



TRANSFORM POSITION GROW

ANNUAL REPORT 2024



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

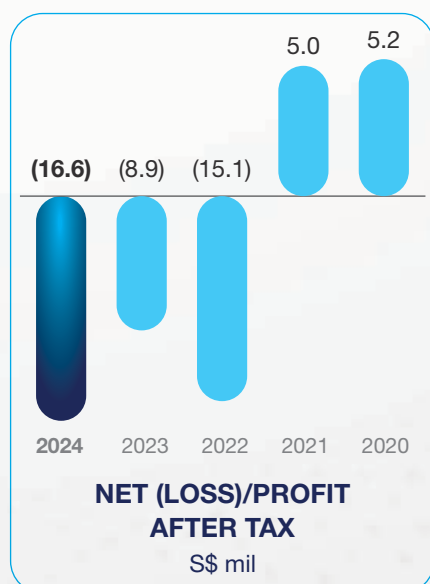
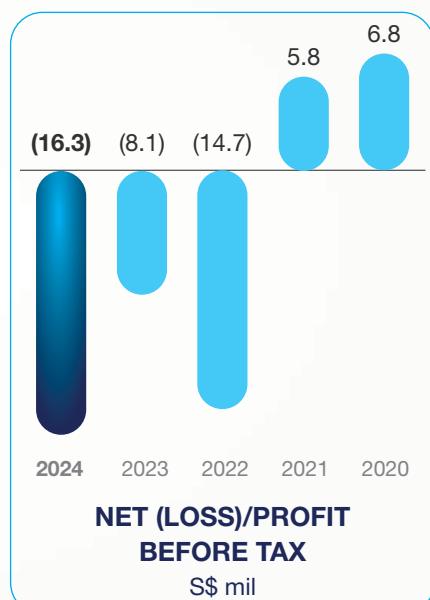
The contact person for the Sponsor is Mr. Jerry Chua (Tel: (65) 6241 6626, at 160 Robinson Road, #20-01/02, SBF Center, Singapore 068914).

CONTENTS

01	Group Financial Summary	13	Sustainability Report
02	Chairman and CEO's Message	52	Corporate Governance
05	Board Of Directors	82	Financial Contents
11	Key Executive Officer	145	Statistics Of Shareholdings
12	Corporate Data	147	Notice Of Annual General Meeting



GROUP FINANCIAL SUMMARY



	2024 \$ mil	2023 \$ mil	2022 \$ mil	2021 \$ mil	2020 \$ mil
Financial Performance					
Turnover	99.9	118.2	129.7	117.5	106.4
Net (Loss)/Profit Before Tax	(16.3)	(8.1)	(14.7)	5.8	6.8
Net (Loss)/Profit After Tax	(16.6)	(8.9)	(15.1)	5.0	5.2
Financial Position					
Property, Plant & Equipment	22.7	22.6	23.8	23.5	24.5
Other Non-Current Assets	14.7	23.8	24.4	19.9	15.4
Current Assets (excludes*)	44.0	42.8	45.5	67.5	56.7
*Cash and Bank Balances	9.0	14.9	15.2	15.7	7.1
Total Assets	90.4	104.1	108.9	126.6	103.7
Other Non-Current Liabilities	6.0	7.9	7.9	5.8	4.2
Long-Term Borrowings	2.7	4.7	2.4	3.9	4.4
Short-Term Borrowings	14.8	21.3	11.9	14.5	8.8
Other Current Liabilities	35.9	28.7	35.4	37.2	32.4
Total Liabilities	59.4	62.6	57.6	61.4	49.8
Capital Reserve	-	-	-	-	-
Translation Reserve	(1.1)	(1.6)	(0.6)	0.9	(0.4)
Subscription of rights shares	5.5	-	-	-	-
Statutory Reserve	1.5	1.5	1.5	1.5	1.4
Revenue Reserve	(39.5)	(23.8)	(18.8)	(3.3)	(8.3)
Equity Non-Controlling Interest	0.1	0.1	0.1	0.1	0.1
Share Capital	66.7	66.7	66.7	63.4	58.6
Total Capital & Reserve	33.2	42.9	52.6	66.4	55.1
Non-Controlling Interests	(2.2)	(1.4)	(1.3)	(1.2)	(1.1)
Total Capital, Reserve & Non-Controlling Interests	31.0	41.5	51.3	65.2	54.0
Financial Ratios					
Net Tangible Assets Per Share (Cents)	2.61	2.81	4.35	10.50	10.20
Earnings/(Loss) Per Share (Cents)	(1.93)	(1.09)	(2.41)	0.99	1.13

