,153	23.95
Augusta GP Pte. Ltd. ⁽⁷⁾	—	—	21,253,153	23.95
Affirma Capital Managers (Singapore) Pte. Ltd. ⁽⁷⁾	—	—	21,253,153	23.95
Affirma Capital (Singapore) Pte. Ltd. ⁽⁸⁾	—	—	21,253,153	23.95
Affirma Capital Limited ⁽⁸⁾	—	—	21,253,153	23.95

The percentage of shareholding above is computed based on the total issued shares of 88,749,997 (excluding treasury shares and subsidiary holdings) as at 19 June 2025.

Notes:

- (1) Mr Sun Zhao Lin and Ms Tian Ruo Nan are deemed to be interested in the shares of the Company by virtue of the shares held by Sun & Tian Investment Pte. Ltd.. Mr Sun Zhao Lin and Ms Tian Ruo Nan are directors and substantial shareholders of Sun & Tian Investment Pte. Ltd..
- (2) Mr Sun Tian is the son of Mr Sun Zhao Lin and Ms Tian Ruo Nan.
- (3) THSC Investments Pte. Ltd. ("THSC") owns 100% interest in Tat Hong Holdings Ltd ("THH"). Accordingly, THSC is deemed to be interested in the shares of the Company held by THH.
- (4) TH60 Investments Pte. Ltd. ("TH60") owns approximately 70.8% interest in THSC, which in turn is wholly owned by Chwee Cheng & Sons Pte Ltd ("CCSPL"). Accordingly, each of TH60 and CCSPL is deemed to be interested in the shares of the Company held by THH.

- (5) Pursuant to the terms of a trust deed dated 29 July 1997 (as amended) (the “**Trust Deed**”), Mr Ng San Tiong Roland and his brothers, Messrs Ng Sun Ho Tony, Ng San Wee David and Ng Sun Giam Roger, are joint trustees of the Chwee Cheng Trust (collectively, the “**Trustees**”) constituted under the Trust Deed and which owns approximately 38.33% of CCSPL. As Trustees, each Trustee has a deemed interest in the shares of CCSPL held by Chwee Cheng Trust and accordingly, is deemed to be interested in the shares of the Company held by THH.
- (6) Augusta Investments Zero Pte. Ltd. (“**Augusta Investments Zero**”), which owns approximately 29.2% interest in THSC, is wholly owned by Augusta AB Holdco Pte. Ltd. (“**Augusta AB**”), which in turn is wholly owned by Augusta Fundco Pte. Ltd. (“**Augusta Fundco**”). Accordingly, each of Augusta Investments Zero, Augusta AB and Augusta Fundco is deemed interested in the shares of the Company held by THH.
- (7) Augusta Fund 1, LP owns 100% interest in Augusta Fundco. Augusta GP Pte. Ltd. (“**Augusta GP**”) is the general partner of Augusta Fund 1, LP. and Affirma Capital Managers (Singapore) Pte. Ltd. (“**Affirma Capital Managers**”) is the fund manager of Augusta Fund 1, LP. Accordingly, Augusta Fund 1, LP acts on the directions of Augusta GP and Affirma Capital Managers. As a result, each of Augusta Fund 1, LP, Augusta GP and Augusta Capital Managers is deemed interested in the shares of the Company held by THH.
- (8) Affirma Capital (Singapore) Pte. Ltd. (“**Affirma Singapore**”) owns 100% interest in each of Affirma Capital Managers and Augusta GP and in turn, Affirma Capital Limited (“**Affirma Capital**”) owns 100% interest in Affirma Singapore. Accordingly, each of Affirma Singapore and Affirma Capital is deemed interested in the shares of the Company held by THH.
- (b) The interests of the Directors of the Company in the debentures of the Company as at 19 June 2025 are set out below:

	Direct Interest	Deemed Interest
(Commercial paper)	S\$	S\$
Sun Tian	90,000	—
Hoon Chee Wai	200,000	—
Tan Eng Ann	180,000	—

9. ABSTENTION FROM VOTING

- (i) Mr Sun Zhao Lin, Ms Tian Ruo Nan, Mr Sun Tian and Tat Hong Holdings Ltd, and their respective associates, being the Interested Persons will abstain from voting on Resolution 10.
- (ii) Mr Ng San Tiong who hold directorship and executive position in Tat Hong Group, and their respective associates will abstain from voting on Resolution 10.

