VIBROPOWER

ANNUAL REPORT 2024

STAYING THE COURSE

CONTENTS

OUR CORE VALUES

At VibroPower, there are 3-Powers at work:

- **PASSION**
  Our passion fuels our people;
- **PRIDE**
  We never say No; and
- **POSSIBILITIES**
  We transform challenges to possibilties.

OUR MISSION

- Build a Global Workforce to support our chosen markets.
- Provide customer value through excellent after-sales services.
- Strengthen existing and develop new markets.
- To consistently exceed shareholders' expectations.

REGISTERED OFFICE ADDRESSES

- **SINGAPORE**
  VibroPower Corporation Limited
  VibroPower Pte Ltd
  VibroPower Sales and Services (S) Pte. Ltd.
  GMTM Holdings Pte Ltd
  Scott & English Pte. Ltd.
  11 Tuas Avenue 16
  Singapore 638929
  Tel : (65) 6268 2322
  Fax : (65) 6262 2922
  www.vibropower.com

- **MALAYSIA**
  VibroPower Generators Sdn. Bhd.
  No 3.1 Kompleks KPPMS,
  Lot 291, Jalan RU 3/9A,
  Seksyen 3 40000 Shah Alam,
  Selangor, Malaysia
  Tel : (603) 5524 4601

- **CHINA**
  Shanxi Weineng Coal Mine Gas Development Co., Ltd.
  Shanxi Province, Yangquan City,
  Pingding Country, Zhangzhuang Town,
  Nanyangsheng Village, China
  Tel : (86) 0353-5681550

- **INDIA**
  VibroPower Generators (India) Pvt. Ltd.
  304, Atlanta Estate,
  Dr Ambedkar Chowk,
  Goregaon East,
  Mumbai 400063, India
  Tel : (91) 22 29277402

CHAIRMAN'S MESSAGE

"*We will continue to pursue opportunities to further expand our clean energy business to include other clean energy businesses and products, such as new-generation lithium ion batteries for use in electric vehicles, to drive sustainable long-term growth and create greater value for shareholders.*"

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I am pleased to present the Annual Report of VibroPower Corporation Limited ("Vibropower" or the "Company", and together with its subsidiaries, the "Group") for the financial year ended 31 March 2024 ("FY2024").

THE YEAR IN REVIEW

In FY2024, the Group navigated a challenging landscape marked by escalating costs and heightened competition. Despite these challenges, we adapted swiftly and strategically, leveraging our strengths to maintain a competitive edge and explore new growth opportunities.

We are pleased to report that our power generation solutions business ("Project segment") demonstrated resilience with a steady performance. In FY2024, the Group achieved a net profit attributable to shareholders of $0.2 million, reversing a net loss of $7.1 million in the previous year. Revenue increased by 55.0% to $14.8 million, primarily driven by higher contributions from the Project segment, which benefitted from securing several major projects during the financial year. The Group completed the delivery of generators and fuel systems for notable projects, including the IOI Central Boulevard Towers, Immigration & Checkpoint Authority Building, Mindef NS Hub at Bukit Gombak, and Kim Chuan Depot Extension.

Thanks to the successful execution and delivery of these major projects with higher margins, the Group's gross profit surged by 694.7% to $2.5 million. Consequently, the gross profit margin significantly improved by 13.7 percentage points, rising from 3.3% to 17.0%.

The Group's improved performance was supported by substantial impairment reversals. These included a reversal of $1.2 million in impairment losses on financial assets due to the recovery of expected credit losses on trade and other receivables from a former business partner and a reversal of $0.7 million for the allowance on slow-moving inventories, which were allocated to specific projects.

In our clean energy business, we have made steady progress with the biomass power plant in Malaysia, acquired in October 2021. By the end of 2023, we completed upgrading the initial phase of the plant to extract sludge palm oil. We are on track to commence the sludge oil processing operations in the third quarter of 2024, pending the necessary licenses and approvals from Malaysian authorities. Upon commencement of sales, the sludge oil processing operations will provide our Group with an additional revenue stream.

We also obtained approval from the Energy Commission of Sabah in April 2024 for the second phase of upgrading our plant, enabling it to generate electricity for commercial sale. Currently, we are actively pursuing a power purchase agreement and securing financing. The electricity generated will be sold to a local power group for distribution through their grid at agreed prices. We aim to commence operations and estimated selling electricity around 2026 for net export 10MW. This represents a significant step forward in our efforts to establish a strong foothold in the clean energy business segment.

On 1 November 2023, the Company formed a joint venture with Interra Resources Ltd ("Interra") to construct a 2-megawatt solar farm within our biomass power plant in Malaysia and to develop a renewable energy supply business. Interra will co-finance the project, estimated at $3.0 million, by purchasing a convertible bond from the Company for $1.5 million. The proceeds from the bond will be used to develop and construct the solar farm, with the Company covering the remaining costs. This joint venture enables the Company to expand our power plant business segment by partnering with a well-established traditional energy exploration and production company, thereby opening new opportunities within the energy production industry.

MOVING AHEAD

We are mindful of the outlook for the power generation solutions business. The operating environment remains challenging as we expect elevated business costs and intense competition to persist. In this unpredictable and competitive business environment, we will remain focused on maintaining prudence in financial management while enhancing operational efficiencies through continuous improvements in our work processes. Additionally, we aim to increase cost efficiency by refining our supplier chain management to gain better control over material costs and quality standards. We will prioritise the timely and efficient fulfilment of our order book while intensifying our efforts to secure higher-margin projects, particularly in Singapore. This will strengthen our order book. With this strategic focus, we are confident that we can effectively navigate the challenges ahead and seize opportunities for sustainable growth in our areas of business.

We are confident that the clean energy business will continue to deliver results, strengthening our recurring revenue base. With the global shift towards sustainable energy gaining momentum, we are poised to capture opportunities arising from the increasing demand for renewable energy solutions and support for cleaner, greener future for all. By leveraging our expertise in renewable energy solutions, we are committed to advancing our clean energy business and pursuing opportunities beyond Singapore to improve and grow both our top line and cash flow.

On 2 August 2024, our wholly owned subsidiary, VibroPower (HK) Limited, entered into an equity transfer agreement with Du XuFang and Liu Jin Jing to divest 100% of its equity interest in Shanxi Weineng Coal Mine Gas Development Co., Ltd. for a total cash consideration of RMB30 million (including the settlement of inter-company balance of RMB10 million). In addition to a net gain on disposal of $2.8 million, the proceeds from this divestment will enable the Group to strategically reinvest in promising green and renewable energy projects whilst strengthening our working capital to support the continued growth and development of our other existing renewable energy initiatives.

Notwithstanding the uncertainties ahead, we remain committed to execute our initiatives with determination and resilience, focusing on strengthening and leveraging our core competencies, experience and networking across our businesses to deliver greater value for our shareholders.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to our management and staff for their efforts and hard work over the past year. I would also like to thank my fellow Board members for their wise counsel and guidance.

To our shareholders, business associates, and partners, I thank you for your confidence and support in the Group during the past year. I look forward to your continuous support in the years ahead as we strive to provide value added services and innovative solutions to our customers and deliver greater growth for our shareholders.

ERNEST YOGARAJAH BALASUBRAMANIAM
Non-Executive Chairman

FINANCIAL AND OPERATIONS REVIEW

REVENUE

	FY2024		FY2023		Variance
	$'000	**%**	**$'000**	**%**	**%**
Projects	13,199	88.9	6,997	73.0	88.6
Power Plant	1,218	8.2	2,238	23.4	(45.6)
Others	428	2.9	341	3.6	25.5
Total Revenue	**14,845**	**100.0**	**9,576**	**100.0**	**55.0**

On a segmental basis, Projects segment accounted for 88.9% of total revenue in FY2024 (FY2023: 73.0%) while Power Plant segment contributed 8.2% (FY2023: 23.4%).

The Group's revenue surged by 55.0% to $14.8 million, primarily due to higher revenue contribution from the Projects segment, which secured several major projects during the financial year.

	FY2024		FY2023		Variance
	$'000	**%**	**$'000**	**%**	**%**
Singapore	12,761	86.0	6,880	71.8	85.5
Asia (excluding Singapore)	2,084	14.0	2,696	28.2	(22.7)
Total Revenue	**14,845**	**100.0**	**9,576**	**100.0**	**55.0**

Geographically, Singapore continued to be the Group's major market, accounting for 86.0% of the total revenue in FY2024, while Asia, which comprised mainly of Hong Kong and China, contributed 14.0% to the Group's total revenue.

PROFITABILITY

In FY2024, the Group's gross profit rose by 694.7% to $2.5 million, while gross profit margin improved by 13.7 percentage points from 3.3% to 17.0%, thanks to the completion of higher-margin projects during the year.

Other credits increased substantially from S$31,000 in FY2023 to $1.1 million in FY2024, mainly due to a reversal of allowance for impairment of slow-moving inventories of $0.7 million as these inventories were allocated to specific projects and a write-back of trade payables of $0.3 million.

Administrative expenses rose by 20.0% to $2.9 million, mainly attributed to the increase in professional fees resulting from the issuance of convertible bonds and an extraordinary general meeting, as well as fees associated with loan/trade line facilities.

Finance costs grew by 61.8% to $0.6 million in FY2024 due to higher interest rates and increased borrowing.

The reversal of impairment losses on financial assets of $1.2 million relates to the reversal of expected credit losses on trade and other receivables from a former business partner. On 11 July 2023, the Group's subsidiary entered into a settlement agreement with the former business partner for a mutually agreed amount, fully and finally settling all claims against the former business partner in a legal suit. The Group received the full settlement sum on 26 September 2023.

Other charges of $1.1 million primarily pertain to the provision for performance bond to a customer of $0.8 million. As announced on 6 March 2024, the Company received a demand letter from a customer threatening to call on the performance bond if certain documentation was not provided. Consequently, the Company prudently made a provision of $0.8 million for the performance bond.

Other expenses of $0.1 million, decreased by $0.04 million primarily pertain to the engineering fee from VPGM.

As a result, the Group achieved a net profit after tax of $0.2 million in FY2024, reversing a net loss of $7.1 million in the previous year.

FINANCIAL POSITION

As of 31 March 2024, the Group's net assets attributable to equity holders of the Company was $6.8 million, which translated to a net asset value per share of 9.25 Singapore cents, compared with 9.65 Singapore cents as of 31 March 2023.

Non-current assets decreased by 11.4% to S$8.6 million, largely due to a $0.8 million reduction in property, plant, and equipment mainly resulting from depreciation charges for FY2024.

Current assets increased by 8.9% to $13.5 million, mainly due to increases in (i) trade and other receivables by $2.4 million attributed to sales from several major projects in the last quarter of FY2024; and (ii) contract assets by $0.4 million due to unbilled progress claims for projects delivered in the last quarter of FY2024. These increases were partially offset by decreases in (i) inventories by $1.0 million resulting from the delivery of projects during FY2024; (ii) other assets by $0.3 million due to fewer deposits paid to suppliers; and (iii) cash and cash equivalents by $0.4 million.

Non-current liabilities rose by 12.1% to $3.1 million, primarily due to an increase of $0.4 million in long-term loans and borrowings.

Current liabilities increased slightly by 0.7% to $10.8 million, mainly due to a rise in payables and accruals of $1.6 million arising from purchases for the projects scheduled for delivery in the next financial year. This increase was partially offset by a decrease in short-term loans and borrowings of $0.8 million resulting from loan repayments during the financial year and a reduction in contract liabilities of $0.7 million.

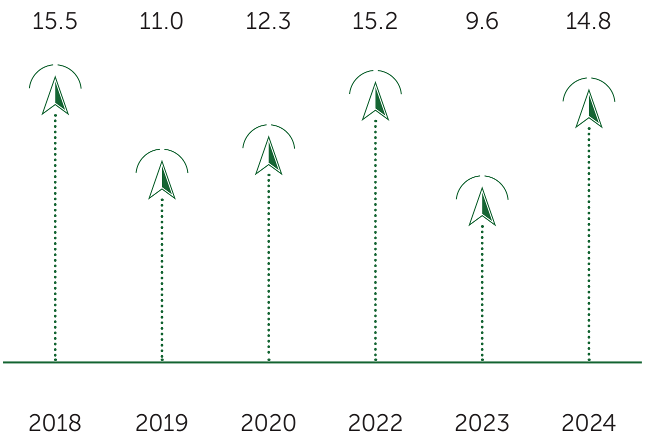
CASH FLOW

The Group's cash and cash equivalents decreased from $0.8 million as of 31 March 2023 to $0.4 million as of 31 March 2024. This decline was mainly due to the net cash flow used in operating activities of $1.2 million, partially offset by proceeds from additional loans and borrowings during the financial year.

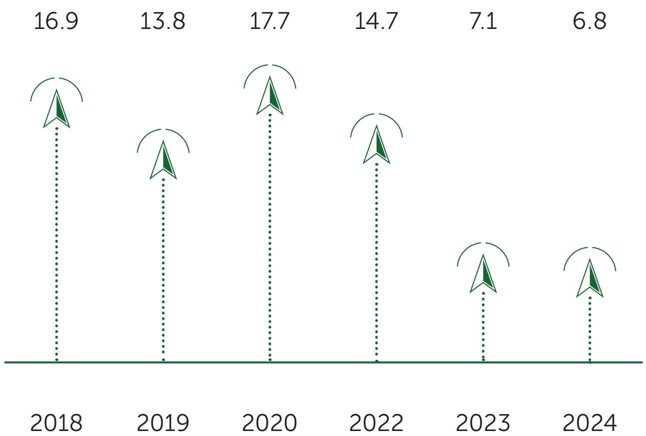
FINANCIAL HIGHLIGHTS (S$MIL)

	2018	2019	2020	2022	2023	2024
Turnover	15.5	11.0	12.3	15.2	9.6	**14.8**
Profit/(Loss) before Tax	0.8	(2.8)	0.1	(3.3)	(7.1)	**0.2**
Shareholders' Equity, Attributable to Equity Holders of the Company	16.9	13.8	17.7	14.7	7.1	**6.8**
Total assets	34.1	28.0	31.0	28.2	22.1	**22.1**

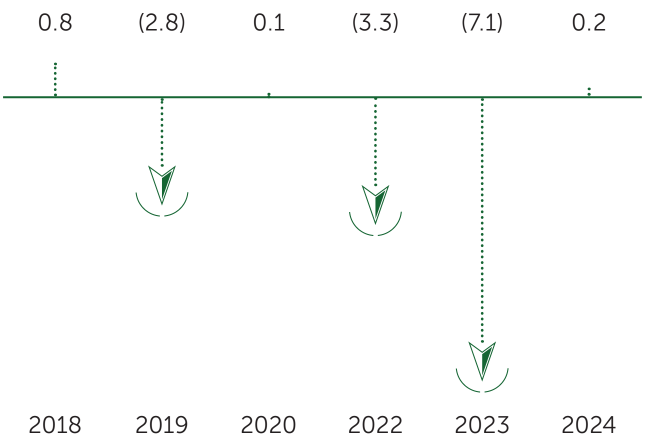
TURNOVER ($MIL)



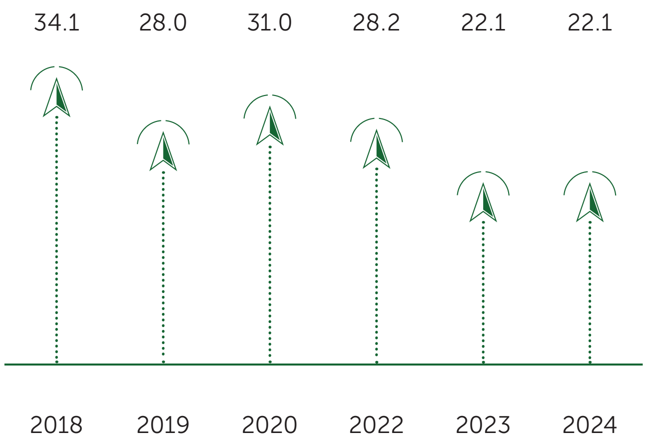
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY ($MIL)



PROFIT/(LOSS) BEFORE TAX ($MIL)



TOTAL ASSETS ($MIL)



BOARD OF DIRECTORS

BENEDICT CHEN ONN MENG
Chief Executive Officer

Mr Chen is one of the founders and has been with the Group since 1995. He was appointed as Managing Director and Chief Executive Officer of the Group on 22 August 2000. Mr Chen is responsible for leading the development and execution of the Group's short and long-term strategies and business plans. Mr Chen has a diploma in Mechanical Engineering from the Singapore Polytechnic.

ERNEST YOGARAJAH BALASUBRAMANIAM
Non-Executive Chairman

Mr Balasubramaniam was appointed as an Independent and Non-Executive Director of the Company on 10 May 2007.

Mr Balasubramaniam was re-designated from Independent and Non-Executive Director to Non-Executive Chairman of the Company on 12 November 2020 and is a member of the Audit Committee, Remuneration Committee and Nominating Committee.

Mr Balasubramaniam is a practising lawyer and Director of UniLegal LLC. He has a Bachelor of Laws degree , a Master of Laws degree from the National University of Singapore and Graduate Certificate in International Arbitration.

TOH SHIH HUA

Lead Independent and Non-Executive Director

Ms Toh was appointed as an Independent and Non-Executive Director on 28 April 2015. She was appointed as Lead Independent Director of the Company on 12 November 2020.

Ms Toh is the Chairman of the Audit Committee and Remuneration Committee and a member of the Nominating Committee.

Ms Toh is the founder and Director of Genesis Capital Pte Ltd, a corporate finance advisory firm since 2004. Ms Toh has a Bachelor of Accountancy degree from Nanyang Technological University and is a member of Institute of Singapore Chartered Accountants.

TAN POH CHYE ALLAN

Independent and Non-Executive Director

Mr Tan was appointed as an Independent and Non-Executive Director on 12 November 2020. He is the Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee.

Mr Tan is a lawyer and practises in the field of corporate finance, regulatory and compliance laws. He is also an Independent and Non-Executive Director of CNMC Goldmine Holdings Limited, Nico Steel Holdings Limited and Ecowise Holdings Limited.

Mr Tan holds a Bachelor of Laws (Honours) degree from the University of Buckingham (United Kingdom) and a Master's degree in Law from the London-Guildhall University (now named as the London Metropolitan University). He is also a Barrister-at-law of Gray's Inn.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Benedict Chen Onn Meng
Chief Executive Officer

Ernest Yogarajah Balasubramaniam
Non-executive Chairman

Toh Shih Hua
Lead Independent and Non-executive Director

Tan Poh Chye Allan
Independent and Non-executive Director

AUDIT COMMITTEE

Toh Shih Hua
Chairman

Ernest Yogarajah Balasubramaniam
Member

Tan Poh Chye Allan
Member

NOMINATING COMMITTEE

Tan Poh Chye Allan
Chairman

Toh Shih Hua
Member

Ernest Yogarajah Balasubramaniam
Member

REMUNERATION COMMITTEE

Toh Shih Hua
Chairman

Ernest Yogarajah Balasubramaniam
Member

Tan Poh Chye Allan
Member

REGISTERED OFFICE AND BUSINESS ADDRESS

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COMPANY SECRETARY

Sia Huai Peng

REGISTRAR AND SHARE TRANSFER OFFICE

BOARDROOM CORPORATE & ADVISORY
SERVICES PTE LTD
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Keppel Bay Tower
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Singapore 098632

AUDITORS

FORVIS MAZARS LLP
(FORMERLY KNOWN AS MAZARS LLP)
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
135 Cecil Street
#10-01
Singapore 069536

Partner in charge: Ooi Chee Keong
(Since financial year ended 31 March 2024)

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CORPORATE GOVERNANCE REPORT

VibroPower Corporation Limited (the "**Company**") is committed to maintaining good corporate governance within the Company and its subsidiaries (collectively, the "Group"). The Board recognises the importance of good corporate governance and is committed to making sure that the Group has in place effective corporate practices to protect the interests of its shareholders and maximise long-term shareholder value.

The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") listing manual ("**Listing Rules**") require all listed companies to describe in their Annual Report their corporate governance practices with reference to the Code of Corporate Governance.

This report describes the Company's corporate governance practices for the financial year ended 31 March 2024 ("**FY2024**"), with specific reference made to the principles of the revised Code of Corporate Governance issued on 6 August 2018 (as amended on 11 January 2023) (the "**Code**").

Statement of Compliance

The Board confirms that for FY2024, the Company has adhered to the principles and provisions as set out in the Code, where applicable, and has disclosed and explained any deviation from the Code in this report.

A. BOARD MATTERS

The Board's Conduct of its Affairs

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

The Board is responsible for the overall management of the Company. Its primary functions are to provide effective leadership and direction for the overall business and corporate affairs of the Group and to hold key management personnel (as the term is defined under Provision 4.1 of the Code) ("**Management**") to account to enhance long-term value for the Company's shareholders and the Group's stakeholders.

Besides carrying out its statutory responsibilities, the Board's role is to:

a) Provide leadership, set strategic objectives, which include appropriate focus on value creation, innovation and sustainability, and ensure that the necessary resources are in place for the Company to meet its strategic objectives;

b) Establish and maintain a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance of risks and performance;

c) Review Management's performance, approve annual budgets, funding requirements, expansion programs, capital investment, and major acquisitions and divestments proposals;

d) Identify key stakeholder groups and ensure transparency and accountability to these key stakeholder groups;

e) Put in place a code of conduct and ethics which sets the appropriate tone from the top and ensures that the Company's values, standards, policies and practices are consistent with its corporate culture and standards of accountability within the Company;

f) Supervise and monitor the Group's management over various matters, including strategic and sustainability issues and business planning processes; and

g) Assume responsibility for corporate governance.