CHAIRMAN AND CEO'S MESSAGE



DR LEI CHIEN

*Chairperson of the Board
Non-Executive Independent Director*



MR SYDNEY YEUNG

Group Chief Executive Officer

DEAR SHAREHOLDERS,

We are pleased to present our Annual Report for the financial year ended 31 December 2024 (“**FY2024**”). This report outlines the Group’s performance in a year marked by both significant challenges and strategic initiatives aimed at positioning the Company for sustainable long-term growth.

FINANCIAL PERFORMANCE AND OPERATING ENVIRONMENT

FY2024 has proven to be a particularly demanding one, reflecting the broader global economic uncertainties. Despite these challenges, we have taken decisive actions to fortify the Group’s resilience and chart a clear path forward.

The Group recorded revenue of S\$99.88 million for FY2024, representing a 15.5% decline from the previous financial year ended 31 December 2023 (“**FY2023**”). This decrease was driven primarily by a slowdown in the consumer electronics sector, compounded by ongoing global economic pressures, including persistent inflationary trends and geopolitical tensions, particularly the evolving US-China trade relations.

Our gross profit margin contracted to 8.45% from 9.99% in FY2023, largely due to significant increase in factory operating costs. Unfortunately, these cost increases were not sufficiently mitigated by the reduction in the cost of sales stemming from the decline in turnover.

FY2024 marks the Group’s transition to EVs and related businesses, including the battery packing and EV charging businesses pursuant to the proposed diversification, which remains subject to shareholders’ approval at the forthcoming annual general meeting. The synergy between PE and EVs and related businesses will underpin the Group’s sustainability push in the years ahead.

For FY2024, the Group recorded an operating loss of S\$14.40 million, compared to the operating loss of S\$6.38 million in FY2023. The Precision Engineering (“**PE**”) business experienced a loss of S\$1.40 million while the electric vehicle (“**EV**”) business faced a loss of S\$11.79 million. The unallocated segment, which primarily reflects corporate expenses, contributed to the operating loss of the Company.

As a result, the Group reported a net loss before taxation of S\$16.31 million for FY2024, compared to a net loss before taxation of S\$8.13 million in FY2023. The wider loss was driven by the impairment of goodwill amounting to S\$6.40 million, which was directly related to the EV business. In addition to the impairment, the EV segment faced higher development costs, while the PE segment experienced softer performance and was impacted by increased financing costs stemming from higher interest rates during the year.

CHAIRMAN AND CEO'S MESSAGE

Turnover

S\$99.9M

Net Tangible Assets Per Share (Cents)

2.61

Cash flow remained a key focus, with cash and cash equivalents declining by S\$5.85 million to S\$9.03 million by year-end, largely due to ongoing repayments of bank loans and borrowings.

RIGHTS ISSUE AND NET PROCEEDS

In response to these headwinds, the Board and Management have remained steadfast in implementing strategic measures aimed at strengthening the Group's financial standing and ensuring that we are well-positioned to capture future growth opportunities. A key milestone in this effort was the successful completion of a rights issue exercise in January 2025. This raised net proceeds of approximately S\$5.47 million through the issuance of 436,670,762 rights shares at an issue price of S\$0.013 per share.