10. DIRECTORS' RECOMMENDATION

The Directors who are considered independent for the purposes of the proposed renewal of the Shareholders' Mandate are Mr Hoon Chee Wai, Mr Soh Chun Bin and Mr Tan Eng Ann (the “**Independent Directors**”). The Independent Directors are of the opinion that the entry into the Interested Person Transactions by the Group in the ordinary course of its business will enhance the efficiency of the Group and are in the best interests of the Company.

For the reasons set out in paragraph 5 of the Appendix, the Independent Directors recommend that Shareholders vote in favour of Resolution 10, being the Ordinary Resolution relating to the proposed renewal of the Shareholders' Mandate for Interested Person Transactions at this AGM.

APPENDIX

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information given herein and confirm; having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and the opinions expressed herein are fair and accurate and that there are no material facts the omission of which would make any statement herein misleading.

12. ACTIONS TO BE TAKEN BY SHAREHOLDERS

If a Shareholder is unable to attend the AGM and wishes to appoint a proxy to attend and vote on his/her behalf, he/she should complete, sign and return the proxy form attached to the Notice of AGM in accordance with the instructions printed thereon.

The proxy form must be submitted to the Company in the following manner:

- (a) if submitted personally or by post, be lodged with the registered office of the Company at 81 Ubi Avenue 4, #09-01 UB. One, Singapore 408830; or
- (b) if submitted electronically, be submitted via email to investor@yongmaoholdings.com,

in either case, no later than 11.00 a.m. on 26 July 2025, being not less than forty-eight (48) hours before the time appointed for holding the AGM, and failing which, the proxy form will not be treated as valid. Completion and return of the proxy form by a Shareholder will not prevent him/her from attending and voting at the AGM if he/she so wishes.

13. SGX-ST

The SGX-ST takes no responsibility for the accuracy of any statements or opinions made in this Appendix.

YONGMAO HOLDINGS LIMITED

(Company Registration No. 200510649K)
(Incorporated in the Republic of Singapore)

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. An investor who holds shares under the Central Provident Fund Investment Scheme (“CPF Investor”) and/or the Supplementary Retirement Scheme (“SRS Investors”) (as may be applicable) may attend and cast his/her vote(s) at the annual general meeting (the “AGM”) in person. CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF Agent Banks and/or SRS Operators to appoint the Chairman of the AGM to act as their proxy, at least seven (7) working days before the AGM, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, _____ (Name), _____ (NRIC/Passport/Registration No.)

of _____ (Address)

being a member/members of YONGMAO HOLDINGS LIMITED (the “Company”), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person(s) referred to above, the Chairman of the AGM as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the AGM of the Company to be held at 81 Ubi Avenue 4, #09-01 UB. One, Singapore 408830 on Monday, 28 July 2025 at 11.00 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against or to abstain from voting on the Resolutions proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies (other than the Chairman of the AGM) will vote or abstain from voting at his/her discretion. In appointing the Chairman of the AGM as proxy, shareholders (whether individuals or corporates) must give specific instructions as to voting, or abstentions from voting, failing which the appointment will be treated as invalid.