CORPORATE GOVERNANCE REPORT

The Board exercises judgment objectively and independently from Management on the corporate affairs of the Group, and no individual or a small group of individuals dominate the decisions of the Board. All Directors are expected to exercise due diligence and independent judgment when dealing with the business affairs of the Group and are obliged to act in good faith, in the best interests of the Group. Each Director is required to disclose promptly any conflict or potential conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Group as soon as it is practicable after the relevant facts have come to his/her knowledge. In the event any Director faces a conflict of interest, he/she must recuse himself from any discussion and decision involving the transaction or matter.

Board members are kept informed of the business and operations of the Group on a regular basis either through formal or informal meetings and discussions. They also understand their roles as executive, non-executive or independent directors. To this end, they are encouraged to attend seminars and receive training to improve themselves so that they may better discharge their duties at the cost of the Company. The Company also works closely with professionals to update its Directors on changes to relevant laws, regulations and accounting standards.

The Board has adopted a set of internal guidelines setting forth the matters that require the Board's review and approval. Matters which are specifically reserved for the Board's decision are those involving significant acquisitions, disposals and funding proposals, diversification of business or assets, reviewing and/or approving the Group's corporate policies, monitoring the performance of the Group, transactions with interested persons, and those relating to investment, funding, legal, compliance and corporate secretarial matters.

The Board will review these internal guidelines on a periodic basis to ensure they remain relevant to the size and operations of the Group.

To assist in the execution of its responsibilities, the Board has established board committees (the "Board Committees"), which operate under clearly defined terms of reference. All Board Committee meetings are chaired by independent directors and the Board Committees consist of a majority of independent directors. The composition of each Board Committee, the key terms of reference and a summary of each Board Committee's activities are set out in this report.

The Board acknowledges that the Board Committees play an important role in ensuring good corporate governance of the Group and actively engages with the Board Committees. Decisions made at Board Committee meetings are by majority consensus. The Independent Directors are objective, frank and candid in expressing their opinions during board meetings and raise queries, constructively debate and analyse issues brought up at meetings. The Board also acknowledges that while the Board Committees have oversight responsibility over specific issues and are tasked with making decisions and recommendations to the Board, the ultimate responsibility for all matters lies with the Board. Minutes of all Board Committee meetings are made available to the Board members.

The Board meets at least two (2) times a year to review and approve, *inter alia*, the half-year and full year financial results of the Group. Board papers, including all relevant documents, materials, background or explanatory information relating to the agenda to be discussed and decided on are sent in a timely manner to the Board before a scheduled meeting.

The Board also meets, as required, to deal with any urgent or time sensitive matter relating to the Group's business and affairs. Apart from approvals obtained at Board meetings, certain routine matters are also put to the Board for approval by way of circulating resolutions-in-writing. As provided in the Constitution of the Company, meetings may be held by electronic means.

CORPORATE GOVERNANCE REPORT

The attendance of the Directors at meetings of the Board, Board Committees and Annual General Meeting, as well as the frequency of such meetings held during FY2024 are as follows:

	Board	Audit Committee	Nominating Committee	Remuneration Committee	Annual General Meeting for FY2023
No. of meetings held	3	3	1	1	1
No. of meetings attended by the Directors					
Benedict Chen Onn Meng	3	3	1	1	1
Ernest Yogarajah s/o Balasubramaniam	3	3	1	1	–
Toh Shih Hua	3	3	1	1	1
Tan Poh Chye Allan	3	3	1	1	1

If a Director is unable to attend a Board or Board Committee meeting, he/she will still receive all papers and materials tabled for discussion at the meeting so that he/she may review them and convey to the chairman of the Board or the Board Committee his/her views and comments which will be brought up for discussion at the meeting.

All Directors are required to declare their other board representations. The Board has not set a limit to the number of other board representations a Director can have. The Board is of the view that the effectiveness of each Director is best assessed by his/her contribution and ability to devote sufficient time and attention to the Company's affairs.

The Company Secretary and the Company's auditors will advise the Directors, or if necessary, conduct briefings on new corporate governance practices and accounting standards (as the case may be) as well as update them on any changes in the Companies Act and Listing Manual. Directors are encouraged to visit the Group's operations from time to time to have a better understanding of its business operations.

To keep abreast of new developments on corporate governance practices, changes to the Companies Act, new accounting standards and other relevant areas, Directors are encouraged to participate in seminars or briefings on relevant topics and updates.

The briefings and updates provided to Directors in FY2024 include:

- Briefings by the Company's auditors on changes or amendments to the accounting standards.

- Updates by the Chief Executive Officer ("**CEO**") on the business and strategic developments of the Group.

- Attending the training organised by Singapore Institute of Directors ("**SID**") on the implications of Environmental, Social and Governance Essentials on business

All Directors have completed the mandatory sustainability training course organised by SID and the Institute of Singapore Chartered Accountants (ISCA) as required by the enhanced SGX sustainability reporting rules announced in December 2021.

Directors may communicate directly with Management and other key employees of the Group on any matter concerning the business and operations of the Group whenever they deem necessary. All Directors have unrestricted access to the Group's records and information. The Directors also have separate and independent access to the Company Secretary, the Company's external auditors, internal auditors and other professional advisors, where relevant and appropriate. The Company Secretary attends Board and Board Committee meetings and is responsible for ensuring that Board procedures are followed, and minutes of all meetings are recorded and circulated to the Board and the Board Committees. The Company Secretary also assists the Chairman and Chief Executive Officer ("**CEO**"), the Chairman of each Board Committee and Management in the preparation of agendas for the various Board and Board Committee meetings. The appointment and removal of the Company Secretary are subject to the approval of the Board.

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.

As at the date of this Annual Report, the Board comprises one (1) Executive Director, one (1) Non-Executive Director and two (2) Independent and Non-Executive Directors. Accordingly, the Company is in compliance with the requirement of the Code that non-executive directors are make up a majority of the Board. The membership of the Directors on the Board Committees are as follows:

Name of Director	Board Membership	Audit Committee ("AC")	Nominating Committee ("NC")	Remuneration Committee ("RC")
Benedict Chen Onn Meng	Executive Director and Chief Executive Officer	–	–	–
Ernest Yogarajah s/o Balasubramaniam	Non-Executive Chairman	Member	Member	Member
Toh Shih Hua	Lead Independent and Non-Executive Director	Chairman	Member	Chairman
Tan Poh Chye Allan	Independent and Non-Executive Director	Member	Chairman	Member

The Board is cognizant of the deviation from Provision 2.2 of the Code. However, the Directors are of the view that there is a high level of independence and diversity of thought and background in its current composition which ensure independent decision making.

The Chairman of the Board, while not designated an independent director, does not have any business or other relationship with the Company, its related corporations, substantial shareholders, or its officers that could interfere or be reasonably perceived to interfere with the exercise of the non-executive chairman's independent business judgment in the best interests of the Company. He does not have any familial relationship at all with the Executive Director and also does not hold any shares in the Company. The Board is, therefore, of the view that the intent of Principle 2 of the Code has been satisfied in terms of the independence of decision-making and the lack of any business, familial or any other relationship as confirmed in this paragraph.

The independence of each director is assessed and reviewed annually by the Nominating Committee. In the review and deliberation of the independence of the two independent directors, the Nominating Committee has considered the provisions of Listing Rule 210(5)(d) and the guidelines for independence set out in Provision 2.1 of the Code, including whether a director has business relationships with the Group, its substantial shareholders or its officers and if so, whether such relationships could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the interest of the Group.

Each independent director is required to complete an annual declaration to confirm his/her independence based on the applicable Listing Rules and guidelines as set out in the Code. The directors must also confirm whether they consider themselves independent despite not having any relationship identified under the applicable Listing Rules and the Code.

For the year under review, the Nominating Committee has assessed and is satisfied that the two independent and non-executive directors are independent. The Board recognises that independent directors may over time develop significant insights into the Group's business and operations and can provide valuable contribution objectively to the Board as a whole. The independence of the independent directors must be based on the substance of their professionalism, integrity, and objectivity, and not merely based on form; such as the number of years which they have served on the Board. On 11 January 2023, the SGX Regco announced that it would limit to nine years the tenure of independent directors serving on the boards of issuers. Thereafter, such independent directors will no longer be considered independent. However, such independent directors may continue to be considered independent until the conclusion of the next annual general meeting of the issuer.

As at the end of FY2024, Ms. Toh Shih Hua will have served on the Board beyond nine years from her initial date of appointment. Following the conclusion of the AGM, Ms. Toh will resign from her position as director of the Board. The Company is in the process of identifying a suitable candidate. An announcement will be made once a candidate has been appointed.

The Board recognises that a diverse Board is an important element and has adopted a Board Diversity Policy. The policy endorses the principle that the Board should have a balance of skills, knowledge, experience and diversity of perspectives appropriate to its business so as to mitigate against groupthink and to ensure that the Group has the opportunity to benefit from all available talents. In reviewing Board composition and succession planning, the Nominating Committee has considered the benefits of all aspects of diversity, including diversity of background, experience, gender, age and other relevant factors. These factors are taken into account in determining the optimum composition of the Board. The Board believes that its current composition and size provide an appropriate balance and mix of skills, expertise, experience and gender, and collectively a range of competencies in legal, financial, business management and the requisite industry knowledge to lead the Company effectively, avoid groupthink and foster constructive debate. The Board has one female member, and members' ages range from 40 to 65 years. The Board's combined business, management and professional experience, diversity of knowledge and expertise provide competencies for diverse and objective perspective and decision making in respect of the Group's business and strategic direction. Further information on the individual Directors' background, experience and skills can be found in the 'Board of Directors' section in the Annual Report. Having considered the scope and nature of the operations of the Group, the Board is satisfied that the current composition mix and size of the Board provide for diversity and allow for informed and constructive discussion and effective decision making at meetings of the Board and Committees.

While the Nominating Committee will strive to meet the Company's board diversity objectives in any search for new Directors, the final decision will be based on merit against an objective set of criteria that complements and expands the skills and experience of the Board as a whole, giving due regard to the overall balance and effectiveness of a diverse Board. The Nominating Committee will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness and relevance, and will recommend appropriate revisions to the Board for consideration and approval.

Management will put up proposals or reports for the Board's consideration and approval, for instance, proposals relating to specific transactions or general business direction or strategy of the Group. The Board will evaluate these proposals or reports, and where appropriate, provide guidance to Management. Apart from scheduled meetings, the Independent Directors and Non-Executive Director will meet on a need-to basis amongst themselves and with the Company's external and internal auditors without the presence of Management to discuss matters such as the Group's financial statements, performance, corporate governance and risk management initiatives, board processes and any audit observations. Suggestions or recommendation arising from such meetings may be provided to the Board (as a whole) and/or to Chairman, as appropriate.

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.

The roles of the Chairman of the Board and the CEO are separate to ensure a clear division of responsibilities, increased accountability and greater capacity of the Board for independent decision-making, ensuring a balance of power and authority within the Company.

Mr Ernest Yogarajah s/o Balasubramaniam, the Non-Executive Chairman, leads and is responsible for the proper functioning of the Board. He ensures that Board meetings are held as and when necessary. He also assumes responsibility for the smooth functioning of the Board, ensures the timely flow of information between Management and the Board, sets the agenda for Board meetings, ensures sufficient allocation of time for thorough discussion of each agenda item and promotes a culture of openness and debate at the Board. The Non-Executive Chairman also takes a leading role in ensuring the Group's compliance with corporate governance guidelines.

Mr Benedict Chen Onn Meng, the CEO, is responsible for leading the development and execution of the Group's short and long-term strategies and business plans and ensures that the Group is properly organised and staffed, assesses the principal risks of the Group and ensures that effective internal controls and risk management systems are in place.

Ms Toh Shih Hua, the Lead Independent Director, is the principal liaison person for any issue that may arise between the Independent Directors and Non-Executive Directors and the Executive Director. She is available to address concerns of shareholders in the event contact through normal channels of communication with the Chairman or Management is inappropriate or inadequate.

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 Nominating Committee ("**NC**") comprises the following three non-executive directors, majority of whom, including the NC Chairman, are independent. The Lead Independent Director, Ms Toh Shih Hua, is a member of the NC:

Mr Tan Poh Chye Allan	(Chairman)
Ms Toh Shih Hua	(Member)
Mr Ernest Yogarajah s/o Balasubramaniam	(Member)

The NC has adopted written terms of reference defining its membership, administration and duties. Some of the key duties and responsibilities of the NC include:

- reviewing succession plans for directors, in particular the appointment and/or replacement of the Chairman, the Chief Executive Officer and key management personnel;

- developing a process for the evaluation of performance of the Board, its Board committees and directors;

- reviewing training and professional development programs for the Board;

- recommending to the Board the appointment and re-appointment of directors (including alternate directors, if applicable). If an alternate director is appointed, the alternate director should be familiar with the Company's affairs and be appropriately qualified. If a person is proposed to be appointed as an alternate director to an independent director, the NC and the Board will review and conclude that the person would similarly qualify if appointed an independent director;

- determining, on an annual basis, if a director is independent;

- performing such other duties or functions as may be delegated by the Board or required by regulatory authorities.

CORPORATE GOVERNANCE REPORT

A summary of the NC's activities during FY2024 is shown below:

i) Reviewed the Board's performance for FY2024 on a collective basis.

ii) Reviewed and recommended to the Board the re-election of Mr Ernest Yogarajah s/o Balasubramaniam as director.

iii) Annual review of the independence of the independent directors.

Process for selection and appointment of new directors

The NC is responsible for identifying candidates and reviewing all nominations for appointment as Directors. When a vacancy on the Board arises or when the Board is considering making a new Board appointment either to enhance the core competency of the Board or for purpose of progressive renewal of the Board, the NC will review and assess the candidates before making its recommendations to the Board. In recommending new appointments, the NC takes into consideration the key tenets of diversity as described above under Principle 2 as well as any specific skills and experienced required to support the Group's business activities or strategies, the appropriate composition and size of the Board, and that the Board has the required number of independent directors.

In identifying suitable candidates, the NC may:

- advertise or use the services of external advisors to facilitate a search; and

- consider candidates from a wide range of backgrounds from internal or external sources.

After shortlisting the candidates, the NC will interview and consider the candidates on their merits and against a set of objective criteria, taking into consideration whether the candidate is able to devote sufficient time and attention to the affairs of the Group.

Process for re-appointment of directors

The role of the NC also includes recommending Directors for retirement by rotation pursuant to the Constitution of the Company. In reviewing the re-nomination of Directors, the NC will take into consideration the results of the assessment conducted on the Board as a whole, the Director's independence, contribution, individual performance (such as attendance and participation at Board meetings and other board appointments and principal commitments outside of the Group) and any other factor as may be deemed relevant by the NC. The Constitution of the Company currently requires one-third of the Board members (except the Chief Executive Officer) to retire from office by rotation and be subject to re-election by the shareholders at every Annual General Meeting ("**AGM**"). The Constitution of the Company also provides for any director appointed during the financial year must retire and submit himself/herself for re-election at the next AGM. Notwithstanding the Constitution, and pursuant to Rule 720(5) of the SGX Listing Rules, the Company shall require all Directors (including the Chief Executive Officer) to submit themselves for re-nomination and re-election at least once every three years. For FY2024, the NC has recommended and the Board has accepted that Mr Ernest Yogarajah Balasubramaniam will retire by rotation and, Mr Bala having given his consent, will seek re-election at the forthcoming AGM.

On an annual basis, the NC will determine whether a director is independent, taking into account the Code definition of an "independent" director and guidance on relationships, the existence of which could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the interest of the Group.

Each Independent Director and Non-Executive Director has completed a Director's Independence Declaration to confirm his/her independence based on the guidelines as set out in the Code for FY2024. The NC has reviewed the declarations and is satisfied that the Independent Directors are independent.

CORPORATE GOVERNANCE REPORT

The NC has reviewed each Director's representation on other boards, and is satisfied that all Directors have been able to commit sufficient time to the Company and are able to carry out their duties adequately.

Key information of each member of the Board is set out below:

Name of Director	Date of first appointment	Date of last re-election	Present directorships in other listed companies	Directorships in other listed companies over the preceding three years	Other principal commitments
Benedict Chen Onn Meng	23 May 2000	28 July 2022	Nil	Nil	Nil
Ernest Yogarajah s/o Balasubramaniam	10 May 2007	30 April 2021	Nil	Independent Director of Patec Precision Industry Co. Ltd listed on the Taiwan Stock Exchange	Director of Unilegal LLC Director of Pienza Pte Ltd Director of DR Investment Pte Ltd Director of Pluto Innovation Pte Ltd
Toh Shih Hua	28 April 2015	28 July 2022	Nil	Independent Director of Biolidics Limited Director of Miyoshi Limited	Director at Genesis Capital Pte Ltd
Tan Poh Chye Allan	12 November 2020	30 November 2023	Independent and Non-Executive Director of Ecowise Holdings Limited	Independent and Non-Executive Director of CNMC Goldmine Holdings Limited and Nico Steel Holdings Limited	Director at Altum Law Corporation Owner of Allan Tan Corporate Services

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 Board, through the NC, has used its best effort to ensure that Directors appointed to the Board and the Board Committees, individually or collectively, possess the background, experience, knowledge in business, competencies in finance and management skills that are appropriate for the Group's business. It has also ensured that each Director, with his/her particular skillset, brings to the Board an independent and objective perspective, enabling sound, balanced and well-considered decisions to be made.

The NC has adopted a process for assessing the performance of the Board as a whole. The performance evaluation includes qualitative and quantitative factors, including optimum board structure, conduct of meetings, corporate strategy and planning, risk management and internal controls, degree of compliance with the Code, transparency in terms of disclosures and communication with shareholders.

The NC undertakes the Board evaluation exercise on an annual basis. All Directors are requested to complete a Board assessment checklist designed to seek their views on the various performance criteria set by the Board, and to assess the overall performance and effectiveness of the Board. The checklists are completed and submitted to the Company Secretary for collation and the consolidated responses are presented to the NC for review and discussion before making any recommendation to the Board. The performance criteria will not change from year to year unless they are deemed necessary. The key objective of the evaluation is to obtain constructive feedback from each Director on board procedures and processes and changes which should be made to enhance the effectiveness of the Board as a whole.

The NC has decided unanimously that the Directors would not be evaluated individually, as each Director has contributed in different aspects to the success of the Group, and therefore, it would be more appropriate to assess the Board as a whole. Following its review, the NC is of the view that for FY2024, the Board and Board Committees operated effectively, and each Director has contributed adequately to the overall effectiveness and objectives of the Board.

For FY2024, the Board has not engaged any external facilitator in conducting the assessment of the Board's performance.

B. 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.

The Remuneration Committee ("**RC**") comprises the two Independent Directors and the one Non-Executive Director as follows. The chairman of the RC is an Independent Director.

Ms Toh Shih Hua	(Chairman)
Mr Ernest Yogarajah s/o Balasubramaniam	(Member)
Mr Tan Poh Chye Allan	(Member)

The RC has adopted written terms of reference defining its membership, administration and duties. Some of the key duties and responsibilities of the RC include:

- reviewing and recommending to the Board for endorsement, a framework of remuneration for the Board and key management personnel of the Group. The framework covers all aspects of remuneration, including but not limited to Director's fees, salaries, allowances, bonuses, share options, share-based incentives and awards, and other benefits-in-kind, with a goal to motivate, recruit and retain employees through competitive compensation and progressive policies;

- administering the performance share plan and any other share option scheme established from time to time, in accordance with the rules of such share plan or share option scheme; and

- performing such other duties or functions as may be delegated by the Board or required by regulatory authorities.

The Group's remuneration policy is to provide compensation packages designed to attract, retain and motivate Directors and key management personnel required to run the Group successfully.

For FY2024, the RC has reviewed and recommended to the Board directors' fee for the financial year ended 31 March 2024, the amount of which is set out in the Notice of AGM.

The RC considers all aspects of remuneration (including directors' fees, salaries, allowances, bonuses, benefits in kind and termination payments) and aims to be fair in its recommendation. The RC also reviews the Company's obligations arising from the termination of any service contract with executive directors and key management personnel, to ensure that all contracts of service entered into by the Company contain fair and reasonable termination clauses.

The RC has full authority to engage external professionals to provide advice on matters relating to remuneration as and when necessary. The expense of such services will be borne by the Company. For FY2024, no external professional was engaged.

Each RC member will abstain from voting on any resolution or making any recommendation or participating in any deliberation of the RC relating to matters in which he/she is interested in.

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.

An annual review of the compensation of executive directors and key management personnel is carried out by the RC to ensure that the remuneration of the Executive Director and CEO and other key management personnel is commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. As part of its review, the RC ensures that the Executive Director and CEO and other key management personnel are adequately but not excessively remunerated when compared to industry benchmarks and other comparable companies. The RC also ensures that the Independent and Non-Executive Directors are not overly compensated to the extent that their independence may be compromised.