As of the date of this annual report, approximately 81.57% of net proceeds have already been deployed. These funds have been deployed in the following key areas: S\$1.12 million toward partial repayment of shareholder loans, S\$2.18 million for working capital requirements, and S\$1.17 million to support our EV business expansion, particularly in battery pack development, which we believe will be pivotal for future growth.

PROGRESS IN OUR BUSINESS SEGMENTS

Electric Vehicle Business

The EV segment continues to present both substantial opportunities and challenges. Despite the significant development costs, operational complexities, and challenges associated with scaling our EV business, we remain committed to its growth potential.

Notably, we are pleased to report progress in battery pack development, despite delays resulting from global supply chain constraints. We anticipate this

initiative will yield positive outcomes within the next 12 months, with full-scale operations expected to commence in the first half of 2025. This positions us well to capitalise on the rapidly growing demand for advanced battery solutions, both in electric vehicles and beyond, in industries ranging from energy storage to consumer electronics.

We are also expanding our presence, particularly through our subsidiary, Edison Motors, in Thailand. With favourable local policies and incentives aimed at promoting EV adoption, we believe this initiative will significantly boost our business and brand recognition in the region.

Transition to Industry 5.0

In line with our commitment to innovation, GSS Energy continues to drive its Industry 5.0 transformation. A key highlight is the partnership of our subsidiary, Giken Sakata, with Estonia-based 5.0 Robotics to co-develop the Minifactory. This cutting-edge, compact production unit integrates robotics, AI, IoT, and CNC technologies, enhancing both the flexibility and efficiency of our manufacturing processes. At the same time, this partnership reinforces our dedication to integrating human ingenuity and precision with advanced automation.

Precision Engineering Business

The PE segment is facing continued margin pressure from rising raw material and labour costs, impacting margins. However, we remain focused on strengthening our competitive position by enhancing supply chain resilience, exploring strategic partnerships and automation technologies to improve operational efficiency.

Oil & Gas Business

In the oil and gas segment, we remain engaged in efforts to resolve the termination of the Co-operative Agreement with PT Pertamina regarding the Trembul Operating Area. We continue to await PT Pertamina's response to our appeal for an extension of the work programme, which we hope will allow our associate company to resume operations in this segment.

CHAIRMAN AND CEO'S MESSAGE

New Tariff Regime

As we continue to navigate a dynamic global environment, the recent announcement of a new tariff regime in April 2025 has introduced additional uncertainty for business. While the direct impact on our operations may not be immediately evident, we are closely monitoring these developments, especially in the context of our manufacturing and import/export activities.

We do not anticipate significant changes to our current strategy, but we recognise that the new tariff framework could increase the cost of raw materials or affect our supply chain logistics. Our pro-active approach has always been to diversify suppliers and manufacturing bases, which positions us to absorb the impact with greater agility.

Furthermore, we remain committed to maintaining strong relationships with our key stakeholders and monitoring the geopolitical landscape to ensure that our operations remain resilient. Should the tariffs lead to higher operational costs, we are confident that our ongoing investment in automation and Industry 5.0 technologies will help improve efficiency and offset any negative impacts. Our diversified business model, along with the strategic emphasis on sustainable and innovative solutions, positions us well to weather these challenges.

Leadership and Board Renewal

As part of our ongoing commitment to enhance governance and ensure the continued success of the Group, we were pleased to announce the appointment of Dr. Lei Chien as Non-Executive Independent Director and Chairperson of the Board with effect from 16 July 2024, following the retirement of Mr. Anthony Kuek from our Board.

Dr. Lei brings nearly four decades of experience in the media and financial services sectors, with a proven track record in guiding organisations through periods of transformation. Her extensive experience across state-owned enterprises, the private sector, and public office positions her as a valuable asset as we navigate our strategic journey.