No.	Resolutions relating to:	For*	Against*	Abstain*
Ordinary Business				
1	Adoption of the Directors’ Statement and Audited Financial Statements for the financial year ended 31 March 2025			
2	Declaration of Final Tax Exempt (One-Tier) Dividend for the financial year ended 31 March 2025			
3	Re-election of Ms Tian Ruo Nan as Director			
4	Re-election of Mr Ng San Tiong as Director			
5	Re-election of Mr Tan Eng Ann as Director			
6	Approval of Directors’ fees amounting to S\$208,050 for the financial year ended 31 March 2025			
7	Approval of Directors’ fees amounting to S\$202,050 for the financial year ending 31 March 2026, payable quarterly in arrears			
8	Re-appointment of Messrs PKF-CAP LLP as Auditors and authorise the Directors to fix their remuneration			
Special Business				
9	Authority to allot and issue shares			
10	Renewal of Shareholders’ Mandate for Interested Person Transactions			

* Voting will be conducted by poll. If you wish to exercise all your votes ‘For’, ‘Against’ or to ‘Abstain’ from voting, please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing the proxy/proxies not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this _____ day of _____ 2025

Total number of Shares held

Signature of Shareholder(s)
and, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES ON THE REVERSE



Notes:

1. Please insert the total number of shares in the share capital of the Company (“Shares”) held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies (the “**proxy form**”) shall be deemed to relate to all the Shares held by you.
2. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member’s proxy form appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.
3. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where more than two (2) proxies are appointed, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

“**Relevant Intermediary**” has the meaning ascribed to it in Section 181 of the Companies Act 1967 (the “Act”).

4. A proxy need not be a member of the Company.
5. This proxy form must be submitted to the Company in the following manner:
 - (a) if submitted personally or by post, be lodged with the registered office of the Company at 81 Ubi Avenue 4, #09-01 UB. One, Singapore 408830; or
 - (b) if submitted electronically, be submitted via email to investor@yongmaoholdings.com,in either case, no later than **11.00 a.m. on 26 July 2025**, being not less than forty-eight (48) hours before the time appointed for holding the AGM, and failing which, this proxy form will not be treated as valid.
6. The proxy form must be signed by the appointor or of his/her attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its common 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 proxy form.
7. A corporation which is a member may authorise by resolution of its Directors or other governing body such person as it thinks fit to act as its representative with respect to the AGM, in accordance with Section 179 of the Act and the person so authorised shall upon production of a copy of such resolution certified by a Director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
8. Completion and submission of this proxy form by a member shall not preclude him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of a proxy or proxies for the AGM shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant proxy form to the AGM.
9. CPF/SRS Investors:
 - (a) may attend, speak and vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, and should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m., on 16 July 2025** (being seven (7) working days prior to the date of the AGM), in which case, the CPF and SRS Investors shall be precluded from attending the AGM.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 11 July 2025.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form. In addition, in the case of Shares entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

COMPANY REGISTRATION NUMBER

200510649K

REGISTERED OFFICE

81 Ubi Avenue 4
#09-01 UB. One
Singapore 408830

DIRECTORS

Sun Zhao Lin
Sun Tian (also alternate to Sun Zhao Lin)
Tian Ruo Nan
Ng San Tiong
Hoon Chee Wai
Soh Chun Bin
Tan Eng Ann

AUDIT COMMITTEE

Hoon Chee Wai (Chairman)
Soh Chun Bin
Tan Eng Ann

REMUNERATION COMMITTEE

Soh Chun Bin (Chairman)
Hoon Chee Wai
Tan Eng Ann

NOMINATING COMMITTEE

Tan Eng Ann (Chairman)
Hoon Chee Wai
Soh Chun Bin

JOINT COMPANY SECRETARIES

Cheok Hui Yee
Yap Soon Yong

SHARE REGISTRAR

In.Corp Corporate Services Pte. Ltd.
36 Robinson Road
#20-01 City House
Singapore 068877

INDEPENDENT AUDITOR

PKF-CAP LLP
Public Accountants and Chartered Accountants
6 Shenton Way #38-01
OUE Downtown 1
Singapore 068809

Partner-in-charge: Ang Kok Keong
(appointed since financial year ended 31 March 2025)





YONGMAO HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 3 August 2005)

(Company Registration No: 200510649K)

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