The remuneration framework of the Executive Director and CEO and other key management personnel comprises a fixed and variable component linked to the overall performance of the Group and his individual performance. In developing the framework, the RC took into consideration factors such as the Company's performance, the macro-economic outlook, market practices, the individual's duties and responsibilities and contribution to the Company. The fixed component is paid in the form of a base salary. The variable component is paid in the form of a bonus which is linked to Company's and individual's performance. This is structured to achieve sustainable performance and create value in the short, medium and long terms, with the interests of shareholders in mind, and linking individual rewards to the Group's overall performance. For FY2024, no bonus has awarded to the Executive Director and CEO.

The Company has no share-based compensation scheme or any long-term share scheme in place. Notwithstanding this, the Company will consider the establishment of long-term incentive schemes, as and when appropriate, in compliance with the Listing Rules and applicable law.

The RC has adopted a framework to remunerate the Independent and Non-Executive Directors based on their level of contribution to the Board, the effort and time spent, and specific responsibilities assigned. The remuneration packages of the Independent and Non-Executive Directors comprise payment of a basic director fee and an additional fee for appointment to Board Committees. While the remuneration framework is not subject to shareholders' approval, directors' fees for Independent and Non-Executive Directors are subject to the approval of shareholders at the AGM. No Director or key management personnel is involved in deciding his/her own remuneration.

The Executive Director and CEO has a service agreement with the Company. There are no excessively long or onerous termination clauses in the service agreement nor are there any provisions for compensation in the event of termination by the Company. The term of employment of the Executive Director and CEO is not fixed and continues until terminated by either party in accordance with its terms. In this respect, either party may terminate the service agreement by giving to the other not less than six months' notice in writing. The remuneration structure for the Executive Director and CEO comprises a basic salary component and an annual incentive bonus which is pegged to the Group's financial performance.

The Group does not employ contractual provisions in the service agreements of any executive director or key management personnel which allow it to reclaim incentive components of remuneration paid to the Executive Director and CEO and other key management personnel. The Executive Director and CEO and other key management personnel owe a fiduciary duty to the Company, and the Company is of the view that remedies accorded in law against a breach of fiduciary obligations are adequate against the Executive Director and CEO and other key management personnel.

No Director is involved in any discussion or approval of his own remuneration, terms and conditions of service, and review of his performance.

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.

The breakdown of the remuneration of the Directors for FY2024 is as follows:

Name	Salary	Performance Related Bonus	Fees	Allowance and other benefits	Total
$500,000 to $750,000					
Benedict Chen Onn Meng	79%	–	–	21%	100%
Below $250,000					
Toh Shih Hua	–	–	100%	–	100%
Ernest Yogarajah s/o Balasubramaniam	–	–	100%	–	100%
Tan Poh Chye Allan	–	–	100%	–	100%

The breakdown of the remuneration of the Company's key management personnel (who are not Directors) for FY2024 is as follows:

Name	Salary	Performance Related Bonus	Fees	Allowance and other benefits	Total
Below $250,000					
Sia Huai Peng	91%	–	–	9%	100%

Save as disclosed above, there is no other key management personnel.

There is no employee who is a substantial shareholder or an immediate family member of a Director, the CEO or a substantial shareholder, and whose remuneration exceeds $100,000 for FY2024.

The Board is of the opinion that the information disclosed above is sufficient for shareholders to have an adequate appreciation of the Group's compensation policies and practices and, therefore, does not intend to issue a separate remuneration report, the contents of which would be largely similar.

In disclosing the remuneration of the Directors and key management personnel, the Company has taken into consideration the industry conditions in which the Group operates as well as the confidential nature of remuneration generally. The Company believes that a detailed disclosure of the remuneration of each Director and each key management personnel as recommended by the Code is not in the best interests of the Company as such disclosure may hamper its ability to retain and nurture the Group's talent pool, given the sensitive nature of remuneration and the keen competition in the industry for key talent. The Company believes that shareholders' interests will not be prejudiced because of such non-disclosure of the specific remuneration of each director, the CEO and key management personnel. The Company is of the view that disclosure in bands of $250,000 is sufficient information and provides an adequate level of insight into the remuneration levels of the Directors, CEO and key management personnel.

The Board is, however, aware that in the Company's annual report for the financial year ending on or after 31 December 2025, it will be required to disclose the exact amount and breakdown of remuneration paid to individual directors and the CEO on a named basis. The Company will also be required to disclose the breakdown of remuneration to include in percentage terms base or fixed salary, variable or performance-related income or bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives, in line with Practice Guidance 8 of the Code.

C. 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 stakeholders.

The Board is responsible for the governance of risks and the overall internal control framework of the Group. It ensures that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and that Management determines on an on-going basis the nature and extent of significant risks which the Company is willing to take in achieving the Group's strategic objectives.

Management is responsible for and accountable to the Board for the design, implementation and monitoring of the Group's risk management and internal control systems.

The Board notes that the system of internal controls that is in place is designed to manage rather than eliminate all risks of, and to this end, can provide only reasonable but not absolute assurance against material misstatement or loss. Nonetheless, the Board acknowledges that it is responsible for reviewing the adequacy and effectiveness of the Group's internal controls (which includes financial, operational, compliance and information technology ("**IT**") controls) and risk management systems. As the Board as a whole is responsible for the overall internal control framework of the Group, it does not have a separate risk management committee.

Nexia TS Risk Advisory Pte Ltd ("**Nexia TS**") previously assisted the Group in designing and implementing an internal-controls framework which took into consideration the Group's risk profile, the key risks faced by the Group and the countermeasures that were in place to manage and mitigate those risks. The framework was reviewed by the Audit Committee ("**AC**") and approved by the Board.

Management regularly reviews the key risks identified, considers the relevance of the risks, identifies new risks and assesses whether additional internal controls are required to mitigate such new or existing risks. Management also reviews all significant policies and procedures and notifies the AC of any significant risk that has materialised. After the AC has discussed and reviewed significant risks notified by Management, a full report of what occurred and how the risks materialised will be given to the Board for its analysis. Thereafter, the internal auditor or a special auditor may be engaged to review and investigate the occurrence of the risks and recommend any additional or enhanced internal controls that may be required.

For each financial year end, the AC will undertake a review of the effectiveness of the Group's risk management policies and procedures and internal controls framework in place to determine and address material risks, including financial, operational, compliance and IT risks. One of the key objectives of the Group's risk management policies and procedures and internal controls framework is to ensure that should new risks arise, or should a failure of any system occur, there are within the framework alternative procedures to ensure that the Group's business and operations are not materially affected. Any new risks that have arisen or any failure of system that has occurred will be looked into thoroughly and its process and procedures will either be strengthened or supplemented, after due consultation with a professional advisor knowledgeable in the relevant area.

The AC will also review the audit plans and the findings of the external and internal auditors and will ensure that Management follows up on risks highlighted and any recommendations made in the audit processes.

For FY2024, the Board has received:

(a) assurance from the CEO and the Acting Group Financial Controller that the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

(b) assurance from the CEO and the Acting Group Financial Controller that the Group's risk management and internal control systems in place were adequate and effective to address the financial, operational, compliance and information technology risks in the current scope of the Group's business operations.

Based on the internal controls framework in place and the policies and procedures established and maintained by the Group, works performed by the external and internal auditors and reviews performed by Management, the Board, with the concurrence of the AC, is of the opinion that the risk management and internal control systems of the Group, addressing the financial, operational, compliance and information technology risks are adequate and effective as at 31 March 2024.

Audit Committee

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

The AC comprises the following three non-executive directors with financial and legal background, majority of whom, including the AC Chairman, are independent.

Ms Toh Shih Hua	(Chairman)
Mr Ernest Yogarajah s/o Balasubramaniam	(Member)
Mr Tan Poh Chye Allan	(Member)

In accordance with the Code, the AC is made up of entirely non-executive directors. No member of the AC is a former partner or director of the Company's external or internal auditors.

The AC has adopted written terms of reference defining its membership, administration and duties. Some of the key duties and responsibilities of the AC include:

- reviewing significant financial reporting issues and judgments to ensure integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

- reviewing and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems (such review can be carried out internally or with the assistance of any competent third parties);

- reviewing the assurance from the Chief Executive Officer and the Acting Group Financial Controller on the financial records and financial statements;

- reviewing the adequacy and effectiveness of internal controls and risk management systems;

- making recommendations to the Board on (i) the appointment, re-appointment, resignation and removal of the external auditors, and (ii) the remuneration and terms of engagement of the external auditor;

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

- reviewing the policy and arrangements by which staff of the Company or of the Group and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or any other matters and conduct an independent investigation of such matters for appropriate follow-up action pursuant to the Company's whistle-blowing policy; and

- Any other functions that are requested by the Board, as may be required by statute or the Listing Manual.

The AC meets at least twice a year to review the announcements of the Company's half-year and full-year financial results before they are approved by the Board for release to the Singapore Exchange Securities Trading Limited ("**SGX**").

The Board considers Ms Toh Shih Hua, who has extensive accounting and financial management knowledge and experience, well-qualified to chair the AC. The other members of the AC bring with them wide experience in legal and business management and have been members of the audit committees of other listed companies. The Board is, therefore, of the view that the members of the AC are appropriately qualified in that they have sufficient accounting or related expertise and experience to discharge the duties and responsibilities of the AC.

As a sub-committee of the Board of Directors, the AC assists the Board in discharging its responsibility in the safeguarding of the Group's assets, overseeing the maintenance of accounting records, and the development and maintenance of an effective framework of internal controls. The AC also reviews and supervises the adequacy, effectiveness, independence, scope and results of the internal audit function of the Group.

The internal audit function of the Group is outsourced to Baker Tilly TFW LLP, a certified public accounting firm which is a corporate member of the Institute of Internal Auditors Singapore. The AC is also satisfied that the internal auditors is staffed with qualified and experienced personnel. For FY2024, the internal audit report will be ready after the audited financial statements date.

In performing its functions, the AC has explicit authority to investigate any matter within its terms of reference, has full access to Management and reasonable resources to enable it to discharge its functions properly.

Apart from the duties listed above, the AC may commission investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation.

In discharging the above duties, the AC confirms that it has access to and receives co-operation from Management and has also been given reasonable resources to enable it to perform its functions properly.

The AC meets with the internal auditors and the external auditors at least once a year, without the presence of Management to have free and unfiltered discussion, information and feedback.

The AC undertook a review of the independence and objectivity of the external auditors, Forvis Mazars LLP ("**external auditors**"), through discussions with them, as well as reviewing the non-audit services provided and the fees paid to them. The aggregate amount of audit fees payable to the external auditors for FY2024 is amounting to $131,000. No non-audit fees were paid to the external auditors in respect of FY2024.

The AC has reviewed the adequacy of the resources, experience of the external audit team and the audit engagement partner assigned to the audit. Based on the review, the AC is of the opinion that the external auditors are independent for the purpose of the Group's statutory audit. The AC is aware that certain non-audit services are not allowed to be performed by external auditors unless they meet stringent conditions set out in the Code of Professional Conduct and Ethics (Ethics Code) issued by the Accounting and Corporate Regulatory Authority (ACRA). Under the Ethics Code, the external auditor has to disclose to the AC that the total fees received for services other than for audit by the external audit firm or its network firm is 50% or more and discuss the safeguards the external auditor will apply to reduce the threat to an acceptable level.

In ensuring the independence of its external auditors, the AC identifies and keeps track of non-audit services that the external auditors have been, or are proposed to be, engaged to perform for the Group and to this end, the AC has instructed Management to seek the specific approval of the AC and the Board for any non-audit services performed or proposed to be performed by the external auditor that exceed more than 20% of the total fees paid or to be provided to its external auditors, notwithstanding that under the Ethics Code, the threshold applicable to the external auditor firm for disclosure is 50% or more of the total fees paid or payable to the external auditor. For the year under review, as said above, no non-audit fees were paid to the external auditors in respect of FY2024.

For the financial year ended 31 March 2024, the Group has complied with Rules 712, 715 and 716 of the SGX-ST Listing Manual issued by the Singapore Exchange Securities Trading Limited in relation to its auditors.

The Company has put in place a whistle-blowing policy and has implemented procedures and arrangements whereby staff may, in confidence, raise concerns about possible corporate improprieties to the Independent Directors.

A dedicated email address has been given to all employees to allow whistle-blowers to contact the Independent Directors directly. All complaints or concerns raised will be dealt with, including anonymous complaints. The policy ensures independent investigation of issues/concerns raised and appropriate and timely follow-up action and provides assurance that the identity of whistle blower is kept confidential and the whistle blower will be protected from reprisal or victimisation for whistle blowing in good faith and without malice, within the limits of the law. If necessary, the Independent Directors will launch an investigation into the complaint received. Details of the whistle-blowing policy and arrangements have been made available to all employees.

During FY2024, there were no complaints, concerns or issues received. The AC is responsible for the oversight and monitoring of whistleblowing and reports to the Board on such matters.

The AC is also kept up-to-date by Management, the external and internal auditors on changes and updates to accounting standards, and other issues which could have a direct impact on the financial statements of the Group.

A summary of the AC's activities during FY2024 is shown below:

i) Reviewed the Group's financial performance and external audit reports.

ii) Reviewed with the Management and the external auditors, the financial results of the Group before submitting them to the Board for its approval and announcement of the financial results.

iii) Conducted an annual review of the volume of non-audit services provided by the external auditors to ensure that the nature and extent of such services will not prejudice the independence and objectivity of the auditors before recommending their re-nomination to the Board. No non-audit fees were paid to the external auditors in respect of FY2024.

iv) Reviewed the adequacy of the resources, experience of the external auditors and of the audit engagement partner assigned to the audit. The AC is satisfied that the external auditors are able to meet their audit obligations.

v) The AC met with the external auditors, without the presence of Management.

vi) The external auditors updated the AC on changes and updates to the accounting standards, and other issues which might have a direct impact on the financial statements of the Group.

D. SHAREHOLDER RIGHTS AND RESPONSIBILITIES

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.

The Company's corporate governance practices promote fair and equitable treatment of all shareholders. To facilitate shareholders' ownership rights, the Company ensures that all material information is disclosed on a comprehensive and timely basis via SGXNET, especially information pertaining to the Group's business development and financial performance which could have a material impact on the share price of the Company, to enable shareholders to make informed decisions in respect of their investments in the Company.

Shareholders are informed of general meetings through notices published in the newspaper and the Company's announcements, press releases, reports/circulars via SGXNET and the Company's website. They are given the opportunity to participate effectively and vote at general meetings of the Company, where relevant rules and procedures governing the meetings are clearly communicated.

The Constitution of the Company allows each shareholder to appoint up to two proxies to attend general meetings. Under the Companies Act 1967, Singapore, a member who is defined as a "relevant intermediary" may appoint more than two proxies to attend and participate in general meetings. Relevant intermediary includes corporations holding licenses in providing nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors.

All shareholders of the company receive the annual report of the Company and notice of AGM within the mandatory period. The notice is also published in the local newspaper and made available on the SGXNET and the Company's website.

Participation of shareholders is encouraged at the Company's general meetings. Resolutions tabled at general meetings are on each substantially separate issue. Each item of special business included in the notice of meeting will be accompanied by the relevant explanatory note. This is to enable the shareholders to understand the nature and effect of the proposed resolution.

To facilitate voting by shareholders, the Company's Constitution allows shareholders to appoint up to two proxies to attend and vote at the same general meeting. The Board of Directors (including the Chairman of the respective Board committees), Management, as well as the external auditors will attend the Company's Annual General Meeting to address any questions that shareholders may have. The attendance of the Directors at the last AGM is set out under Principle 1 of this report.

The Company has not adopted voting in absentia at general meeting as the costs and procedures needed to ensure integrity of information and authentication of the identify of shareholders through the web are high when compared to the benefit of having the alternative of voting in absentia.

The Company will be holding its AGM as a physical-only meeting and shareholders are encouraged to attend to engage with the Board and be updated on the Company's strategies and goals. Shareholders may submit their written questions to the Company within 7 calendar days after the publication of the notice of the AGM. The Company will respond to the written questions no later than 48 hours prior to the closing date and time for the lodgement of the proxy forms by way of an announcement and publish in the Company's corporate website, if available.

All shareholders are entitled to participate in and vote at the general meetings. If any shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through a proxy form sent in advance.

The minutes of all general meetings are posted on the Company's corporate website as soon as practicable. The minutes include comments and questions received from shareholders, together with responses from the Board and the Management. The Company will publish the minutes of the AGM on its corporate website and the SGXNET within one month from the conclusion of the AGM.

The Company does not have a fixed dividend policy at present. The frequency and amount of dividends declared each year will take into consideration the Group's profit growth, cash position, projected capital requirements for business growth and other factors as the Board may deem appropriate. In view of the challenging environment, the Board had not recommended dividend for FY2024 as the Board considered it prudent to reserve funds for working capital purposes.

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 is committed to provide timely disclosure of material information to shareholders and does so through the Annual Report, press releases, results announcements and other SGXNET announcements on developments within the Group or in relation to disclosures required by SGX. The Company does not practice selective disclosure as all materials and price-sensitive information are released through SGXNET in a timely manner.

Shareholders are kept informed of developments and performance of the Group through announcements published via SGXNET and the press when necessary as well as in the annual report. Other announcements are also made on an ad-hoc basis where applicable as soon as possible to ensure timely dissemination of the information to shareholders.

Shareholders are encouraged to attend and raise questions to the directors at the Company's general meetings. At these meetings, shareholders are given the opportunity to express their views and raise issues either formally or informally. These meetings provide opportunities for the Board to engage with shareholders and solicit their feedback.

The Company's website at http://www.vibropower.com is also another channel to solicit and understand the views of the shareholders.

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 working alongside with the Company's valued shareholders and other stakeholders an important aspect of its overall business strategy. Addressing material issues shareholders and other stakeholders are concerned with, developing and meeting objectives set out in its sustainability strategy are key to the Group becoming a net zero carbon, resilient, resource-efficient, socially responsible and high governance business.

The Company considers its shareholders, employees, customers, suppliers and communities affected by its Singapore and overseas offices and operations as its key stakeholder groups that would benefit from its sustainability strategy, continued growth and development.

A more detailed elaboration on the Company's sustainability strategy and key areas of focus in relation to the management of stakeholder relationship is set out in the Sustainability Report 2024 which will be published separately from the annual report.

The Company will make available all media releases, financial results, annual reports, SGXNET announcements and other corporate information relating to the Group in the "Investor Relations" section of its corporate website http://www.vibropower.com.

CORPORATE GOVERNANCE REPORT

INTERNAL CODE ON DEALING IN SECURITIES

In line with the rules of the SGX-ST Listing Manual, the Company has adopted a policy on share dealings by its Directors and key officers, setting out the implications of insider trading and providing guidance to employees on dealing in the Company's shares. The key guidelines are:

- Directors and key officers are prohibited from trading in the Company's securities during the period commencing one month ("**prohibition period**") before the announcement of the Company's half year and full year financial statements and the prohibition ends on the day of the results announcement. In future, if the Company announces quarterly financial statements, the prohibition period will commence two weeks before the announcement of the Company's financial statements for each of the first three quarters; and one month before the announcement of the Company's full year financial statement and prohibition period shall end on the day of the results announcement.

- Directors and key officers should not deal in the Company's securities on short-term consideration.

- Directors and key officers of the Company are also required to adhere to the provisions of the Securities and Futures Act 2001, Companies Act 1967 and any other relevant laws, rules and regulations with regard to their securities transactions. To enable the Company to monitor such share transactions, Directors and key officers are required to report to the Company whenever they deal in the Company's securities.

The Company has complied with Rule 1207(19) of the SGX-ST Listing Manual in relation to dealings in the Company's securities by the Directors and officers of the Group.

INTERESTED PERSON TRANSACTIONS

The AC reviewed the Group's IPTs for FY2024 to ensure that the transactions were carried out on normal commercial terms and are not prejudicial to the interests of the Company or its non-controlling shareholders. On a half-yearly basis, Management reports to the AC, the IPTs in accordance with the IPT Mandate. Management also informed the AC that the internal control procedures for determining the transaction prices of IPTs have not changed since the date of the last AGM, at which the IPT Mandate was last renewed. The AC is satisfied that the internal controls in respect of the identification, evaluation, review, approval and reporting of IPTs are effective.

The aggregate value of transactions entered into by the Group with interested persons as defined in the SGX-ST Listing Manual for FY2024 are as follow:

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Mason Industries Pte Ltd	Note 1	–	1,269,000
Vibro Holdings Pte Ltd	Note 2	–	208,000
Benedict Chen Onn Meng	Note 3	161,000	–
SG Greenovation Lab Pte Ltd	Note 4	104,000	–

Note 1. 95.5% of the issued and paid-up share capital of Mason Industries Pte Ltd is held by Mr Chen Siew Meng, who is the brother of Mr Benedict Chen Onn Meng, a Director and Controlling Shareholder of the Company.

Note 2. 100% of the issued and paid-up share capital of Vibro Holdings is held by Mr Chen Siew Meng, who is the brother of Mr Benedict Chen Onn Meng, a Director and Controlling Shareholder of the Company.

Note 3. Benedict Chen Onn Meng is a Director and Controlling Shareholder of the Company.

Note 4. 100% of the issued and paid-up share capital of SG Greenovation Lab Pte Ltd is held by Benedict Chen Onn Meng, who is a Director and Controlling Shareholder of the Company.

Save as disclosed above, pursuant to Rule 1207(8) of the Listing Manual of the SGX-ST, there was no interested person transactions with any other director that in aggregate amounted to more than $50,000 for FY2024. There was no material contract involving the interests of any director or controlling shareholder entered into by the Company or any of its subsidiaries, either still subsisting at the end of the financial year or if not then subsisting, which was entered into since the end of the previous financial year.