OUTLOOK AND STRATEGY

Looking ahead, we recognise that the PE business will likely continue to face margin pressures, particularly in the near term. However, we remain cautiously optimistic about our strategic diversification into the EV market and the promising potential of our battery-pack technology. This strategic pivot aligns us with global sustainability trends, offering the Group the opportunity to grow in a sector with robust long-term prospects.

In particular, the expansion of our battery-packing business not only diversifies our revenue streams but also reduces our dependency on any single market. Our commitment to sustainable transportation solutions, including electric motorcycles and battery-packing technologies, strengthens our alignment with global sustainability imperatives and positions us well for growing demand for green technologies.

APPRECIATION

On behalf of the Board and Management, we extend our sincere gratitude to our shareholders, business partners, employees and other stakeholders for their unwavering support throughout this challenging year. Your continued trust in our vision has been invaluable as we navigate through these difficult times.

We would also like to acknowledge the dedication and resilience demonstrated by our staff across all divisions of the Group. Their tireless efforts have been instrumental in driving our initiative forward.

As we continue to pursue our strategic objectives, we remain fully committed to creating sustainable value for all our stakeholders. We are confident that, with your continued support, we will overcome the current adversities and build a stronger, more resilient foundation for the future.

Dr. Lei Chien

*Chairperson of the Board
Non-Executive Independent Director*

Mr. Sydney Yeung

Group Chief Executive Officer

BOARD OF DIRECTORS



DR LEI CHIEN

*Chairperson of the Board
Non-Executive Independent Director*

Dr. Lei is a seasoned media and financial services industry executive with nearly four decades of work experience. She has held a variety of senior roles in state-owned enterprises and the private sector, as well as public office. Her most recent board appointments include IBF Financial Holdings Co. Ltd., Pacific Construction Co. Ltd., and Natural Beauty Bio-Technology Ltd.

Date of first appointment as a Director

16 July 2024

Board Committee Membership

- Chairperson of Nominating and Remuneration Committees
- Member of Audit and Investment Committees

Academic & Professional Qualification

- B.A, Foreign Languages and Literature, National Taiwan University
- M.A, Annenberg School for Communication, University of Pennsylvania
- Ph.D., Annenberg School for Communication, University of Pennsylvania

Present Directorship other than the Company (Listed company)

- Pacific Construction Co., Ltd.
- Natural Beauty Bio-Technology Ltd.

Present Directorship other than the Company (Non-listed company)

- Nil

Major appointment (other than Directorship)

- Senior Research Fellow, Belt and Road Research Institute, Hainan University Chairperson
- National Women's League, R.O.C.

BOARD OF DIRECTORS



MR YEUNG KIN BOND, SYDNEY

*Group Chief Executive Officer
Executive Director*

Mr. Yeung has many years of experience in the financial industry, starting his career in the Institutional Equity Division at Morgan Stanley New York and as the Managing Director of International Trading at Van der Moolen, a US securities specialist firm.

Mr. Yeung has been serving as the Group CEO at GSS Energy since 2015 focusing on the Precision Engineering, Electric Vehicles and Oil and Gas businesses. Mr Yeung is an active member of the Rotary Club of Queenstown, Singapore.

Date of first appointment as a Director

31 November 2014

Date of last re-election as a Director

29 April 2022

Board Committee Membership

- Member of Nominating and Investment Committees

Academic & Professional Qualification

- Fordham University

Present Directorship other than the Company (Listed company)

- Ares Asia Limited

Present Directorship other than the Company (Non-listed company)