The Company is seeking a renewal of the Shareholders' Mandate for Interested Person Transactions at the forthcoming EGM to be held after the conclusion of the forthcoming AGM.

UTILISATION OF PROCEEDS FROM RIGHTS ISSUE

As at the date of this Annual Report, the proceeds from the Rights Issue of $1,540,000 has been fully utilised during FY2023 in accordance with the intended use of the Net Proceeds as stated in the Rights Issue Announcement and Offer Information Statement.

UTILISATION OF PROCEEDS FROM SHARE PLACEMENT

As at the date of this Annual Report, the proceeds from the Share Placement of $1,199,000 has been fully utilised during FY2023 in accordance with the intended use of the Placement Net Proceeds disclosed in the Company's announcement dated 6 October 2020.

UTILISATION OF PROCEEDS FROM EXERCISE OF WARRANTS

As at the date of this Annual Report, the proceeds from the Warrants of $1,000,000 has been fully utilised during FY2023 in accordance with the intended use of the Net Proceeds as stated in the Rights Issue Announcement and Offer Information Statement.

As at the date of Annual Report, there are 7,705,598 warrants still outstanding.

CORPORATE GOVERNANCE REPORT

ADDITIONAL INFORMATION ON DIRECTOR NOMINATED FOR RE-ELECTION

Pursuant to Rule 720(6) of the SGX-ST Listing Manual, the information as set out in Appendix 7.4.1 to the SGX-ST Listing Manual relating to Mr Ernest Yogarajah s/o Balasubramaniam, being the Director who is retiring at the forthcoming AGM, is set out below:

Name of Director	Ernest Yogarajah s/o Balasubramaniam
Date of Appointment	10 May 2007
Date of last re-appointment (if applicable)	30 April 2021
Age	63
Country of principal Residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The NC has recommended and the Board has agreed for Mr Ernest Yogarajah s/o Balasubramaniam ("Mr Ernest") to retire and seek re-election at the forthcoming AGM.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Chairman
Professional Qualifications	• LLB (Hons) National University of Singapore • LLM National University of Singapore
Working experience and occupation(s) during the past 10 years	Unilegal LLC, Director
Shareholding interest in the listed issuer and its subsidiaries	No
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	No
Conflict of interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes

Name of Director	Ernest Yogarajah s/o Balasubramaniam
Other Principal Commitments including Directorships • Past (for the last 5 years) • Present	Past (for the last 5 years) • Independent Director of Patec Precision Industry Co. Ltd listed on the Taiwan Stock Exchange • Director, Unilegal LLC Present • Director, Unilegal LLC • Director, Pienza Pte Ltd • Director, DR Investment Pte Ltd • Director, Pluto Innovation Pte Ltd
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No

Name of Director		Ernest Yogarajah s/o Balasubramaniam
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No

Name of Director	Ernest Yogarajah s/o Balasubramaniam
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :- i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Any prior experience as a director of a listed Company?	Yes.
*If **yes**, please provide details of prior experience.*	Director of VibroPower Corporation Limited since 2007
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of VibroPower Corporation Limited (the "Company") and its subsidiaries (collectively, the "Group") for the financial year ended 31 March 2024 and the statement of financial position and statement of changes in equity of the Company as at 31 March 2024.

1. OPINION OF DIRECTORS

In the opinion of the directors,

(a) the financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024, and of the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended; 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 with reasons as explained in Note 2.1 of the financial statements.

2. DIRECTORS

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

Benedict Chen Onn Meng
Ernest Yogarajah Balasubramaniam
Toh Shih Hua
Tan Poh Chye Allan

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE 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 were, or one of the objects was, 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, except as disclosed in paragraphs 4 and 5 below.

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interest in the share capital and debentures of the Company and related corporations (other than wholly-owned subsidiaries), as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, except as disclosed below:

	Direct interest		Deemed interest	
Name of the director and respective companies in which interests are held	**At the beginning of the financial year**	**At end of the financial year**	**At the beginning of the financial year**	**At end of the financial year**
<u>The Company</u>				
(Ordinary shares)				
Benedict Chen Onn Meng	12,000,180	12,000,180	175,200	175,200
(Warrants)				
Benedict Chen Onn Meng	4,000,060	4,000,060	–	–

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONTINUED)

The deemed interest of Benedict Chen Onn Meng arises from shares held through his Central Provident Fund ("CPF") investment account (UOB Kay Hian Pte Ltd) of 175,200 ordinary shares (2023: 175,200 ordinary shares).

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning, at the end of the financial year, or at 21 April 2024.

5. SHARE OPTIONS

There were no share options granted by the Company or its subsidiaries during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

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

6. AUDIT COMMITTEE

The audit and risk committee of the Company comprises four members, all of whom are Independent Directors and at the date of this statement are:

Toh Shih Hua (Chairman)
Ernest Yogarajah s/o Balasubramaniam
Tan Poh Chye Allan

The audit and risk committee has convened four meetings during the financial year with key management, among which, two meetings with participation of internal auditors and two meetings with external auditors of the Company.

The audit and risk committee carried out its functions in accordance with Section 201B (5) of the Act, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the audit and risk committee:

(i) reviewed the audit plan and results of the external audit, the independence and objectivity of the external auditors, including, where applicable, the review of the nature and extent of non-audit services provided by the external auditors to the Group;

(ii) reviewed the audit plans of the internal auditors of the Group and their evaluation of the adequacy of the Group's system of internal accounting controls;

(iii) reviewed the Group's annual financial statements and the external auditors' report on the annual financial statements of the Group and of the Company before their submission to the board of directors;

(iv) reviewed the half-yearly and annual announcements as well as the related press releases on the results of the Group and financial position of the Group and of the Company;

(v) reviewed and assessed the adequacy of the Group's risk management processes;

(vi) reviewed and checked the Group's compliance with legal requirements and regulations, including the related compliance policies and programmes and reports received from regulators, if any;

6. AUDIT COMMITTEE (CONTINUED)

(vii) reviewed interested person transactions in accordance with SGX listing rules;

(viii) reviewed the nomination of external auditors and gave approval of their compensation; and

(ix) submitted of report of actions and minutes of the audit committee to the board of directors with any recommendations as the audit committee deems appropriate.

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

The audit and risk committee has recommended the nomination of Forvis Mazars LLP (formerly known as Mazars LLP) for re-appointment as external auditors of the Group at the forthcoming Annual General Meeting of the Company.

7. INDEPENDENT AUDITORS

The auditors, Forvis Mazars LLP (formerly known as Mazars LLP), have expressed their willingness to accept re-appointment.

On behalf of the board of directors,

Benedict Chen Onn Meng
Director

Toh Shih Hua
Director

Singapore
6 September 2024

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF VIBROPOWER CORPORATION LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of VibroPower Corporation Limited (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and of the Company as at 31 March 2024, the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy and information from pages 41 to 104.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Group and the Company as at 31 March 2024 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial 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.

Material Uncertainty related to Going Concern

We draw your attention to Note 2.1 of the accompanying financial statements, which indicates that the Group recorded a net operating cash outflows of $1.2 million for the year ended 31 March 2024 and, as of that date, the Group's cash and cash equivalents amounted to $0.39 million. On 1 March 2024, the subsidiary of the Group was issued a demand letter by project customer. The letter called for the payment of performance bonds in the sum of $0.78 million. In addition, the Company's current liabilities exceeded its current assets by $0.04 million as of that date. As stated in Note 2.1, these conditions along with other matters as set forth in Note 2.1, indicate the existence of a material uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as going concern. Our opinion is not modified in respect of this matter.

Overview

Audit Approach

We designed a risk-based audit approach in identifying and assessing the risks of material misstatement at both the financial statement and assertion levels.

Materiality

As in all our audits, we exercised our professional judgement in determining our materiality, which was also affected by our perception of the financial information needs of the users of the financial statements, being the magnitude of misstatement in the financial statements that makes it probable for a reasonably knowledgeable person to change or be influenced in his economic decision.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Overview (Continued)

Scope of audit

For the audit of the current year's financial statements, we identified 6 significant components which required a full scope audit and audit of specific account balances of their financial information, either because of their size or/and their risk characteristics. Out of the 6 significant components, 1 was audited by other Forvis Mazars offices as component auditors under our instructions and the remaining 5 were audited by us. We determined the component materiality and our level of involvement in their audit necessary for us, in our professional judgement, to obtain sufficient appropriate audit evidence as a basis for our opinion on the Group's financial statements as a whole.

Areas of focus

We focused our resources and effort on areas which were assessed to have higher risks of material misstatement, including areas which involve significant judgements and estimates to be made by directors.

Key Audit Matters

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

Allowance for slow-moving inventories

Refer to Note 3 for critical accounting judgements and key sources of estimation uncertainty, and Note 20 (Inventories) for disclosures relating to the impairment assessment.

Key Audit Matter	Our Audit Response
As at 31 March 2024, the Group has recognised allowance for slow-moving inventories of $926,000 in arriving at a total inventories value of $969,000. In determining the amounts to be recognised for allowance for slow-moving inventories, the Group considers the inventory ageing profile and its marketability in the future. Significant management judgement and estimation are involved in assessing the slow-moving inventories and make estimates of required allowance. As such, we determined this is a key audit matter.	Our audit procedures included, and were not limited to, the following: • Observed the year-end inventory count performed by management and reviewed management's assessment of the physical condition of the inventories as at 31 March 2024; • Obtained the inventory ageing report and discussed with management their procedures to identify slow-moving items and assessed adequacy of the allowance for slow-moving inventories and reviewed its reasonableness by comparing the inventory turnover; • Selected samples of inventories and tested whether they were stated at the lower of cost and net realisable value by comparing to sales price of the inventories subsequent to year-end; and • Assessed the adequacy of the disclosures related to inventories in the financial statements.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (Continued)

Recoverability of trade and other receivables and contract assets

Refer to Note 3 for critical accounting judgements and key sources of estimation uncertainty, and Note 16 (Contract assets) and Note 18 (Trade and other receivables) for disclosures relating to the impairment assessment.

Key Audit Matter	Our Audit Response
The trade and other receivables and contract assets balances represent 53% of the total assets of the statement of financial position are significant to the Group for the financial year ended 31 March 2024. The gross carrying amount of trade and other receivables and contract assets amounted to $16,274,000 as at 31 March 2024, against which an allowance for expected credit losses ("ECL") of $4,616,000 was made. The collectability from the receivables is a key element of the Group's working capital management, which is managed on an ongoing basis by management. The Group determines impairment of trade receivables and contract assets by making debtor-specific assessment of ECL and uses a provision matrix for the remaining group of debtors that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Trade receivables and contract assets impairment assessment requires significant management judgement and estimate. As such, we determined this is a key audit matter.	Our audit procedures included, and were not limited to, the following: • Assessed the Group's processes and key controls relating to the monitoring of trade and other receivables and contract assets and considered ageing to identify collection risks; • Requested for confirmations and checked for evidence of receipts subsequent to the financial year ended 31 March 2024 for the credit impaired receivables; • Discussed with management on the status of long overdue receivables and management's consideration of the debtors' specific profiles and risks; • Evaluated management's assumptions and inputs used in the computation of historical loss rates and assessed the reasonableness of management's assumptions used in establishing the forward-looking adjustments; and • Assessed the adequacy of the Group's disclosure on the trade and other receivables and contract assets and the related risks such as credit risk and liquidity risk in the financial statements.

Other matter

The financial statements of the Group and the Company for the financial year ended 31 March 2023 were audited by another firm of auditors who expressed an unmodified opinion on those statements on 7 November 2023.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and the independent auditors' report thereon, which we obtained prior to the date of this report.

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

The engagement partner on the audit resulting in this independent auditors' report is Ooi Chee Keong.

FORVIS MAZARS LLP
(FORMERLY KNOWN AS MAZARS LLP)
Public Accountants and
Chartered Accountants

Singapore
6 September 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group 2024 $'000	Group 2023 $'000
Revenue	4	14,845	9,576
Cost of sales		(12,318)	(9,258)
Gross profit		2,527	318
Other items of income			
Other credits	5	1,078	31
Other income		117	167
Expenses			
Marketing and distribution costs		(85)	(85)
Administrative expenses		(2,861)	(2,384)
Reversal/(Provision) for impairment losses on financial assets	6	1,199	(2,594)
Other charges	5	(1,093)	(1,931)
Finance costs	7	(626)	(387)
Other expenses		(111)	(149)
Share of results of associates	15	42	(69)
Profit/(Loss) before income tax	9	187	(7,083)
Income tax expenses	10	(15)	(22)
Profit/(Loss) for the financial year		172	(7,105)
Other comprehensive loss:			
Components of other comprehensive loss that will be reclassified to profit or loss, net of taxation			
Foreign currency translation		(585)	(597)
Total comprehensive loss for the financial year		(413)	(7,702)
Profit/(Loss) for the financial year attributable to:			
Owners of the Company		182	(7,054)
Non-controlling interests		(10)	(51)
		172	(7,105)
Total comprehensive loss for the financial year attributable to:			
Owners of the Company		(300)	(7,545)
Non-controlling interests		(113)	(157)
		(413)	(7,702)
Earnings/(Loss) per share attributable to owners of the Company (cents per share)			
Basic and diluted	11	0.25	(9.57)

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	Group		Company	
		2024 $'000	2023 $'000	2024 $'000	2023 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	4,840	5,629	–	–
Investment property	13	2,697	2,850	–	–
Investment in subsidiaries	14	–	–	11,137	11,137
Investment in associates	15	505	442	–	–
Right-of-use assets	24	585	812	–	–
Total non-current assets		8,627	9,733	11,137	11,137
Current assets					
Contract assets	16	2,314	1,888	–	–
Cash and cash equivalents	17	385	768	33	23
Trade and other receivables	18	9,344	6,943	2,100	3,468
Other assets	19	447	712	22	26
Inventories	20	969	2,048	–	–
Total current assets		13,459	12,359	2,155	3,517
Total assets		22,086	22,092	13,292	14,654
EQUITY AND LIABILITIES					
Share capital	25	19,084	19,084	19,084	19,084
Treasury shares	25	(388)	(388)	(388)	(388)
Accumulated losses		(10,484)	(10,666)	(9,130)	(4,752)
Reserves	26	(1,397)	(915)	–	–
Equity attributable to equity holders of the Company		6,815	7,115	9,566	13,944
Non-controlling interests		1,373	1,486	–	–
Total equity		8,188	8,601	9,566	13,944
Non-current liabilities					
Loans and borrowings	21	2,666	2,311	1,533	–
Lease liabilities	24	439	460	–	–
Total non-current liabilities		3,105	2,771	1,533	–
Current liabilities					
Income tax payable		113	119	–	–
Contract liabilities	16	1,105	1,829	–	–
Loans and borrowings	21	2,201	2,993	–	–
Payables and accruals	22	7,320	5,737	2,193	710
Provision	23	18	10	–	–
Lease liabilities	24	36	32	–	–
Total current liabilities		10,793	10,720	2,193	710
Total liabilities		13,898	13,491	3,726	710
Total equity and liabilities		22,086	22,092	13,292	14,654

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Attributable to owners of the Company						
	Share capital $'000	Treasury shares $'000	Reserves $'000	Accumulated losses $'000	Total $'000	Non-controlling interests $'000	Total $'000
Group							
Balance at 1 April 2022	19,084	(388)	(424)	(3,612)	14,660	1,643	16,303
Loss for the financial year	–	–	–	(7,054)	(7,054)	(51)	(7,105)
Other comprehensive loss							
Foreign currency translation	–	–	(491)	–	(491)	(106)	(597)
Total other comprehensive loss, net of taxation	–	–	(491)	–	(491)	(106)	(597)
Total comprehensive loss for the financial year	–	–	(491)	(7,054)	(7,545)	(157)	(7,702)
Balance at 31 March 2023	19,084	(388)	(915)	(10,666)	7,115	1,486	8,601
Profit/(Loss) for the financial year	–	–	–	182	182	(10)	172
Other comprehensive loss							
Foreign currency translation	–	–	(482)	–	(482)	(103)	(585)
Total other comprehensive loss, net of taxation	–	–	(482)	–	(482)	(103)	(585)
Total comprehensive (loss)/ profits for the financial year	–	–	(482)	182	(300)	(113)	(413)
Balance at 31 March 2024	19,084	(388)	(1,397)	(10,484)	6,815	1,373	8,188

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Share capital $'000	Treasury shares $'000	Accumulated losses $'000	Total $'000
Company				
Balance at 1 April 2022	19,084	(388)	(714)	17,982
Loss for the financial year, representing total comprehensive loss for the financial year	–	–	(4,038)	(4,038)
Balance at 31 March 2023	19,084	(388)	(4,752)	13,944
Loss for the financial year, representing total comprehensive loss for the financial year	–	–	(4,378)	(4,378)
Balance at 31 March 2024	19,084	(388)	(9,130)	9,566

The accompanying 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 2024

	Note	Group 2024 $'000	2023 $'000
Operating activities			
Profit/(Loss) before income tax		187	(7,083)
Adjustments for:			
– Provision for allowance for slow moving inventories	5	30	188
– Reversal of allowance for slow moving inventories	5	(702)	–
– Loss on liquidation of subsidiary	5	(232)	–
– Provision for expected credit losses on contract assets	6	–	2,329
– Provision for expected credit losses on trade receivables	6	124	286
– Reversal of expected credit losses on trade receivables	6	(655)	(36)
– Reversal of expected credit losses on other receivables	6	(689)	–
– Written off of trade receivables	6	21	15
– Written off of trade payables	5	(332)	–
– Provision for performance bond to a customer	5	780	–
– Finance costs	7	626	387
– Depreciation of property, plant and equipment	12	441	717
– Provision for product warranty expense	5	8	2
– Depreciation of right-of-use assets	24	75	135
– Currency translation differences		443	387
– Share of results of an associate	15	(42)	69
– Loss in fair value of derivative financial instrument	5	2	–
Operating cash flows before movements in working capital		85	(2,604)
Changes in working capital			
– Inventories		1,752	100
– Trade and other receivables		(1,262)	2,875
– Contract assets		(426)	(1,717)
– Other assets		265	(182)
– Payables and accruals		(338)	1,552
– Contract liabilities		(724)	771
Cash (used in)/generated from operations		(648)	795
Income taxes paid		(23)	(14)
Interest paid		(560)	(301)
Net cash (used in)/generated from operating activities		(1,231)	480
Investing activity			
Purchase of property, plant and equipment	12	(94)	(8)
Net cash flows used in investing activity		(94)	(8)
Financing activities			
Proceeds from loans and borrowings		9,174	1,772
Repayment of loans and borrowings		(8,169)	(2,312)
Repayment of lease liabilities		(67)	(58)
Net cash generated from/(used in) financing activities		938	(598)
Net decrease in cash and cash equivalents		(387)	(126)
Effects of exchange rate changes on cash and cash equivalents		4	(21)
Cash and cash equivalents at beginning of the financial year		768	915
Cash and cash equivalents at end of the financial year	17	385	768

The accompanying 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 2024

Reconciliation of liabilities arising from financing activities

				Non-cash movement				
	At beginning of financial year $'000	Financing cash inflows/ (outflows) $'000	Operating cash inflows/ (outflows) $'000	Interest expenses $'000	Acquisition $'000	Fair value adjustment $'000	Other $'000	At end of financial year $'000
2024								
Liabilities								
Loans and borrowings	5,304	1,005	(560)	589	–	2	(1,473)	4,867
Lease liabilities	492	(67)	–	37	13	–	–	475
2023								
Liabilities								
Loans and borrowings	5,956	(540)	(301)	345	–	–	(156)	5,304
Lease liabilities	509	(58)	–	42	–	–	(1)	492

The 'Other' column includes the effect of offsetting against trade and other receivables.

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

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

VibroPower Corporation Limited ("the Company") (Registration No. 200004436E) is listed on the Singapore Exchange Securities Trading Limited (the "SGX-ST") and incorporated and domiciled in Singapore with its principal place of business and registered office at 11 Tuas Avenue 16, Singapore 638929.

The principal activities of the Company are those of an investment holding and the provision of management and administrative support to its subsidiaries.

The principal activities of the subsidiaries are described in Note 14 of the accompanying financial statements.

The financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company for the financial year ended 31 March 2024 were authorised for issue by the Board of Directors at the date of the Directors' statement.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") including related Interpretations of SFRS(I)s ("SFRS(I)s INT") and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollars ("SGD" or "$") which is the functional and presentation currency of the Company and the presentation currency for the financial statements and all values presented are rounded to the nearest dollar ("$'000), unless otherwise indicated.

In the current year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I) INTs that are relevant to its operations and effective for annual periods beginning on or after 1 April 2023. The adoption of these new or revised SFRS(I)s and SFRS(I) INTs did not result in changes to the Group's and Company's accounting policies, and has no material effect on the current or prior year's financial statement and is not expected to have a material effect on future periods.

The Group adopted the amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies in the current financial year. The amendments require the disclosure of "material" instead of "significant" accounting policy information and provides guidance to assist the entity in providing useful, entity-specific accounting policy information for the users' understanding of the financial statements. Accordingly, management had reviewed the accounting policies and updated the information disclosed in Note 2 Summary of material accounting policies in line with the amendments.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Going concern

The Group recorded a net operating cash outflows of $1.2 million for the year ended 31 March 2024 and, as of that date, the Group's cash and cash equivalents amounted to $0.39 million. On 1 March 2024, the subsidiary of the Group was issued a demand letter by a project customer. The letter called for the payment of performance bonds in the sum of $0.78 million. In addition, the Company's current liabilities exceeded its current assets by $0.04 million as of that date. These factors indicate the existence of a material uncertainty which may cast significant doubt over the Group's and Company's ability to continue as a going concern.

The directors of the Company have reasons to believe that the Group and Company will be able to generate cash flows from their operations to meet obligations as and when they fall due. To support the financial statements having been prepared on a going concern basis and to ensure the adequacy of funds required to meet its obligations, working capital and capital commitment needs, the Group has prepared consolidated cash flow forecasts ("Cash Flow Forecast"). In preparing the Cash Flow Forecast, management has taken the following into consideration:

i) As at 1 August 2024, the Group has received loans amounting to $2,000,000 from a director of the Group which is repayable in August 2025. In addition, the director has given an undertaking not to recall or demand repayment of any part of the loans due to the director for the next 12 months from the date of approval the Company's financial statement; and

ii) As disclosed in Note 33 regarding event subsequent to the reporting date, the Group entered into two Equity Transfer Agreements on 2 August 2024 with two separate buyers for the divestment of 100% of the registered and invested equity of a subsidiary, Shanxi Weineng Coal Mine Gas Development Co., Ltd. for a total sale consideration of RMB 30 million (approximately $5.6 million). Of the total sale consideration of RMB 30 million, RMB 25 million is payable on completion of the sale and purchase transactions under the Equity Transfer Agreements. The Group anticipates collecting RMB25 million (approximately $4.62 million) within next 18-months from the financial year ended, subject to the fulfilment of key conditions related to the subsidiary's disposal.

The ability of the Group and the Company to continue as going concerns is contingent on (a) the continued financial support from a director, (b) the successful completion of the subsidiary's disposal, as disclosed in Note 33 regarding event subsequent to the reporting date, and (c) the cash flows generated from its operations to meet its current liabilities and ongoing obligations as and when they fall due.

The events or conditions set out above indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. If the going concern assumption is no longer appropriate, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which may differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and the Company may have to reclassify non-current assets and liabilities as current assets and liabilities, respectively. Such adjustments have not been made to these financial statements.

Notwithstanding the above, the directors and management are confident that the Cash Flow Forecast is achievable and will allow the Group to fulfil its obligations as and when they arise. Accordingly, the directors have prepared the financial statements on a going concern basis.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

SFRS(I)s and SFRS(I)s INT issued but not yet effective

At the date of authorisation of these statements, the following SFRS(I)s and SFRS(I)s INT that are relevant to the Group were issued but not yet effective:

SFRS (I)	Title	Effective date (annual periods beginning on or after)
SFRS(I) 1-1	Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non- current*	1 January 2024
SFRS(I) 16	Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*	1 January 2024
Various	Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*	1 January 2024
SFRS(I) 1-7, SFRS(I) 7	Amendments to SFRS(I) 1-7 and SFRS(I) 7: *Supplier Finance Arrangements*	1 January 2024
SFRS(I) 1-21, SFRS(I) 1	Amendments to SFRS(I) 1-21: *Lack of Exchangeability*	1 January 2025
SFRS(I) 10, SFRS(I) 1-28	Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	To be determined

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Group does not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned revised/new standards will not have a material impact on the financial statements of the Group and Company in the period of their initial adoption.

2.2 Basis of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) (i) over which the Group has power and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from then through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstances indicate that there are changes to one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation (Continued)

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup assets and liabilities, equity, income, expenses and cashflows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any differences between the amount by which the non-controlling interests are adjusted to reflect the changes in the relative interests in the subsidiary and the fair value of the consideration paid or received is recognised directly in capital reserve and attributed to the owners of the Company.

When the Group loses control over its subsidiaries, the profit or loss on disposal 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 subsidiaries and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiaries are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiaries at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9") or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Investments in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

2.3 Revenue recognition

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

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

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Revenue recognition (Continued)

Sale of goods (power generators)

Revenue is recognised when control over the power generator has been transferred to the customer, either over time or at a point in time, depending on the contractual terms and the practices in the legal jurisdictions.

For sale of power generators whereby the Group has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the costs incurred to date as a proportion of the estimated total costs to be incurred.

For sale of power generators whereby the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified performance milestones. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Advance consideration received from customers for sale of power generators not yet provided is recognised as a contract liability.

Sale of goods (electricity supply)

Revenue is recognised when the Group has transferred the electricity to its customer on the basis of the number of units of power supplied in accordance with joint meter readings and collectability of the related receivables is reasonably assured.

Rendering of services

Revenue from rendering services is recognised based on the extent of the services rendered.

Warranty obligations

The Group provides a one-year assurance-type warranty for the sale of goods (power generators). These warranties are accounted for under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets* ("SFRS(I) 1-37"), refer to Note 23.

2.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.5 Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.6 Employee leave entitlement

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

2.7 Income tax

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

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

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

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and based on the tax consequence that will follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities except for the investment properties where investment properties measured at fair value are presented to be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.7 Income tax (Continued)

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

- when the sales tax that is incurred on purchases is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and

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

2.8 Foreign currency transactions and translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the financial year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the financial year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

Exchange differences arising from foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollar using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's foreign currency translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

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

2.9 Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment loss.

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

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.9 Property, plant and equipment (Continued)

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Leasehold property	Over the lease term to 2035
Plant and equipment	1 to 10 years

For right-of-use assets for which ownership of the underlying asset is not transferred to the Group by the end of the lease term, depreciation is charged over the lease term, using the straight-line method. The lease periods are disclosed in Note 24.

The residual values, estimated useful lives and depreciation method of the property, plant and equipment are reviewed, and adjusted as appropriate, at each financial year end date. The effects of any revision are recognised in the profit or loss when the change arises. An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the profit or loss when incurred.

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the profit or loss within “Other charges” or “Other credits”.

2.10 Investment property

Investment property is property that either owned by the Group or right-of-use assets that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment property comprises completed investment property and property that is being constructed or developed for future use as investment property. Property held under operating leases are classified as investment property when the definition of an investment property is met.

The Group adopts cost model which is to measure the investment property at cost less accumulated depreciation and accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated.

2.11 Investments in joint ventures and associates

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

The Group account for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or joint venture.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Investments in joint ventures and associates (Continued)

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

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

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

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

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

2.12 Impairment of non-financial assets

The Group reviews the carrying amounts of its non-financial assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

Irrespective of whether there is any indication of impairment, the Group also tests its intangible assets with indefinite useful lives and intangible assets not yet available for use for impairment annually by comparing their respective carrying amounts with their corresponding recoverable amounts.

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

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.12 Impairment of non-financial assets (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (CGU) in prior financial years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.13 Financial instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Such trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient are measured at transaction price as defined in SFRS(I) 15 *Revenue from Contracts with Customers* ("SFRS(I) 15") in Note 2.3.

The classification of the financial assets at initial recognition as subsequently measured at amortised cost and fair value through profit or loss ("FVTPL") depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

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

The Group determines whether the asset's contractual cash flows are solely payments of principal and interest ("SPPI") on the principal amount outstanding to determine the classification of the financial assets.

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

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

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets measured at amortised cost. At each reporting date, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Group assumes that the credit risk on financial assets has not increased significantly since initial recognition.

The Group uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that 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 Group applies the simplified approach to recognise the ECL for trade receivables and contract assets, which is to measure the loss allowance at an amount equal to lifetime ECL. As a practical expedient, the Group uses an allowance matrix derived based on historical credit loss experience adjusted for current conditions and forecasts of future economic conditions for measuring ECL.

While they are not financial assets, contract assets arising from the Group's contracts with customers under SFRS(I) 15 are assessed for impairment in accordance with SFRS(I) 9, similar to that of trade receivables.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in profit or loss.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

The Group directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For details on the Group's accounting policy for its impairment of financial assets, refer to Note 30.

Derecognition of financial assets

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

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Ordinary share capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

Treasury shares

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised on trade date – the date on which the Group commits to purchase or sell the asset. All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition. Financial liabilities classified as at fair value through profit or loss comprise derivatives that are not designated or do not qualify for hedge accounting.

Other financial liabilities

Payables and accruals

Payables and accruals are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Borrowings

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see Note 2.4). A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Redeemable convertible bond

The Group's redeemable convertible bond is a hybrid instrument that combines feature of derivative liability component and non-convertible bond component.

The derivative liability component (conversion option) is recognised at its fair value, determined by applying the binomial valuation model. When the conversion option is exercised, its carrying amount is transferred to share capital.

The difference between the total proceeds and the derivative liability component is allocated to the non-convertible bond component and is classified as a financial liability. It is subsequently carried at amortised cost using the effective interest method until the liability is extinguished on conversion or redemption of the bonds.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities (Continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Offsetting of financial instruments

A financial asset and a financial liability shall be offset and the net amount presented in the statements of financial position when and only when, an entity:

(a) currently has a legally enforceable right to set-off the recognised amounts; and

(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.14 Inventories

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

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

2.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash and deposits with banks and financial institutions. Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.16 Leases

The Group as a lessee

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

Where a contract contains more than one lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component. Where the contract contains non-lease components, the Group applies the practical expedient to not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 Leases (Continued)

The Group as a lessee (Continued)

The Group recognises a right-of-use asset and lease liability at the lease commencement date for all lease arrangement for which the Group is the lessee, except for leases which have lease term of 12 months or less and leases of low value assets for which the Group applied the recognition exemption allowed under SFRS(I) 16 *Leases* ("SFRS(I) 16"). For these leases, the Group recognises the lease payment as an expense on a straight-line basis over the term of the lease.

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

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

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

The Group generally uses the incremental borrowing rate as the discount rate. To determine the incremental borrowing rate, the Group obtains a reference rate and makes certain adjustments to reflect the terms of the lease and the asset leased.

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

– fixed payments, including in-substance fixed payments less any lease incentive receivable,

– variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,

– amounts expected to be payable under a residual value guarantee,

– the exercise price under a purchase option that the Group is reasonably certain to exercise, and

– payments of penalties for terminating the lease if the Group is reasonably certain to terminate early and lease payments for an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Group remeasures the lease liability when there is a change in the lease term due to a change in assessment of whether it will exercise a termination or extension or purchase option or due to a change in future lease payment resulting from a change in an index or a rate used to determine those payment.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 Leases (Continued)

The Group as a lessee (Continued)

Where there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset or in profit or loss where there is a further reduction in the measurement of the lease liability and the carrying amount of the right-of-use asset is reduced to zero.

The Group as a lessor

Where a contract contains more than one lease and/or non-lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component.

At the lease commencement date, the Group assesses and classifies each lease as either an operating lease or a finance lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased assets to the lessee. All other leases are classified as operating leases.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

2.17 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, which is discounted using a pre-tax discount rate.

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

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss as they arise.

A provision is recognised for onerous contracts when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it and is measured at the lower of the cost of fulfilling it and any expected cost of terminating it. In determining the cost of fulfilling the contract, the Group includes both the incremental costs and an allocation of others costs that relate directly to fulfilling contracts. Before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets used in fulfilling the contract.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Provisions (Continued)

Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold or service provided. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

2.18 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an expense, the grant is recognised as income in profit or loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, is expensed. Where the grant relates to an asset, the grant is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalment.

Non-monetary government grant is recognised at nominal amount.

2.19 Contingencies

A contingent liability is:

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

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

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

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

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

Contingencies are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair value can be reliably determined.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group of executive directors and the Chief Executive Officer who make strategic decisions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.21 Financial guarantees

The Company has issued corporate guarantees to banks for banking facilities granted by them to certain subsidiaries and these guarantees qualify as financial guarantees because the Company is required to reimburse the banks if these subsidiaries breach any repayment terms.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

3.1 Critical judgements made in applying the Group's accounting policies

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. Management has assessed that prices are mainly denominated and settled in the respective local currency of the entities of the Group. In addition, most of the entities' cost base is mainly denominated in their respective local currency. Therefore, management concluded that the functional currency of the entities of the Group is their respective local currency.

3.2 Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Measurement of expected credit losses of amount due from associates

The Group determines whether there is significant increase in credit risk of amount due from associates since initial recognition. The Group reviews the financial performance and results of the associates. As at 31 March 2024, the carrying amount of amount due from associates was $2,846,000 (2023: $2,833,000) (Note 18) and no loss allowance was recognised.

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

3.2 Key sources of estimation uncertainty (Continued)

Measurement of expected credit losses of trade and other receivables and contract assets

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may not be representative of the customer's actual default in the future. The information is about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 30.

The carrying amount of trade receivables and contract assets as at 31 March 2024 are $4,928,000 and $2,314,000 (2023: $3,128,000 and $1,231,000) respectively.

Net realisable value of inventories

A review is made periodically on inventory for excess inventory, obsolescence and declines in net realisable value below cost and an allowance is recorded against the inventory balance for any such declines. These reviews require management to consider the future demand for the products. In any case the realisable value represents the best estimate of the recoverable amount and is based on the most acceptable evidence available at the end of the financial year and inherently involves estimates regarding the future expected realisable value. The usual considerations for determining the amount of allowance or write-down include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and materially affects the carrying amount of inventories at the end of the financial year. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the financial year was $969,000 (2023: $2,705,000).

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available.

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

3.2 Key sources of estimation uncertainty (Continued)

Provision for income taxes

The Group has exposure to income taxes of which a portion of these taxes arose from certain transactions and computations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities of expected tax issues based on their best estimates of the likely taxes 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 positions in the period in which such determination is made. The carrying amount of the Group's current tax payable as at 31 March 2024 was $113,000 (2023: $119,000).

Depreciation of property, plant and equipment

The Group depreciates the property, plant and equipment over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management's estimate of the period that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment. The residual value reflects management's estimated amount that the Group would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, as if the asset was already of the age and in the condition expected at the end of its useful life. Changes in the expected level of usage and technological developments could affect the economics, useful lives and the residual values of these assets which could then consequentially impact future depreciation charges. Changes in the expected level of usage and technological developments could affect the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of the Group's property, plant and equipment at 31 March 2024 was $4,840,000 (2023: $5,629,000) (Note 12).

Impairment of non-financial assets

Property, plant and equipment, investment property, investments in subsidiaries and associates are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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

The recoverable amounts of these assets and, where applicable CGU, have been determined based on higher of the fair value less costs to sell or value-in use calculations. These calculations require the use of estimates.

The carrying amounts of the property, plant and equipment, investment property, investments in subsidiaries and associates are disclosed in Note 12, 13, 14, and 15 respectively to the financial statements.

4. REVENUE

	Group	
	2024 $'000	2023 $'000
Revenue from contracts with customers	14,417	9,235
Rental income from leasehold property	428	341
	14,845	9,576

The disaggregation of revenue from contracts with customers is as follows:

	Projects		Power plant		Total	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Major product or service lines						
Sale of power generators	12,946	6,905	–	–	12,946	6,905
Electricity supply	–	–	1,218	2,238	1,218	2,238
Rendering of services	253	92	–	–	253	92
	13,199	6,997	1,218	2,238	14,417	9,235
Timing of transfer of good or service						
At a point in time	253	341	1,218	2,238	1,471	2,579
Over time	12,946	6,656	–	–	12,946	6,656
	13,199	6,997	1,218	2,238	14,417	9,235

<u>Judgement and methods used in estimating revenue</u>

Recognition of revenue from sale of power generators over time

For the sale of power generators where the Group satisfies its performance obligations over time, management has determined that a cost-based input method provides a faithful depiction of the Group's performance in transferring control of the power generators to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the power generators. The measure of progress is based on the costs incurred to date as a proportion of total costs expected to be incurred up to the completion of the power generators.

The estimated total costs are based on contracted amounts and other indirect overhead allocations. Management relies on past experience and knowledge of the project engineers to make estimates of the amounts to be incurred. In making these estimates management takes into consideration the historical trends of the amounts incurred in its other similar projects, analysed by different generator ratings and geographical areas for the past 3 to 5 years.

Transaction price allocated to remaining performance obligation

Transaction price allocated to the remaining unsatisfied or partially satisfied performance obligations and expected to be realised in the following financial years are as follows:

	Group	
	2024 $'000	2023 $'000
Within one year	6,215	39
After one year within five years	2,067	26
	8,282	65

5. OTHER CREDITS AND (OTHER CHARGES)

	Group	
	2024	**2023**
	$'000	**$'000**
Foreign exchange loss	(71)	(469)
Fair value loss on derivative financial instrument	(2)	–
Loss on liquidation of subsidiary	(232)	–
Provision for potential back charges from a customer	–	(600)
Provision for performance bond to a customer	(780)	–
Provision for liquidated damages	–	(672)
Provision for product warranty expense	(8)	(2)
Provision for allowance for slow moving inventories	(30)	(188)
Reversal of allowance for slow moving inventories	702	–
Written off of trade payables	332	–
Others	74	31
Presented in profit or loss as:		
Other credits	1,078	31
Other charges	(1,093)	(1,931)

6. REVERSAL/(PROVISION) FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Group	
	2024	**2023**
	$'000	**$'000**
Provision for expected credit losses on contract assets	–	(2,329)
Provision for expected credit losses on trade receivables	(124)	(286)
Reversal of expected credit losses on trade receivables	655	36
Reversal of expected credit losses on other receivables	689	–
Write-off of trade receivables	(21)	(15)
	1,199	(2,594)

7. FINANCE COSTS

	Group	
	2024	**2023**
	$'000	**$'000**
Interest expense on:		
– Loans and borrowings	589	345
– Lease liabilities (Note 24)	37	42
	626	387

8. EMPLOYEE BENEFITS EXPENSE

	Group	
	2024	**2023**
	$'000	**$'000**
Salaries and bonuses	2,116	2,143
Contributions to defined contribution plan	114	126
Other benefits	84	90
	2,314	2,359

9. PROFIT/(LOSS) BEFORE INCOME TAX

The following items have been included in arriving at profit/(loss) before tax:

	Note	Group 2024 $'000	Group 2023 $'000
Audit fees to independent auditor of the Company		222	177
Audit fees to other independent auditors		37	16
Employees benefits expense (including directors' remuneration)	8	2,314	2,359
Inventories recognised as an expense in cost of sales	20	9,992	6,542
Depreciation of property, plant and equipment	12	441	717
Depreciation of right-of-use assets	24	75	135
Expenses relating to short term lease	24	332	10
Expenses relating to leases of low-value assets	24	–	3

10. INCOME TAX EXPENSES

	2024 $'000	2023 $'000
Current tax expense:		
Current financial year	–	(5)
Underprovision in respect of prior financial years	(15)	(17)
Income tax expense	(15)	(22)

A reconciliation between tax expense and profit/(loss) before tax multiplied by the applicable Singapore statutory income tax rate for the financial years ended 31 March 2024 and 2023 are as follows:

	2024 $'000	2023 $'000
Profit/(Loss) before income tax	187	(7,083)
Income tax credit at a tax rate of 17% (2023: 17%)	32	(1,204)
Effects of different tax rates in different countries	(38)	(5)
Income not subjected to taxation	(1)	(107)
Non-deductible items	140	314
Effect of partial tax exemption and tax relief	–	(10)
Under provision in respect of prior years	15	17
Others	1	38
Utilisation of previously unrecognised deferred tax assets	(197)	(28)
Deferred tax assets not recognised	63	1,007
Total income tax expense	15	22

At the end of the reporting period, the Group has tax losses of approximately $12,071,000 (2023: $12,859,000) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. Except for an amount of $365,656 (2023: $365,656) which will expire between 2027 and 2030, there is no time limit imposed on the utilisation of the remaining tax losses. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

11. EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings/(loss) per share is calculated by dividing the profit/(loss) for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	Group	
	2024	**2023**
	$'000	**$'000**
Profit/(Loss) for the financial year attributable to the owners of the Company	182	(7,054)
	Number of shares	
Weighted average number of ordinary shares outstanding	73,696,114	73,696,114
Basic and diluted earnings/(loss) per share (cents)	0.25	(9.57)

There is no potential dilutive ordinary shares resulting from the redeemable convertible bond. Therefore, no share was assumed to have been issued on the deemed exercise of the Company's outstanding redeemable convertible bond during the year ended 31 March 2024. Accordingly, the diluted earnings/(loss) per share for financial year ended 31 March 2024 and 2023 was the same as the basic earnings/(loss) per share.

12. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold property and improvements $'000	Plant and equipment $'000	Total $'000
Cost			
At 1 April 2022	3,099	11,021	14,120
Exchange differences	–	(700)	(700)
Additions	–	8	8
At 31 March 2023	3,099	10,329	13,428
Exchange differences	–	(244)	(244)
Additions	–	94	94
Reclassification from "right-of-use assets" upon full repayment of lease liabilities (Note 24)	–	567	567
At 31 March 2024	3,099	10,746	13,845
Accumulated depreciation			
At 1 April 2022	2,256	4,945	7,201
Exchange differences	–	(119)	(119)
Depreciation charge	65	652	717
At 31 March 2023	2,321	5,478	7,799
Exchange differences	–	353	353
Reclassification from "right-of-use assets" upon full repayment of lease liabilities (Note 24)	–	412	412
Depreciation charge	64	377	441
At 31 March 2024	2,385	6,620	9,005
Net carrying amount			
At 31 March 2024	714	4,126	4,840
At 31 March 2023	778	4,851	5,629

Asset pledged as security

The Group's leasehold property and improvements with a carrying amount of $714,000 (2023: $778,000) are mortgaged to secure the Group's other loan (Note 21).