- Giken Sakata (S) Limited
- Giken Precision Engineering (S) Pte. Ltd.
- Changzhou Giken Precision Co., Ltd
- Changzhou Giken Technology Co., Ltd.
- Changzhou Giken Import & Export Co., Ltd
- GSS Energy Trembul Limited
- Turbo Charge Limited
- Avita-Giken Technology Pte. Ltd.
- Giken Trading (S) Pte. Ltd.
- Giken Mobility Pte. Ltd.
- Giken Motors Asia Pacific Pte. Ltd.
- Edison Motors Co., Ltd
- Giken Renewable Energy Solutions Pte. Ltd.
- Gik-EM Pte. Ltd.
- Changzhou Gik-EM Import & Export Co., Ltd.
- I-Motor Asia Limited
- I Motor Korea Co., Ltd
- WiseGiken Elite Pte. Ltd.
- Verde Chemical (Singapore) Pte. Ltd.
- Roots Capital Asia Limited

Major appointment (other than Directorship)

- PT Giken Precision Indonesia (Commissioner)
- PT Giken Technology Indonesia (Commissioner)
- PT Sarana GSS Trembul (Commissioner)
- Rotary Club, Singapore (Member)

BOARD OF DIRECTORS



MR NG SAY TIONG
Executive Director

Mr. Ng is currently the President of the Precision Engineering Division of the Group and was the Chief Financial Officer of GSS Energy Limited till 1 October 2023.

Mr. Ng was previously the Chief Financial Officer cum Marketing Director of Genelabs Diagnostics Co Ltd.

Mr. Ng currently serves as the Trustee and Director of the Singapore Buddhist Lodge.

Mr. Ng previously served as the Vice Chairman of the Marsiling Citizen Consultative Committee, Chairman of the Fuchun Community Club Management Committee, Vice Chairman of the Woodgrove Neighbourhood Committee, Honorary Treasurer of the Yishun Junior College Advisory Board, Honorary Treasurer of the Rotary Club of Queenstown, Singapore and Honorary Treasurer of Singapore Buddhist Lodge.

Mr. Ng was awarded a Public Service Medal (PBM) by the President of Singapore in the 2012 National Day award.

Date of first appointment as a Director

31 October 2014

Date of last re-election as a Director

30 April 2024

Academic & Professional Qualification

- Bachelor of Accountancy, National University of Singapore
- Graduate Diploma in Marketing Management, Singapore Institute of Management
- Master of Business (International Marketing), Curtin University of Technology in Australia

Present Directorship other than the Company (Listed company)

- Nil

Present Directorship other than the Company (Non-listed company)

- Giken Sakata (S) Limited (President)
- Giken Precision Engineering Pte. Ltd.
- Changzhou Giken Precision Co., Ltd.
- Giken Renewable Energy Solutions Pte. Ltd.
- Giken Mobility Pte. Ltd.
- Giken Motors Asia Pacific Pte. Ltd.
- Edison Motors Co., Ltd.

Major appointment (other than Directorship)

- PT Giken Precision Indonesia (Commissioner)
- Trustee and Director of Singapore Buddhist Lodge

BOARD OF DIRECTORS



MR LEE KOK BENG
Executive Director

Mr. Lee has over 30 years of experience in electronic manufacturing services industry and currently serves as the Vice President of the Group's Precision Engineering business segment.

Date of first appointment as a Director

3 July 2019

Date of last re-election as a Director

28 July 2023

Academic & Professional Qualification

- Diploma in Mechanical Engineering, Singapore Polytechnic
- Diploma in Marketing Management
- Diploma In Marketing Management, Ngee Ann Polytechnic Singapore

Present Directorship other than the Company (Listed company)

- Nil

Present Directorship other than the Company (Non-listed company)

- Giken Sakata (S) Limited
- Giken Mobility Pte. Ltd.
- Changzhou Giken Technology Co., Ltd.
- PT Giken Precision Indonesia
- PT Giken Technology Indonesia
- Turbo Charge Limited
- Avita-Giken Technology Pte. Ltd.