Purchases of property, plant and equipment

As at 31 March 2024, the Group recognised additions to Property, plant and equipment of $94,000 (2023: $8,000).

13. INVESTMENT PROPERTY

Group	Freehold land[1] $'000
Cost	
At 1 April 2022	3,049
Exchange differences	(199)
At 31 March 2023	2,850
Exchange differences	(153)
At 31 March 2024	2,697
Net carrying amount	
At 31 March 2024	2,697
At 31 March 2023	2,850

(1) Investment property pertains to a freehold land held by a subsidiary.

The land is located in Kluang, Malaysia.

Independent professional valuation of the Group's investment property has been performed by an independent valuer with appropriate recognised professional qualifications and recent experience with the location and category of the property being valued. The valuer has considered the direct comparison method for comparative properties in deriving the valuation of $4,270,500 as at 31 March 2024 (2023: $4,513,500).

Key inputs used in the valuations are the recent transactions and asking price of similar properties in and around the locality for comparison purposes with adjustments made for differences in location, accessibility, terrain, size and shape of land, tenure, planning approval status, title restrictions if any and other relevant characteristics to arrive at the market value.

The fair value of the investment property is within level 3 of the fair value hierarchy.

14. INVESTMENT IN SUBSIDIARIES

	Company	
	2024 $'000	2023 $'000
Unquoted equity shares	7,028	7,028
Amount due from a subsidiary [a]	8,914	8,914
	15,942	15,942
Impairment losses	(4,805)	(4,805)
Net carrying value at end of the year	11,137	11,137

14. INVESTMENT IN SUBSIDIARIES (CONTINUED)

	Company	
	2024	2023
	$'000	$'000
Movements in allowance for impairment:		
Balance at beginning of the financial year	4,805	1,028
Allowance for impairment	–	3,777
Balance at end of the financial year	4,805	4,805

For the financial year ended 31 March 2023, the Company recognised an impairment loss of $3,777,000 to write-down the carrying values of certain subsidiaries in view of economic uncertainties. The recoverable amounts determined are based on the fair value of these subsidiaries, which are estimated using the net asset value of these subsidiaries.

[a] The Company does not have the intention of demanding for the settlement of the amount due from a subsidiary in the foreseeable future as the amount forms, in substance, a part of the Company's net investment in the subsidiary.

The subsidiaries held by the Company and the Group is listed below:

Name of subsidiaries	Country of incorporation/ Place of operations	Principal activities	Independent auditors	Effective percentage of equity held 2024 %	2023 %
Wholly-owned subsidiaries					
GMTM Holdings Pte. Ltd.	Singapore	Investment holding	Forvis Mazars LLP	100	100
Shanghai VibroPower Generators Equipment Co. Ltd. [a]	People's Republic of China	Import and sale of engines and spare parts	Shanghai Mingyu Certified Public Accountants Co.,Ltd	100	100
VibroPower Pte. Ltd.	Singapore	Supply, design, manufacture, installation, commissioning and servicing of power generators	Forvis Mazars LLP	100	100

14. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The subsidiaries held by the Company and the Group is listed below (Continued):

Name of subsidiaries	Country of incorporation/ Place of operations	Principal activities	Independent auditors	Effective percentage of equity held 2024 %	2023 %
Held through VibroPower Pte. Ltd.					
VibroPower (HK) Limited [(a)]	Hong Kong	Supply, installation, commissioning and servicing of power generators	Raymond Yeung & Co.	100	100
Indamex (UK) Limited [(b)]	United Kingdom	Trader in generator parts and accessories	–	100	100
VibroPower Generators Sdn. Bhd. [(a)]	Malaysia	Trading, installation, commissioning and servicing of diesel power generators	RSM Malaysia	100	100
VibroPower Generators (India) Private Limited [(a)]	India	Trading, installation, commissioning and servicing of diesel power generators	Suresh Surana & Associates LLP	100	100
VibroPower Sales and Services (S) Pte. Ltd.	Singapore	Trading, installation, commissioning and servicing of diesel power generators	Forvis Mazars LLP	100	100
Held through GMTM Holdings Pte. Ltd.					
VibroPower (UK) Limtied [(c)]	United Kingdom	Import and export of engines and spare parts	–	–	100
Scott & English Pte. Ltd.	Singapore	Manufacture and repair of electric power generators	Forvis Mazars LLP	100	100
VibroPower Generators Middle East (FZE) [(b)]	United Arab Emirates	Manufacture and repair of electric power generators	–	100	100
Held through VibroPower (HK) Limited					
Shanxi Weineng Coal Mine Gas Development Co., Ltd.	People's Republic of China	Development, operation and management of power generations projects	Forvis Mazars in Beijing	100	100
Agrimal Project Sdn. Bhd [(a)]	Malaysia	Property developer	Lesmond & Asociates, Malaysia	68.2	68.2

(a) Audited by firms of accountants other than member firms of Forvis Mazars LLP (formerly known as Mazars LLP). Their names are indicated above.
(b) Not audited as it is not required to be audited under the laws of the respective countries.
(c) On 20 February 2024, the Group liquidated its subsidiary, VibroPower (UK) Limtied. The Group de-recognised currency translation reserve of $232,000.

14. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The Company holds 68.2% effective interest in Agrimal Project Sdn. Bhd., through its wholly owned subsidiary, VibroPower (HK) Limited and associated company VibroPower Green Energy Sdn. Bhd, which in turn hold 47% and 53% issued and paid-up share capital of Agrimal Project Sdn. Bhd., respectively.

The Group has the following subsidiary which have non-controlling interests that are material to the Group:

Subsidiary	Proportion of ownership interest held by NCI		Loss allocated to NCI during the financial year		Accumulated NCI at the reporting date	
	2024	2023	2024	2023	2024	2023
	%	%	$'000	$'000	$'000	$'000
Agrimal Project Sdn. Bhd.	31.8	31.8	10	51	1,373	1,486

Summarised financial information about subsidiary with material NCI

Summarised financial information before intercompany eliminations are as follows:

	Agrimal Project Sdn. Bhd.	
	2024	2023
	$'000	$'000
Assets:		
Non-current assets	254	268
Current assets	229	242
Liabilities:		
Current liabilities	293	287
Net assets	190	223
Accumulated non-controlling interests	60	70
Less: Fair value adjustments*	1,416	1,416
Exchanges differences on fair value adjustments	(103)	–
	1,373	1,486
Results:		
Profit/(Loss) before income tax	(33)	(160)
Profit/(Loss) for the financial year	(33)	(160)
Loss allocated to NCI	(10)	(51)

* It is related to fair value adjustments on land in relation to acquisition of Agrimal Project Sdn. Bhd. during the year 2017.

15. INVESTMENT IN ASSOCIATES

	Group 2024 $'000	Group 2023 $'000
Balance at the beginning of the financial year	442	565
Share of results	42	(69)
Exchange differences	21	(54)
Balance at the end of the financial year	505	442

The details of the associates are as follows:

Name of associates	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group 2024 %	2023 %
Held through subsidiary				
VibroPower Green Energy Sdn. Bhd.[(a)]	To build and operate a biomass power plant	Malaysia	40	40
Vibro Biomass Energy Sdn.Bhd.[(b)]	Construction of power plant	Malaysia	40	40
Vibro Bio Energy Sdn. Bhd.[(b)]	Construction of power plant	Malaysia	40	40

(a) Audited by Lesmond & Associates, Malaysia.
(b) Audited by Chan Teng Chun & Co., Malaysia.

The summarised financial information in respect of VibroPower Green Energy Sdn. Bhd, based on *SFRS(I)* financial statements and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised statement of financial position

	VibroPower Green Energy Sdn. Bhd. 2024 $'000	2023 $'000
Current assets	261	11
Non-current assets	7,348	7,671
Total assets	7,609	7,682
Current liabilities	6,432	6,576
Total liabilities	6,432	6,576
Net assets	1,177	1,106
Group's share of net assets	471	442
Carrying amount of the investment	471	442

Summarised statement of comprehensive income

	2024	2023
Profit/(Loss) for the financial year, representing total comprehensive income/(loss) for the financial year	134	(157)
Total comprehensive income/(loss) for the financial year	134	(157)

16. CONTRACT ASSETS AND LIABILITIES FROM CONTRACTS WITH CUSTOMERS

	Group		
	31.3.2024 $'000	31.3.2023 $'000	1.4.2022 $'000
Contract assets			
Accrued revenue	5,032	4,606	2,889
Allowance for expected credit losses	(2,718)	(2,718)	(389)
	2,314	1,888	2,500
Contract liabilities			
Advance considerations from customers	1,105	1,829	1,062

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for sale of power generators. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the customer certifies the progress claim.

Contract assets of $1,888,000 (2023: $2,500,000) which were included at the beginning of the financial year were transferred to trade receivables during the financial year ended 31 March 2024.

Increase of contract assets for the financial year ended 31 March 2024 mainly due to the performance obligations have been fulfilled and the goods or services have been transferred to the customer which in line with the significantly increase in revenue.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances consideration from customers for sale of power generators.

Contract liabilities are recognised as revenue over the contract service term. Revenue recognised in the financial year ended 31 March 2024 which was included in the contract liabilities balance at the beginning of the financial year was $1,829,000 (2023: $1,062,000).

Decrease in contract liabilities during the financial year ended 31 March 2024 is attributed to the more advances released with the completion of contracts during the financial year.

17. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Cash at banks and on hand	385	768	33	23

Cash at banks and on hand denominated in currency other than the functional currencies of respective entities as at 31 March 2024 and 2023 are as follows:

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
United States Dollar	29	53	–	–

18. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Trade receivables:				
Due from external parties	5,449	4,878	–	–
Retention monies	795	694		
Due from related parties	582	–	–	–
Due from subsidiaries	–	–	79	79
Allowance for expected credit losses	(1,898)	(2,444)	(79)	(79)
	4,928	3,128	–	–
Other receivables:				
Due from external party	–	689	–	–
Due from related parties	852	–	–	–
Due from subsidiaries	–	–	5,951	3,502
Due from associates	2,846	2,833	–	–
Others	718	982	–	–
Allowance for expected credit losses	–	(689)	(3,851)	(34)
	4,416	3,815	2,100	3,468
Total trade and other receivables	9,344	6,943	2,100	3,468

Trade receivables:

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2023: 30 to 60 days) credit terms. They are recognised at their original invoice amounts, which represents their fair values on initial recognition.

Other receivables:

As at 31 March 2023, the amounts due from external party of $689,000 are unsecured, non-trade related, repayable on demand by cash, and is interest bearing at 12% per annum. The amount has been fully provided as at 31 March 2023. The amounts due from external party has been fully collected as at 31 March 2024 hence there is a reversal of expected credit losses on other receivables of $689,000 disclosed in Note 6.

Amounts due from subsidiaries, associates and related parties are unsecured, non-interest bearing, non-trade related, and repayable on demand by cash.

Others are unsecured, non-interest bearing, non-trade related, and repayable on demand by cash.

Trade and other receivables denominated in currency other than the functional currencies of respective entities as at years ended 31 March 2024 and 2023 are as follows:

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Hong Kong dollar	2	–	–	–
Malaysian Ringgit	1,068	–	–	–
United States dollar	9	432	–	–

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to customers is about 30 – 90 days (2023: 30 – 60 days). But some customers take a longer period to settle the amounts.

(i) Ageing analysis of the age of trade receivable amounts that are past due as at the end of the financial year but not impaired:

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Trade receivables:				
Less than 30 days	961	518	–	–
31 to 60 days	67	492	–	–
61 to 90 days	30	39	–	–
Over 90 days	682	1,723	–	–
Total	1,740	2,772	–	–

19. OTHER ASSETS

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Deposits to secure services	311	157	–	–
Prepayments	136	555	22	26
	447	712	22	26

20. INVENTORIES

	Group	
	2024 $'000	2023 $'000
Parts and components	969	2,048

Inventories are stated after deducting allowance for slow moving inventories:

	Group 2024 $'000	Group 2023 $'000
Analysis of allowance:		
Balance at beginning of the financial year	1,597	1,407
Provision for allowance for slow moving inventories (Note 5)	30	188
Reversal of allowance for slow moving inventories (Note 5)	(702)	–
Exchange differences	1	2
Balance at end of the financial year	926	1,597
Inventories recognised as an expense in cost of sales	9,992	6,542

The Group has recognised a reversal of $702,000 (2023: $Nil), being part of inventory write-down in the financial year ended 31 March 2023, as the inventory were sold above their carrying amounts in the current financial year ended 31 March 2024.

21. LOANS AND BORROWINGS

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Current:				
Fixed rate other loans (unsecured)	1,217	2,259	–	–
Fixed rate bank loan (unsecured)	666	506	–	–
Floating rate other loan (secured)	318	228	–	–
Subtotal	2,201	2,993	–	–
Non-current:				
Fixed rate other loans (unsecured)	–	118	–	–
Fixed rate bank loan (unsecured)	–	667	–	–
Floating rate other loan (secured)	1,133	1,526	–	–
Redeemable convertible bond	1,533	–	1,533	–
Subtotal	2,666	2,311	1,533	–
Total	4,867	5,304	1,533	–

There are no loans and borrowings denominated in currency other than the functional currencies of respective entities for the financial year ended 31 March 2024 and 2023.

The ranges of floating interest rates paid were as follows:

	2024 % per annum	2023 % per annum
Floating rate other loan (secured)	6.90	4.85 – 6.90

(a) Fixed rate other loans (unsecured)

Loan from a financing company

The loan amounted to $293,000 as at 31 March 2024 (2023: $977,000). It was provided among other matters for the following:

1. Repayable by monthly instalment and due on 31 May 2024
2. Interest rate at 4.25% per annum
3. Corporate guarantee from the Company
4. Personal guarantee from a director

Loans from a substantial shareholder and director

The loans of $Nil (2023: $285,000) were provided among other matters for the following:

1. Loan tenure from 6 – 12 months (2023: 3 – 10 months)
2. Interest rate at 1.00% – 3.00% per month (2023: 1.35% – 3.00 % per month)

Loans from a related party

The loan of $38,000 (2023: $Nil) was provided among other matters for the following:

1. Loan tenure from 12 months
2. Interest free

21. LOANS AND BORROWINGS (CONTINUED)

(a) Fixed rate other loans (unsecured) (Continued)

Loans from third parties

The loans of $373,000 (2023: $Nil) were provided among other matters for the following:

1. Loan tenure from 12 months
2. Interest rate at 1.00% per month

Loans from a financing company

The loans of $446,000 (2023: $800,000) were provided among other matters for the following:

1. Loan tenure from 1 – 2 months (2023: 3 – 10 months)
2. Interest rate at reference rate plus 4.50% per annum (2023: 1.35% – 3.00 % per month)

Loan from a financing company

The loan amounted to $67,000 as at 31 March 2024 (2023: $148,000). It was provided among other matters for the following:

1. Repayable by monthly instalment and due on 6 September 2024 (2023: 17 January 2024)
2. Interest rate at 3.0% per month (2023: 2.5% per month)
3. Personal guarantee from a director

(b) Fixed rate bank loan (unsecured)

Temporary Bridging Loan

The temporary bridging loan amounted to $666,000 as at 31 March 2024 (2023: $1,173,000). It was provided among other matters for the following:

1. Repayable by monthly instalment and due on 4 June 2025.
2. Interest rate at 4.75% per annum.
3. Corporate guarantee from the Company.

The Company's subsidiary was required by a bank to maintain a minimum tangible net worth of $6,000,000 throughout of the facility. Tangible net worth is defined as total assets less total liabilities and intangibles. As at 31 March 2024, the adjusted tangible net worth is $5,962,000. Additionally, the subsidiary failed to submit the annual audited/certified financial statements within six months of the close of the financial year. No waiver letter has been received from the bank. Accordingly, the bank loans of the subsidiary from the said bank of $137,000 had been reclassified from non-current liabilities to current liabilities in the statement of financial position as at 31 March 2024. As at the date of this report, management is of the opinion that the said bank will continue to support the subsidiaries. The bank had not requested for immediate repayment of the outstanding bank loans as at the date when these financial statements were authorised for issue.

(c) Floating rate other loan (secured)

The other loan from a finance company amounted to $1,451,000 as at 31 March 2024 (2023: $1,754,000). It was provided among other matters for the following:

1. Repayable by monthly instalment and due on 26 February 2028.
2. Corporate guarantee from the Company.
3. Interest rate at 6.90% per annum.
4. Secured by a first mortgage over Group's leasehold property and improvements (Note 12).

21. LOANS AND BORROWINGS (CONTINUED)

(d) Redeemable convertible bond

	Group and Company	
	2024	2023
	$'000	$'000
Host debt	1,229	–
Derivative financial instrument	304	–
	1,533	–

The Company had on 31 October 2023 entered into a joint venture agreement ("JVA") with Interra Resources Ltd ("the Lender") to cooperate and join efforts to construct a Solar Farm in Malaysia. Pursuant to the terms of the JVA, the Lender agreed to participate in the Joint Venture by purchasing a redeemable convertible bond to be issued by the Company in the principal amount of $1,500,000.

In accordance to the agreement, the option to convert into ordinary shares may only be exercised by lender when (a) if the Company fails to pay the principal amount by the maturity date or (b) if the Company is unable to fulfill the interest payment obligations or default interest charges. The maturity period is 36 months commencing from 1 December 2023. The convertible bond bears an interest rate of 8.5% per annum, which is payable every month. The conversion price is at a 10% discount to the 30-day weighted average price at the conversion date.

The instrument is classified as a hybrid instrument, consisting of a liability component and embedded derivative. The embedded derivative is separated from the host and measured the derivatives at fair value at initial recognition and subsequently at fair value through profit or loss. For the liability component, at initial recognition, it is measured at the residual amount after separating the embedded derivative. For subsequent measurement, it is measured at amortised cost using the effective interest method.

The Group has engaged external valuer to estimate the fair value of the derivative financial instrument which were determined by applying the binomial tree model. The key inputs to the binomial tree model are the market value of share, risk-free rate and volatility of share price. Management considered the appropriateness of the valuation technique and assumptions applied by external valuer. The fair value measurement is categorised in Level 2 of the fair value hierarchy. Accordingly, a fair value loss of $2,000 has been recognised during the financial year ended 31 March 2024.

The movement of redeemable convertible bond as below:–

	Group and Company	
	2024	2023
	$'000	$'000
Host debt		
Balance at beginning of the financial year	–	–
Proceeds from loan entered during the financial year	1,500	–
Fair value of derivative financial instrument at inception date	(302)	–
Accretion of interest	74	–
Interest expenses paid	(43)	–
Balance at the end of the financial year	1,229	–

The effective interest rate of host debt is 18.5% per annum.

21. LOANS AND BORROWINGS (CONTINUED)

(d) Redeemable convertible bond (Continued)

	Group and Company	
	2024 $'000	2023 $'000
Derivative financial instrument		
Fair value as at inception date	302	–
Fair value adjustment through profit or loss (Note 5)	2	–
Financial liability at fair value through profit or loss at the end of the financial year	304	–

22. PAYABLES AND ACCRUALS

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Trade payables and accruals:				
External parties	3,008	3,490	582	359
Accruals	3,827	2,154	406	233
Due to related parties	323	–	–	–
Subtotal	7,158	5,644	988	592
Other payables:				
Due to subsidiaries	–	–	1,205	118
Deposit received	124	93	–	–
Others	38	–	–	–
Subtotal	162	93	1,205	118
Total payables and accruals	7,320	5,737	2,193	710

Trade payables:

These amounts are non-interest bearing and normally settled on 30 – 90 days' terms.

Accruals

During the financial year, the Group accrued costs for a performance bond with an amount of $780,000. In the previous year, the Group recognised accruals for liquidated damages and potential backcharges from a customer, amounting to $600,000 and $672,000, respectively.

22. PAYABLES AND ACCRUALS (CONTINUED)

Amounts due to subsidiaries and related parties:

Amounts due to subsidiaries and related parties are unsecured, non-interest bearing, repayable on demand by cash and denominated in Singapore dollars.

Payables and accruals denominated in currency other than the functional currencies of respective entities for the financial year ended 31 March 2024 and 2023 are as follows:

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
United States Dollar	26	432	–	–
Euro	6	13	–	–
Chinese Renminbi	22	22	–	–
Malaysian Ringgit	–	63	–	–

23. PROVISION

	Group	
	2024 $'000	2023 $'000
Provision product warranty:		
Balance at beginning of the financial year	10	11
Charged for profit or loss included in other charges (Note 5)	8	2
Exchange differences	–	(3)
Balance at end of the financial year	18	10

Goods are sold with a warranty under which customers are covered for the cost of repairs of any manufacturing defects that become apparent within the first twelve months after installation. A warranty provision is made based on past experience and future expectations and an assessment of probability of an outflow for the warranty obligations as a whole. It is expected that most of these costs will be incurred within the next 12 months from the end of the financial year.

24. LEASES

The Group has lease contracts for motor vehicle, equipment land and leasehold property used in its operations. Land and leasehold property generally have lease terms between 10 and 16 years (2023: 10 and 16 years), while motor vehicle has a lease term of 7 years (2023: motor vehicle and equipment have a lease term of 7 years and 2 years, respectively). The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios.