Major appointment (other than Directorship)

- Nil

BOARD OF DIRECTORS



MR WONG QUEE QUEE, JEFFREY
Independent Non-Executive Director

Mr. Wong is a partner in Solitaire LLP. He was previously a senior adviser of Soochow CSSD Capital Markets (Asia) Pte. Ltd. (now known as Soochow Singapore Capital Markets (Asia) Pte. Ltd.) until 30 April 2023, after stepping down as its Chief Executive Officer on 31 January 2023. Mr. Wong had previously held various senior positions within the Religare Capital Markets ("RCM") group, including Chief Operating Officer and Head of Investment Banking for RCM's international business. Mr. Wong also has preceding working experience at UBS AG, Singapore branch and Allen & Gledhill LLP. Mr. Wong graduated with a Bachelor of Laws (Second Class Upper Honours) from National University of Singapore.

Date of first appointment as a Director
21 June 2021

Date of last re-election as a Director
29 April 2022

Board Committee Membership

- Chairman of Audit Committee
- Member of Nominating, Remuneration and Investment Committees

Academic & Professional Qualification

- Bachelor of Laws (Second Class Upper Honours), National University of Singapore
- Advocate and Solicitor of the Supreme Court of Singapore
- Chartered Valuer and Appraiser Programme from Nanyang Technological University and Institute of Valuers and Appraisers
- Diploma in Regulatory Compliance (Merit), International Compliance Association

Present Directorship other than the Company (Listed company)

- Procurri Corporation Limited
- GKE Corporation Limited
- Katrina Group Ltd.
- AsiaPhos Limited

Present Directorship other than the Company (Non-listed company)

- Hwa Chong Foundation Limited
- Truth Assets Management (S) Pte. Ltd.
- Truth Wealth Management VCC

Major appointment (other than Directorship)

- Hwa Chong Alumni Association (Deputy Secretary General)
- Singapore Judo Federation (Secretary General)
- Management Committee Strata Title 3682 (Secretary and Council Member)
- DHC Capital Pte Ltd (Senior Adviser)
- Solitaire LLP (Partner)

BOARD OF DIRECTORS



MR FUNG KAU LEE, GLENN

*Non-Executive and
Non-Independent Director*

Mr. Fung has had a long career in the finance industry with a wealth of experience gained while working in Canada, New York, Korea and Hong Kong. Prior to relocating to Asia, he held management positions with major investment and securities firms including Merrill Lynch (Canada) and CIBC Wood Gundy. As Executive Vice President of HSBC Securities (Canada) and Vice President of HSBC Brokerage (USA), he managed HSBC's investment advisory business in western Canada and California. In Asia, he was a co-founder and director of Verde Asia Fund, a corporate social responsibility themed equity long/short fund.

Currently, Mr. Fung serves as the Managing Director and CEO of N-Bridge Capital Group International Limited, an investment firm focused on Asia infrastructure and clean energy investments. Among the transactions the firm advised on included commitment for debt financing of \$300m for a water desalination plant tender and privatization of a US listed solar power company.

Date of first appointment as a Director

25 November 2016

Date of last re-election as a Director

29 April 2022

Board Committee Membership

- Chairperson of Investment Committee;
- Member of Audit and Remuneration Committees

Academic & Professional Qualification

- MBA and Bachelor of Applied Science (Civil Engineering), University of British Columbia in Canada
- Member of Chartered Financial Analyst Institute

Present Directorship other than the Company (Listed company)

- Nil

Present Directorship other than the Company (Non-listed company)

- N-Bridge Capital Group International Limited (Managing Director and CEO)
- Sundan Pacific Limited (Director)
- Verde Ventures (Singapore) Pte. Ltd. (Director)
- Verde Chemical (Singapore) Pte. Ltd. (Director)

Major appointment (other than Directorship)

- Nil

KEY EXECUTIVE OFFICER

MR WONG LIONG KHOON

Chief Financial Officer

Mr. Wong joined the Group in 2006 as Finance Manager and advance along the way before assuming the current position as Chief Financial Officer in 2023. He is responsible for the overall financial reporting, compliance, corporate governance, and management of the finance functions of the Group.