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

24. LEASES (CONTINUED)

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

	Leasehold land $'000	Leasehold property $'000	Plant and equipment $'000	Motor vehicle $'000	Total $'000
As at 1 April 2022	404	307	212	53	976
Depreciation charge	(31)	(40)	(57)	(7)	(135)
Exchange differences	–	(29)	–	–	(29)
As at 31 March 2023	373	238	155	46	812
Depreciation charge	(32)	(36)	–	(7)	(75)
Modification	13	–	–	–	13
Reclassification to "property, plant and equipment" upon full repayment of lease liabilities (Note 12)	–	–	(155)	–	(155)
Exchange differences	–	(10)	–	–	(10)
As at 31 March 2024	354	192	–	39	585

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

	2024 $'000	2023 $'000
At beginning of the financial year	492	509
Modification	13	–
Accretion of interest	37	42
Lease payments	(67)	(58)
Exchange differences	–	(1)
At end of the financial year	475	492
Current	36	32
Non-current	439	460

The maturity analysis of lease liabilities are disclosed in Note 30.

The following are the amounts recognised in profit or loss:

	Note	2024 $'000	2023 $'000
Interest expense on lease liabilities	7	37	42
Depreciation expense of right-of-use assets	9	75	135
Expense relating to short-term leases	9	332	10
Expense relating to leases of low-value assets	9	–	3
Total amount recognised in profit or loss		444	190

The Group had total cash outflows for leases of $67,000 in 2024 (2023: $58,000).

25. SHARE CAPITAL AND TREASURY SHARES

Share capital

	Group and Company			
	2024		2023	
	Number of shares	$'000	Number of shares	$'000
Issued and fully paid ordinary shares with no par value				
At beginning and end of the year	73,696	19,084	73,696	19,084

In 2020, the Company had issued 17,975,428 free detachable warrants to its shareholders, each carrying the right to subscribe for 1 new ordinary share at an exercise price of $0.10 per share. Each warrant may be exercised at any time during the period commencing on and including the date of issue of the Warrants and expiring on the date immediately preceding five (5) years from the date of issue of the Warrants. The exercise price of the warrants and the number of warrants are fixed except for certain events pursuant to the terms and conditions of the Warrants set out in the Deed Poll. As at 31 March 2024, the exercise price of the warrants was $0.10 and a total of 7,705,598 Warrants remains outstanding.

Treasury shares

	Group and Company			
	2024		2023	
	Number of shares	$'000	Number of shares	$'000
At beginning and end of the financial year	(1,077)	(388)	(1,077)	(388)

Treasury shares relate to ordinary shares of the Company that is held by the Company.

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

26. RESERVE

	2024 $'000	2023 $'000
Foreign currency translation reserve	(1,397)	(915)

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

27. CONTINGENT LIABILITIES

	2024 $'000	2023 $'000
Corporate guarantee given for a subsidiary's credit facilities	2,410	4,271
Performance bond of a contract terminated by a customer	–	780
Total	2,410	4,979

27. CONTINGENT LIABILITIES (CONTINUED)

As at 31 March 2024, the Company has given corporate guarantee amounting to $2,410,000 (2023: $4,271,000) to the bank and financing companies in respect of loan facilities granted to the subsidiaries.

The Company has evaluated the fair value of the corporate guarantee. Consequently, the Company is of the view that the fair value of the guarantee to the financial institution with regard to the subsidiary is not significant. The Company has not recognised any liability in respect of the guarantees given to the bank and financing companies for the loan facilities granted to the subsidiaries as the Board of Directors has assessed that the likelihood of the subsidiaries defaulting on repayment of its banking facilities are remote. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

As at the end of the financial year, the Company has also given undertakings to certain subsidiaries to provide continued financial support to these subsidiaries to enable them to meet their obligations as and when they fall due so that they will continue to operate as going concerns in the foreseeable future.

28. SIGNIFICANT RELATED PARTY TRANSACTIONS

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

- (i) Has control or joint control over the Company;
- (ii) Has significant influence over the Company; or
- (iii) Is a member of the key management personnel of the Company or of a parent of the Company.

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

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employees are also related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

28. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

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

In addition to the related party information disclosed elsewhere in the financial statements, the Group has the following significant transaction with related parties on terms agreed between the parties as follows:

	2024 $'000	2023 $'000
Sales to an associate	7	–
Rental income from a related party	–	30
Rental expense charged from a related party	305	–
Subcontractor fee received from a related party	–	5
Purchased of goods and services from a related party	330	1,955
Subcontractor costs paid to related parties	789	432
Reimbursement of expenses to a related party	358	102
Loans from related parties	1,676	–
Interest on loans from related parties	23	–
Expenses on loans from related parties	81	–
Loan from a substantial shareholder and director	2,951	320
Interest on loan from a substantial shareholder and director	48	9
Expenses on loan from a substantial shareholder and director	114	–

The above related parties refer to entities where the Company's director has beneficial interests or the close family members of a director who have significant influence over transactions with the Company.

Compensation of directors and key management personnel

	Group	
	2024 $'000	2023 $'000
Short-term employee benefits	766	766
Central Provident Fund contributions	21	20
	787	786

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	Group	
	2024 $'000	2023 $'000
Remuneration of directors of the Company	505	504
Remuneration of other key management personnel	142	142
Fees to directors of the Company	140	140
	787	786

Key management personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The above amounts for key management compensation are for all the directors and other key management personnel.

Further information about the remuneration of individual directors is provided in the report on corporate governance.

29. FINANCIAL INFORMATION BY OPERATION SEGMENT

Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by SFRS(I) 8 *Operating Segments*. This disclosure standard has no impact on the reported results or financial position of the group.

The group mainly has two principal activities, one is supplying, designing, manufacturing, installing, commissioning and servicing of power generators used mainly in commercial and industrial projects and housing projects, the other is supplying electricity to power grid.

Analysis by Business Segments

The group is organised into three business segments – Projects (supplying power generators), Power plant (supplying electricity) and Others.

Analysis by Geographical Segments

The group is organised into two major geographical areas – Singapore and Asia (excluding Singapore).

In presenting information on the basis of geographical segments, segment is based on the geographical location of assets (same as the location of the customers).

Segment revenue, expenses, assets and liabilities comprise amounts that are either directly attributable to, or can be allocated on a reasonable basis to a segment. Addition of non-current assets is the total cost incurred during the year to acquire property, plant and equipment.

29. FINANCIAL INFORMATION BY OPERATION SEGMENT (CONTINUED)

Profit or loss from operations and reconciliations

Segment information by business described above is presented below:

		Projects		Power plant		Others		Adjustment and elimination		Total	
	Notes	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
External customers		13,199	6,997	1,218	2,238	428	341	–	–	14,845	9,576
Inter-segment		11,815	5,784	–	–	–	–	(11,815)	(5,784)	–	–
Total revenue	A	25,014	12,781	1,218	2,238	428	341	(11,815)	(5,784)	14,845	9,576
Results:											
Interest income		–	–	–	–	110	87	(110)	(87)	–	–
Finance costs		(582)	(404)	(29)	(4)	(74)	–	59	21	(626)	(387)
Depreciation		(345)	(358)	(171)	(494)	–	–	–	–	(516)	(852)
Reversal/ (Provision) for impairment losses on financial assets		1,199	(2,594)	–	–	–	–	–	–	1,199	(2,594)
Share of results of an associate		–	–	42	(69)	–	–	–	–	42	(69)
Segment profit/ (loss) before tax		878	(6,609)	73	(84)	(714)	(339)	(50)	(51)	187	(7,083)
Addition of non-current assets		15	6	79	2	–	–	–	–	94	8
Non-current assets	B	2,318	1,559	3,639	4,070	2,670	2,850	–	–	8,627	8,479
Segment assets	C	53,948	32,843	7,210	8,029	13,775	18,846	(52,847)	(37,626)	22,086	22,092
Segment liabilities	D	53,592	30,306	3,978	3,909	4,019	901	(47,691)	(21,625)	13,898	13,491

29. FINANCIAL INFORMATION BY OPERATION SEGMENT (CONTINUED)

Profit or loss from operations and reconciliations (Continued)

Segment information of these geographical areas described above is presented below:

	2024 $'000	2023 $'000
Revenue		
Singapore	12,761	6,880
Asia (excluding Singapore)	2,084	2,696
	14,845	9,576
Non-current assets		
Singapore	1,421	1,559
Asia (excluding Singapore)	6,116	6,920
	7,537	8,479

Notes Nature of adjustment and eliminations to arrive at amounts reported in the consolidated financial statements

A Inter-segment revenues are eliminated on consolidation.

B Non-current assets only include property, plant and equipment and investment property.

C Inter-segments assets are deducted from segment assets to arrive at total assets reported in the statement of financial position.

D Inter-segments liabilities are deducted from segment liabilities to arrive at total liabilities reported in the statement of financial position.

Information about a major customer

Revenue from one major customer amounted to $2,625,000, arising from sales of power generators in Singapore (2023: $859,000) in Singapore.

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

The Group's activities expose it to credit risk, market risk (including foreign currency risk and interest rate risks) and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The directors are responsible for setting the objectives and underlying principles of financial risk management for the Company. The management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the directors.

There have been no changes 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 indicated below.

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group's credit risk arises from bank balances, trade and other receivables and other debt instruments carried at amortised cost. Bank balances are mainly deposits with banks with high credit-ratings assigned by international credit rating agencies and the Group does not expect the impairment loss from bank balances to be material, if any.

To assess and manage its credit risks, the Group categorises the aforementioned financial assets and contract assets according to their risk of default. The Group defines default to have taken place when internal or/and external information indicates that the financial asset is unlikely to be received, which could include a breach of debt covenant, and/or where contractual payments are 30 days past due as per SFRS(I) 9's presumption.

In their assessment, the management considers, amongst other factors, the latest relevant credit ratings from reputable external rating agencies where available and deemed appropriate, historical credit experiences, latest available financial information and latest applicable credit reputation of the debtor.

The Group's internal credit risk grading categories are as follows:

Category	Description	Basis of recognising ECL
1	Low credit risks [Note 1]	12-months ECL
2	Non-significant increase in credit risks since initial recognition and financial asset is ≤ 30 days past due	12-months ECL
3	Significant increase in credit risk since initial recognition [Note 2] or financial asset is > 30 days past due	Lifetime ECL
4	Evidence indicates that financial asset is credit-impaired [Note 3]	Difference between financial asset's gross carrying amount and present value of estimated future cash flows discounted at the financial asset's original effective interest rate
5	Evidence indicates that the management has no reasonable expectations of recovering the write off amount [Note 4]	Written off

Note 1. Low credit risk

The financial asset is determined to have low credit risk if the financial assets have a low risk of default, the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Generally, this is the case when the Group assesses and determines that the debtor has been, is in and is highly likely to be, in the foreseeable future and during the (contractual) term of the financial asset, in a financial position that will allow the debtor to settle the financial asset as and when it falls due.

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Credit risk (Continued)

Note 2. Significant increase in credit risk

In assessing whether the credit risk of the financial asset has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial asset as of reporting date with the risk of default occurring on the financial asset as of date of initial recognition, and considered reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

In assessing the significance of the change in the risk of default, the Group considers both past due (i.e. whether it is more than 30 days past due) and forward looking quantitative and qualitative information.

Forward looking information includes the assessment of the latest performance and financial position of the debtor, adjusted for the Group's future outlook of the industry in which the debtor operates and the most recent news or market talks about the debtor, as applicable. In its assessment, the Group will generally, for example, assess whether the deterioration of the financial performance and/or financial position, adverse change in the economic environment (country and industry in which the debtor operates), deterioration of credit risk of the debtor, etc. is in line with its expectation as of the date of initial recognition of the financial asset. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contract payments are >30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Note 3. Credit impaired

In determining whether financial assets are credit-impaired, the Group assesses whether one or more events that have a detrimental impact on the estimated future cashflows of the financial asset have occurred. Evidence that a financial asset is credit impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- Breach of contract, such as a default or being more than 90 days past due;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for the financial asset because of financial difficulties.

Note 4. Write off

Generally, the Group writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cashflows to repay the amounts subjected to the write-off.

The Group performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collateral.

The Group do not have any significant credit exposure to any single counterparty or any groups of counterparties having similar characteristics.

As at the end of the financial year, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Credit risk (Continued)

Trade receivables (Note 18) and contract assets (Note 16)

The Group uses the practical expedient under SFRS(I) 9 in the form of allowance matrix to measure the ECL for trade receivables and contract assets, where the loss allowance is equal to lifetime ECL.

The contract assets relate mainly to unbilled revenue and have substantially the same risk characteristics as trade receivables for the same type of contract. Therefore, the Group concluded that the expected credit loss rates for trade receivables are a reasonable approximation of the credit loss rates of the contract assets.

The ECL for trade receivables and contract assets are estimated using an allowance matrix by reference to the Group's historical observed default rates analysed in accordance to 90 days past due. The loss allowance provision as at 31 March 2024 is determined by incorporating forward looking information such as forecast of economic conditions where the gross domestic product will improve over the next year, leading to a decreased number of defaults.

Trade receivables are written off when there is evidence to indicate that the customer is in severe financial difficulty such as being under liquidation or bankruptcy and there are no reasonable expectations for recovering the outstanding balances.

Information regarding loss allowance movement of trade receivables and contract assets is disclosed in Note 18 and Note 16 respectively.

The trade receivables and contract assets that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These are not secured by any collateral or credit enhancements.

Other receivables (Note 18) and other assets (excluding prepayments) (Note 19)

The Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group assessed the impairment loss allowance of these amounts on a 12-month ECL basis consequent to their assessment and conclusion that these receivables are of low credit risk.

Accordingly, the Group determined that the ECL for other receivables are insignificant.

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Credit risk (Continued)

The loss allowance for trade receivables and contract assets are determined as follows:

Group	Expected credit loss rate	Gross carrying amount $'000	Loss allowance on receivables $'000	Net carrying amount $'000
2024				
Other that credit impaired customers				
Not past due	**	5,506	(4)	5,502
Past due less than 30 days	1%	966	(5)	961
Past due 31 to 60 days	0%	67	*	67
Past due 61 to 90 days	0%	30	*	30
Past due over 90 days	4%	709	(27)	682
		7,278	(36)	7,242
Credit impaired customers		4,580	(4,580)	–
		11,858	(4,616)	7,242
2023				
Other that credit impaired customers				
Not past due	0%	1,587	–	1,587
Past due less than 30 days	0%	518	–	518
Past due 31 to 60 days	0%	492	–	492
Past due 61 to 90 days	0%	39	–	39
Past due over 90 days	24%	2,266	(543)	1,723
		4,902	(543)	4,359
Credit impaired customers		4,619	(4,619)	–
		9,521	(5,162)	4,359

* Less than $1,000
** Less than 1%

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Credit risk (Continued)

The movement in the loss allowance during the financial year and the Group's exposure to credit risk in respect of the trade and other receivables and contract assets is as follows:

Group	**Trade receivables**			**Contract assets**			**Other receivables**		
Internal credit risk grading	**Note (i)**	**Category 4**	**Total**	**Note (i)**	**Category 4**	**Total**	**Category 1**	**Category 4**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Loss allowance									
Balance at 1 April 2022	19	2,747	2,766	–	389	389	–	689	689
Allowance made during the financial year	–	286	286	–	2,329	2,329	–	–	–
Impairment loss on receivables written back	–	(36)	(36)	–	–	–	–	–	–
Impairment loss on receivables written off	–	(509)	(509)	–	–	–	–	–	–
Exchange differences	–	(63)	(63)	–	–	–	–	–	–
Balance at 31 March 2023	19	2,425	2,444	–	2,718	2,718	–	689	689
Allowance made during the financial year	17	107	124	–	–	–	–	–	–
Impairment loss on receivables written back	–	(655)	(655)	–	–	–	–	–	–
Impairment loss on receivables written off	–	(34)	(34)	–	–	–	–	(689)	(689)
Exchange differences	–	19	19	–	–	–	–	–	–
Balance at 31 March 2024	36	1,862	1,898	–	2,718	2,718	–	–	–
Gross carrying amount									
At 31 March 2023	3,147	2,425	5,572	1,231	2,718	3,949	3,815	689	4,504
At 31 March 2024	4,964	1,862	6,826	2,314	2,718	5,032	4,416	–	4,416
Net carrying amount									
At 31 March 2023	3,128	–	3,128	1,231	–	1,231	3,815	–	3,815
At 31 March 2024	4,928	–	4,928	2,314	–	2,314	4,416	–	4,416

Note (i): For trade receivables and contract assets, the Group uses the practical expedient under SFRS(I) 9 in the form of an allowance matrix to measure the ECL, where the loss allowance is equal to lifetime ECL.

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Credit risk (Continued)

The movement in the loss allowance during the financial year and the Company's exposure to credit risk in respect of the trade and other receivables is as follows:

Company		Trade receivables			Other receivables	
Internal credit risk grading	Note (i) $'000	Category 4 $'000	Total $'000	Category 1 $'000	Category 4 $'000	Total $'000
Loss allowance						
Balance at 1 April 2022	–	79	79	–	34	34
Allowance made during the financial year	–	–	–	–	–	–
Impairment loss on receivables written back	–	–	–	–	–	–
Impairment loss on receivables written off	–	–	–	–	–	–
Exchange differences	–	–	–	–	–	–
Balance at 31 March 2023	–	79	79	–	34	34
Allowance made during the financial year	–	–	–	–	3,817	3,817
Impairment loss on receivables written back	–	–	–	–	–	–
Impairment loss on receivables written off	–	–	–	–	–	–
Exchange differences	–	–	–	–	–	–
Balance at 31 March 2024	–	79	79	–	3,851	3,851
Gross carrying amount						
At 31 March 2023	–	79	79	3,468	34	3,502
At 31 March 2024	–	79	79	2,100	3,851	5,951
Net carrying amount						
At 31 March 2023	–	–	–	3,468	–	3,468
At 31 March 2024	–	–	–	2,100	–	2,100

Note (i): For trade receivable, the Company uses the practical expedient under SFRS(I) 9 in the form of an allowance matrix to measure the ECL, where the loss allowance is equal to lifetime ECL. No loss allowance was recognised with respect to these trade receivables.

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Credit risk (Continued)

Amount due from subsidiaries (Note 14 and Note 18)

The Company used the general approach and estimated the 12-months expected credit losses when there was no indication of significant deterioration in credit risk based on the financial performance of its subsidiaries. When a significant increase in credit risk has occurred, the Company estimated the lifetime ECLs for such financial assets. In determining whether a significant increase in credit risk has occurred, the Company also considered events such as significant adverse changes in financial conditions and changes in the operating results of the subsidiaries. As of 31 March 2024, the Company has made a loss allowance of $3,930,000 (2023: $113,000) for the amount due from subsidiaries based on lifetime ECL.

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group's and the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group entities, primarily USD. The foreign currencies in which these transactions are denominated are mainly SGD. The Group's trade receivable and trade payable balances at the end of the financial year have similar exposures.

The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

The Company itself does not have significant exposure to the foreign currency risk. The non-functional currencies balances as at end of the financial year are not significant.

The Group has certain practices for the management of financial risks. The following guidelines are followed:

- All financial risk management activities are carried out and monitored by senior management staff.
- All financial risk management activities are carried out following good market practices.

Sensitivity analysis of foreign currency risk

The following table demonstrates the sensitivity to the Group's loss net of tax to a reasonably possible change in the USD exchange rates against the respective functional currency of the Group entities, with all other variables held constant.

	Increase / (Decrease) Loss net of tax	
	2024 $'000	2023 $'000
Group		
SGD / USD		
– strengthened 2% (2023: 2%)	–	(82)
– weakened 2% (2023: 2%)	–	82

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Market risk (Continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings.

The Group's policy is to manage interest cost using a mix of fixed and floating rate debts. At the end of the reporting period, approximately 39% (2023: 67%) of the Group's borrowings are at fixed rates of interest.

The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group		Company	
	2024 $'000	**2023 $'000**	**2024 $'000**	**2023 $'000**
Loans and borrowings:				
Fixed rates	1,883	3,550	–	–
Floating rates	1,451	1,754	–	–
Redeemable convertible bond	1,533	–	1,533	–
Total at end of the year	4,867	5,304	1,533	–

The floating rate debt obligations are with interest rates that are re-set as and when market rates change. The interest rates are disclosed in the respective notes.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 100 (2023: 100) basis points lower/higher with all other variables held constant, the Group's profit before tax would have been $15,000 lower/higher (2023: Group's loss before tax would have been $18,000 lower/higher), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain sufficient level of cash at banks and on hand to meet its working capital requirements. The Group maintains a balance between continuity of funding and flexibility through the use of stand-by financial and credit facilities.

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations of the Group and to mitigate the effects of fluctuations in cash flows.

Short-term funding may be obtained from short-term loans where necessary without incurring unacceptable losses or risking damage to the Group's reputation.

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Group	Less than 1 year $'000	1 to 5 years $'000	More than 5 years $'000	Total $'000
31 March 2024				
Financial assets				
Trade and other receivables	9,344	–	–	9,344
Other assets (excluding prepayments)	311	–	–	311
Cash at banks and on hand	385	–	–	385
Total undiscounted financial assets	10,040	–	–	10,040
Financial liabilities				
Loans and borrowings	2,496	2,993	–	5,489
Lease liabilities	67	245	359	671
Payables and accruals (excluding GST payables)	7,115	–	–	7,115
Total undiscounted financial liabilities	9,678	3,238	359	13,275
Total net undiscounted financial assets/(liabilities)	362	(3,238)	(359)	(3,235)
31 March 2023				
Financial assets				
Trade and other receivables	6,943	–	–	6,943
Other assets (excluding prepayments)	157	–	–	157
Cash at banks and on hand	768	–	–	768
Total undiscounted financial assets	7,868	–	–	7,868
Financial liabilities				
Loans and borrowings	3,428	2,516	–	5,944
Lease liabilities	78	245	407	730
Payables and accruals	5,737	–	–	5,737
Total undiscounted financial liabilities	9,243	2,761	407	12,411
Total net undiscounted financial liabilities	(1,375)	(2,761)	(407)	(4,543)

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities (Continued)

The table below summarises the maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Company	Less than 1 year $'000	1 to 5 years $'000	Total $'000
31 March 2024			
Financial assets			
Trade and other receivables	2,100	–	2,100
Cash at banks and on hand	33	–	33
Total undiscounted financial assets	2,133	–	2,133
Financial liabilities			
Payables and accruals (excluding GST payables)	1,963	–	1,963
Loans and borrowings	128	1,713	1,841
Total undiscounted financial liabilities	2,091	1,713	3,804
Total net undiscounted financial liabilities	42	(1,713)	(1,671)
31 March 2023			
Financial assets			
Trade and other receivables	3,468	–	3,468
Cash at banks and on hand	23	–	23
Total undiscounted financial assets	3,491	–	3,491
Financial liabilities			
Payables and accruals	710	–	710
Total undiscounted financial liabilities	710	–	710
Total net undiscounted financial assets	2,781	–	2,781

For financial guarantee contracts, the maximum amount that could be payable under the guarantee is allocated to the earliest period in which the guarantee could be called. At the end of the financial year, no claims on the financial guarantees are expected. The following table shows the maturity analysis of the contingent liabilities:

Company	Less than 1 year $'000	1 to 5 years $'000	Total $'000
31 March 2024			
Corporate guarantee in favour of subsidiary	1,277	1,133	2,410
31 March 2023			
Corporate guarantee in favour of subsidiary	1,960	2,311	4,271

31. FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

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

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

The table below analyses the Group's liabilities that are measured at fair value on a recurring basis in the statement of financial position after initial recognition.

Group	Fair value measurements using			
	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
2024				
Financial liability				
Redeemable convertible bond	–	304	–	304

Level 2

Redeemable convertible bond

The debt component of the convertible bond was valued using the discounted cash flow method while the derivative component of the convertible bond was valued using the binomial tree model based on the market value of share, risk-free rate and volatility of share price

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

Contract assets and liabilities (Note 16), Cash and other equivalents (Note 17), Trade and other receivables (Note 18), Current other assets (Note 19), Loans and borrowings (Note 21), Payables and accruals (Note 22), Provisions (Note 23) and Lease liabilities (Note 24)

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

32. CAPITAL MANAGEMENT POLICIES AND OBJECTIVES

The objectives when managing capital are to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the financial year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt.

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt/adjusted capital (as shown below). Net debt is calculated as total borrowings less cash at banks and on hand. Adjusted capital comprises all components of equity (i.e. share capital and retained earnings).

	Group	
	2024	**2023**
	$'000	**$'000**
Net debt:		
All current and non-current borrowings (Note 21)	4,867	5,304
Lease liabilities (Note 24)	475	492
Less: Cash at banks and on hand (Note 17)	(385)	(768)
	4,957	5,028
Adjusted capital:		
Total equity attributable to Equity Holders	6,815	7,115
Adjusted capital	6,815	7,115
Debt-to-adjusted capital ratio	73%	71%

33. EVENT SUBSEQUENT TO THE REPORTING DATE

a) Disposal of subsidiary, Shanxi Weineng Coal Mine Gas Development Co., Ltd.

On 2 August 2024, the Group has signed the Equity Transfer Agreement for the disposal of a subsidiary, Shanxi Weineng Coal Mine Gas Development Co., Ltd., at a sales consideration of RMB30 million (including the settlement of inter-company balance of RMB10 million) or approximately $5.6 million

b) Loan from a substantial shareholder and director

On 1 August 2024, the Group has received loans amounting to $2 million from a director of the Group which is repayable in August 2025.

34. PRIOR YEAR RECLASSIFICATIONS

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements. As a result, certain line items have been amended on the notes to the financial statements. Comparative figures have been reclassified to conform with the current year's presentation.

The items reclassified are summarised as follows:

	Balance as previously reported $'000	Reclassification $'000	Balance as reclassified $'000
As at 31 March 2023			
Statement of financial position			
Contract assets	1,703	185	1,888
Trade and other receivables	7,128	(185)	6,943

The above reclassification did not have any financial implication to the period before the prior year's statement of financial position of the Group. Accordingly, management did not present the statement of financial position of the Group as at 1 April 2023.

STATISTICS OF SHAREHOLDINGS

AS AT 19 AUGUST 2024

Issued and fully paid-up capital	:	$19,753,430.662
Number of issued shares	:	74,772,914
Number of issued shares (excluding treasury shares)	:	73,696,114
Number / Percentage of Treasury Shares	:	1,076,800 (1.44%)
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	94	8.22	1,926	0.00
100 – 1,000	479	41.87	189,676	0.26
1,001 – 10,000	310	27.10	1,468,161	1.99
10,001 – 1,000,000	246	21.50	20,704,123	28.09
1,000,001 AND ABOVE	15	1.31	51,332,228	69.66
TOTAL	**1,144**	**100.00**	**73,696,114**	**100.00**

SHAREHOLDING HELD IN HANDS OF PUBLIC

Based on the information available to the Company as at 19 August 2024, approximately 56.64% of the issued ordinary shares of the Company is held by the public and therefore, the Company is in compliance with Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited.

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	BENEDICT CHEN ONN MENG	12,000,180	16.28
2	WONG KIM SIONG	7,000,000	9.50
3	ONG AI LING	6,208,100	8.42
4	CHEN SIEW MENG	4,912,800	6.67
5	OCBC SECURITIES PRIVATE LIMITED	3,265,678	4.43
6	LIM SIM BENG	2,749,000	3.73
7	LIM ENG TIONG	2,522,900	3.42
8	WONG CHONG HENG	2,500,000	3.39
9	MAYBANK SECURITIES PTE. LTD.	2,098,100	2.85
10	CITIBANK NOMINEES SINGAPORE PTE LTD	1,767,905	2.40
11	KANG BENG CHIANG	1,513,875	2.05
12	UOB KAY HIAN PRIVATE LIMITED	1,346,400	1.83
13	CHNG BENG GUAN	1,200,000	1.63
14	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	1,192,600	1.62
15	TOH GUAN HENG	1,054,690	1.43
16	ROMIEN CHANDRASEGARAN	940,700	1.28
17	CHUA AIK FOOK	931,333	1.26
18	CHNG BENG HUA	865,880	1.17
19	FREDDIE FONG CHEE ENG	861,375	1.17
20	SEOW YIN KHOI	591,700	0.80
	TOTAL	**55,523,216**	**75.33**

STATISTICS OF SHAREHOLDINGS

AS AT 19 AUGUST 2024

SUBSTANTIAL SHAREHOLDERS

As recorded in the Register of Substantial Shareholders as at 19 August 2024

Name of Substantial Shareholders	Direct interest		Deemed interest	
	No. of shares	% of shares	No. of shares	% of shares
Benedict Chen Onn Meng [1]	12,000,180	16.28	175,200	0.24
Wong Kim Siong	7,000,000	9.50	0	0
Ong Ai Ling	6,208,100	8.42	0	0
Chen Siew Meng [2]	4,912,800	6.67	1,661,200	2.25

(1) Benedict Chen Onn Meng's deemed interest arises from shares held through his CPF investment account, UOB Kay Hian Private Limited.

(2) Chen Siew Meng has 12,900 ordinary shares held under the name of OCBC Nominees Singapore Pte Ltd & 1,648,300 ordinary shares held under OCBC Securities Pte Ltd.

STATISTICS OF WARRANTHOLDINGS

AS AT 19 AUGUST 2024

DISTRIBUTION OF WARRANTHOLDINGS

Size of Warrantholdings	No. of Warrantholders	%	No. of Warrants	%
1 – 99	12	10.17	458	0.01
100 – 1,000	14	11.86	9,490	0.12
1,001 – 10,000	47	39.83	264,250	3.43
10,001 – 1,000,000	44	37.29	3,431,340	44.53
1,000,001 AND ABOVE	1	0.85	4,000,060	51.91
TOTAL	**118**	**100.00**	**7,705,598**	**100.00**

TWENTY LARGEST WARRANTHOLDERS

No.	Name	No. of Warrants	%
1	BENEDICT CHEN ONN MENG	4,000,060	51.91
2	LIM SIM BENG	1,000,000	12.98
3	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	260,700	3.38
4	OCBC SECURITIES PRIVATE LIMITED	220,300	2.86
5	YAP SENG TECK	180,000	2.34
6	YAP HOCK BENG	161,100	2.09
7	GAN CHIN KIAN	146,800	1.91
8	MAK YEOW SENG	119,000	1.54
9	KUEK SER KHIANG KEITH	117,950	1.53
10	SEOW YIN KHOI	105,400	1.37
11	ONG ENG LOKE	100,000	1.30
12	LYE CHIEW MENG	87,500	1.14
13	GOH GUAN SIONG (WU YUANXIANG)	82,500	1.07
14	ENG BOON CHAI (HUANG WENCAI)	70,000	0.91
15	LEE TAT LEANG	50,700	0.66
16	CHUA CHWEE TEE	50,000	0.65
17	GWEE TEE LAY @GWEE TEE GHEE	50,000	0.65
18	MAK BAG YUE	46,000	0.60
19	FOO YU MEE	45,000	0.58
20	GOH CHING HUAT @ GOH CHENG HUAT	41,000	0.53
	TOTAL	**6,934,010**	**90.00**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2024 Annual General Meeting of the Company will be held at 38 Tuas Crescent Singapore 638725 on 27 September 2024 at 8.30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

AS ORDINARY BUSINESS

1. To receive and consider the Directors' Statement and Audited Financial Statements of the Company for the year ended 31 March 2024 together with the Auditors' Report thereon. **Resolution 1**

2. To re-elect the following director retiring pursuant to the Company's Constitution: **Resolution 2**

   Mr Ernest Yogarajah s/o Balasubramaniam (Article 104)

   Mr Ernest Yogarajah s/o Balasubramaniam shall, upon re-election as Non-Executive, Non-Independent Director of the Company, remain as a member of the Audit Committee, Nominating Committee and Remuneration Committee.

3. To approve the Directors' fees of $100,000 for the year ending 31 March 2025, payable half-yearly in arrears. **Resolution 3**

4. To re-appoint Forvis Mazars LLP as the Auditors for the ensuing year and to authorise the Directors to fix their remuneration. **Resolution 4**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolutions as Ordinary Resolutions, with or without amendments:

5. **Proposed Share Issue Mandate** **Resolution 5**

   That pursuant to Section 161 of the Companies Act 1967 of Singapore and the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

   (a) (i) allot and issue shares in 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 in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided that:

(1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) 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, if any) 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 shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued pursuant to sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time of this Resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities;

(b) new Shares arising from exercising share options or vesting of share awards, provided that such share options or share 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;

and, in sub-paragraph (1) above and this sub-paragraph (2), "**subsidiary holdings**" has the meaning given to it in the Listing Manual of the SGX-ST;

Adjustments in accordance with sub-paragraph (2)(a) or sub-paragraph (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 this Resolution is passed.

(3) in exercising the authority 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) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next 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."

[See Explanatory Note (i)]

6. And to transact any other business which may be properly transacted at an Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES:

(i) The proposed Resolution 5 above, if passed, will empower the Directors of the Company, effective 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 such authority is varied or revoked by the Company in a general meeting, whichever is 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, 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.

BY ORDER OF THE BOARD

SIA HUAI PENG
Company Secretary
Singapore

Date: 12 September 2024

NOTES:

A member of the Company (not being a relevant intermediary) is invited to attend physically, speak and vote at the Annual General Meeting ("**AGM or Meeting**"). There will be no option for shareholders to participate virtually. Printed copies of this notice of AGM ("**Notice**") and the proxy form will be sent to Shareholders and be made available on SGXNET at: https://www.sgx.com/securities/company-announcements and the Company's website at: http://www.vibropower.com in accordance with the Listing Rules of the SGX-ST. The Annual Report for the financial year ended 31 March 2024 and other documents accompanying the Notice will also be made available on SGXNET and the Company's website. Physical copies of the Annual Report will not be posted to Shareholders.

1. **Arrangements for participation in the AGM physically**

    a) Members (including CPF Investment Scheme ("**CPFIS**") and Supplementary Retirement Scheme ("**SRS**") investors) may participate in the AGM by:

        (a) attending the AGM in person;

        (b) submitting questions to the Chairman of the AGM in advance of, or at, the AGM; and/or

        (c) voting at the AGM

            (i) themselves personally; or

            (ii) through their duly appointed proxy(ies).

    b) CPFIS and SRS investors who wish to appoint the Chairman of the AGM (and not third party proxy(ies)) as proxy to approach their respective CPF Agent Banks or SRS Operators to submit their votes. Please see notes under PROXY VOTING below for details.

    c) In the event members encountered Covid-19 like symptoms prior to the AGM, members are strongly encouraged to exercise social responsibility to rest at home and consider appoint a proxy(ies) to attend the AGM. We encourage members to mask up when attending the AGM.

2. **Proxy Voting**

a) A member entitled to attend and vote at a general meeting is entitled to appoint not more than two proxies to attend and vote on his behalf. Where a member appoints more than one proxy, he shall specify the proportion of his shares to be represented by each proxy.

b) Pursuant to Section 181 of the Companies Act 1967 of Singapore, any member who is a relevant intermediary is entitled to appoint one or more proxies to attend and vote at a general meeting. Relevant intermediary is either:

(i) a banking corporation licensed under the Banking Act 1970 or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

(ii) a capital market services license holder which provides custodial services for securities under the Securities and Futures Act 2001 and holds in that capacity; or

(iii) the Central Provident Fund ("**CPF**") Board established by the Central Provident Fund Act 1953, in respect of shares purchased on behalf of CPF investors.

c) In relation to a relevant intermediary who wishes to appoint more than two proxies, it should annex to the instrument appointing a proxy or proxies the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of shareholding (number of shares and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank who intends to appoint CPF investors as its proxies shall comply with this Note.

d) If a proxy is to be appointed, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:

(i) if by post, to the Company, at **11 Tuas Avenue 16 Singapore 638929** (Opening Hours is 9.00 a.m. to 5.30 p.m., Mondays to Fridays (excluding Public Holidays); or

(ii) if sent by email, to the Company at vote@vibropower.com.

in either case, not less than 48 hours before the time for holding the AGM and at any adjournment thereof.

e) A proxy need not be a member of the Company.

f) A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory. If the Chairman of the AGM is appointed, the proxy form must indicate how the Chairman is to vote, i.e., for, against or abstain for each resolution to be passed. If no such indication is made for a resolution or resolutions, the proxy of the Chairman for that resolution or resolutions to vote will not be valid.

g) CPFIS/SRS investors who hold SGX shares through CPF Agent Banks/SRS Operators:

(i) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or

(ii) may appoint Chairman of the AGM as proxy, should approach their respective agents, including CPF Agent Banks and SRS Operators, to submit their votes at least seven (7) working days before the AGM (i.e. by 8.30 a.m. on 18 September 2024) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.

h) The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies (such as in the case where the appointor submits more than one instrument of proxy) and received after the cut-off at 8.30 a.m. on 25 September 2024. In the case of shares entered in the Depository Register, a Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to appoint the proxy or proxies.

3. **Shareholders' Queries**

a) Shareholders may submit their questions in advance of the AGM.

b) All questions must be submitted no later than 8.30 a.m. on 20 September 2024 to the Company:

(i) via post, at **11 Tuas Avenue 16 Singapore 638929** (Opening Hours is 9.00 a.m. to 5.30 p.m., Mondays to Fridays (excluding Public Holidays); or

(ii) via email to vote@vibropower.com.

c) For verification purpose, when submitting any questions by post or via email, Shareholders MUST provide the Company with their particulars (comprising full name (for individuals) / company name (for corporates), email address, contact number, NRIC / passport number / company registration number, shareholding type and number of shares held).

d) The Company will endeavour to address the substantial and relevant queries from Shareholders no later than **48 hours prior to the closing date and time for the lodgment of the proxy forms**. The minutes of the AGM, which will also include the responses to substantial and relevant queries from Shareholders referred to above and/or which are addressed during the AGM, will also be published on the SGX website, within one (1) month from the conclusion of the AGM.

Important reminder. Any changes to the manner of conducting the AGM will be announced by the Company on SGXNet. Members are advised to check SGXNet regularly for any further updates.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representatives to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, 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.

VIBROPOWER CORPORATION LIMITED
Registration No. 200004436E

ANNUAL GENERAL MEETING
PROXY FORM

IMPORTANT:
1. The Annual General Meeting (the "Meeting") will be held physically at 38 Tuas Crescent Singapore 638725 There will be no option for shareholders to participate virtually.
2. For investors who have used their CPF monies and/or SRS monies to buy the Company's shares, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF and/or SRS investors who wish to vote should contact their CPF and/or SRS Approved Nominees to submit their voting instructions by 8.30 a.m. on 18 September 2024.
4. By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in this proxy form and the Notice of Annual General Meeting dated 12 September 2024.

I/We, ______________________________ (Name)

______________________________ (NRIC/Passport No./Company Registration No.) of

______________________________ (Address)

being a member(s) of VibroPower Corporation Limited (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or*

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing *him/her/them, the Chairman of the Annual General Meeting as my/our proxy to attend, speak and to vote for me/us on my/our behalf at the 2024 Annual General Meeting of the Company ("**AGM**") to be held at 38 Tuas Crescent Singapore 638725 on 27 September 2024 at 8.30 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against, or abstain from voting the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated hereunder. If no specified directions as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any other matter arising at the Annual General Meeting and at any adjournment thereof.

In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.

No.	Resolutions	For**	Against**	Abstain**
1	Directors' Statement and Audited Accounts for the year ended 31 March 2024			
2	Re-election of Mr Ernest Yogarajah s/o Balasubramaniam as Director			
3	Approval of Directors' fees for the year ending 31 March 2025, payable half-yearly in arrears			
4	Re-appointment of Forvis Mazars LLP as Auditors			
5	Proposed Share Issue Mandate			

Notes:
* Delete accordingly
** Voting will be conducted by poll. If you wish to exercise all your votes "**For**" or "**Against**" the relevant resolution, please tick "**X**" in the relevant box provided. Alternatively, please indicate the number of votes "**For**" or "**Against**" each resolution. If you mark "**X**" in the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution.

Dated this ______________ day of ______________ 2024

Total number of Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	

____
Signature(s) of Shareholder(s)/or Common Seal of Corporate Shareholders
IMPORANT: PLEASE READ NOTES OVERLEAF

NOTES:

1. Please insert the total number of shares in the 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. If no number is inserted, this instrument of proxy will be deemed to relate to all the Shares held by you.

2. A member entitled to attend and vote at a general meeting is entitled to appoint not more than two proxies to attend and vote on his behalf. Where a member appoints more than one proxy, he shall specify the proportion of his shares to be represented by each proxy.

   Where a member (whether individual or corporate) appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

3. Pursuant to Section 181 of the Companies Act 1967 of Singapore, any member who is a relevant intermediary is entitled to appoint one or more proxies to attend and vote at a general meeting. Relevant intermediary is either:

   (i) a banking corporation licensed under the Banking Act 1970 of Singapore or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

   (ii) a capital market services license holder which provides custodial services for securities under the Securities and Futures Act 2001 of Singapore and holds in that capacity; or

   (iii) the Central Provident Fund ("**CPF**") Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased on behalf of CPF investors.

4. A proxy need not be a member of the Company.

5. A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.

6. The instrument appointing the proxy or proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:

   (a) if by post, to the Company, at **11 Tuas Avenue 16, Singapore 638929** (Opening Hours is 9.00 a.m. to 5.30 p.m., Mondays to Fridays (excluding Public Holidays); or

   (b) if sent by email, to the Company, at vote@vibropower.com

   in either case, not less than 48 hours before the time for holding the AGM and at any adjournment thereof and in default the instrument of proxy shall not be treated as valid.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing the proxy is executed by a corporation, it must be executed under its common seal or signed on its behalf by an attorney duly authorised in writing or by an authorised officer of the corporation, failing which the instrument of proxy may be treated as invalid.

8. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the letter or power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

9. A corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the AGM.

10. The Company shall be entitled to reject the instrument appointing a proxy or proxies or the Chairman of the AGM as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy. In addition, in the case of members whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if such members are not shown to have shares entered against their names in the Depository Register at seventy-two (72) hours before the time appointed for holding the Meeting as certified by The Central Depository (Pte) Limited to the Company.

11. For investors who have used their CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) to buy Shares, this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF Investors and/or SRS Investors who wish to appoint the Chairman of the AGM to act as their proxy should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 8.30 a.m. on 18 September 2024).

PERSONAL DATA PRIVACY:
By submitting an instrument appointing proxy(ies) and/or representative(s), as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 12 September 2024.

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THE CUSTOM POWER SPECIALIST

VibroPower Corporation Limited
11 Tuas Avenue 16
Singapore 638929
Company Registration No.: 200004436E

www.vibropower.com