Mr. Wong is currently a Director of Giken Sakata (S) Ltd, Changzhou Giken Precision Co., Ltd., Changzhou Giken Technology Co., Ltd. and Gik-EM Pte. Ltd., and commissioner of Changzhou Giken Technology Co., Ltd. He is also the company secretary of Giken Sakata (S) Ltd., Giken Mobility Pte. Ltd., Giken Renewable Energy Solutions Pte. Ltd., Giken Trading (S) Pte. Ltd., Avita-Giken Technology Pte. Ltd., Giken Motors Asia Pacific Pte. Ltd and Gik-EM Pte. Ltd.

He was the General Manager (Finance and Accounting) for Giken Sakata (S) Ltd. from 2017 to 2023, General Manager (Overall management) for Changzhou Giken Precision Co., Ltd. from 2020 to 2023 and the Company Secretary for the Company in 2023.

Mr. Wong is a Chartered Accountant, Non-Practicing Member of The Institute of Singapore Chartered Accountants.

CORPORATE DATA

BOARD OF DIRECTORS

Lei Chien

*(Chairperson of the Board and
Non-Executive Independent Director)*

Yeung Kin Bond, Sydney

*(Group Chief Executive Officer and
Executive Director)*

Lee Kok Beng

(Executive Director)

Ng Say Tiong

(Executive Director)

Wong Quee Quee, Jeffrey

(Non-Executive Independent Director)

Fung Kau Lee, Glenn

(Non-Independent Non-Executive Director)

AUDIT COMMITTEE

Wong Quee Quee, Jeffrey *(Chairperson)*

Lei Chien *(Member)*

Fung Kau Lee, Glenn *(Member)*

NOMINATING COMMITTEE

Lei Chien *(Chairperson)*

Yeung Kin Bond, Sydney *(Member)*

Wong Quee Quee, Jeffrey *(Member)*

REMUNERATION COMMITTEE

Lei Chien *(Chairperson)*

Wong Quee Quee, Jeffrey *(Member)*

Fung Kau Lee, Glenn *(Member)*

INVESTMENT COMMITTEE

Fung Kau Lee, Glenn *(Chairperson)*

Lei Chien *(Member)*

Yeung Kin Bond, Sydney *(Member)*

Wong Quee Quee, Jeffrey *(Member)*

Wong Liong Khoon *(Member)*

COMPANY SECRETARY

Kiar Lee Noi

(Appointed on 1 October 2023)

REGISTERED OFFICE

141 Cecil Street,
#07-06 Tung Ann Association Building
Singapore 069541
Telephone: (65) 6980 8306

PRINCIPAL BUSINESS ADDRESS

Blk 4012 Ang Mo Kio 10, #05-01 Techplace I,
Singapore 569628

COMPANY REGISTRATION NUMBER

201432529C

COMPANY WEBSITE

www.gssenergy.com.sg

AUDITORS

RSM SG Assurance LLP, Public Accountants and
Chartered Accountants, Singapore

PARTNER-IN-CHARGE

Ng Thiam Soon

(Appointed since financial year ended 2023)

SPONSOR

Evolve Capital Advisory Private Limited

SHARE REGISTRAR, TRANSFER OFFICE AND WARRANT AGENT

Boardroom Corporate & Advisory Services Pte Ltd
1 Harbourfront Avenue, #14-07 Keppel Bay Tower,
Singapore 098632

PRINCIPAL BANKERS

Standard Chartered Bank, Singapore Branch
The Development Bank of Singapore Limited
Oversea-Chinese Banking Corporation Limited
CIMB Bank Berhad, Singapore Branch
Cathay United Bank
Mizuho Corporate Bank, Limited, Singapore Branch
Maybank Singapore Limited

INVESTOR RELATIONS

Gem Comm Pte. Ltd.

Emily Choo

Emily@gem-comm.com

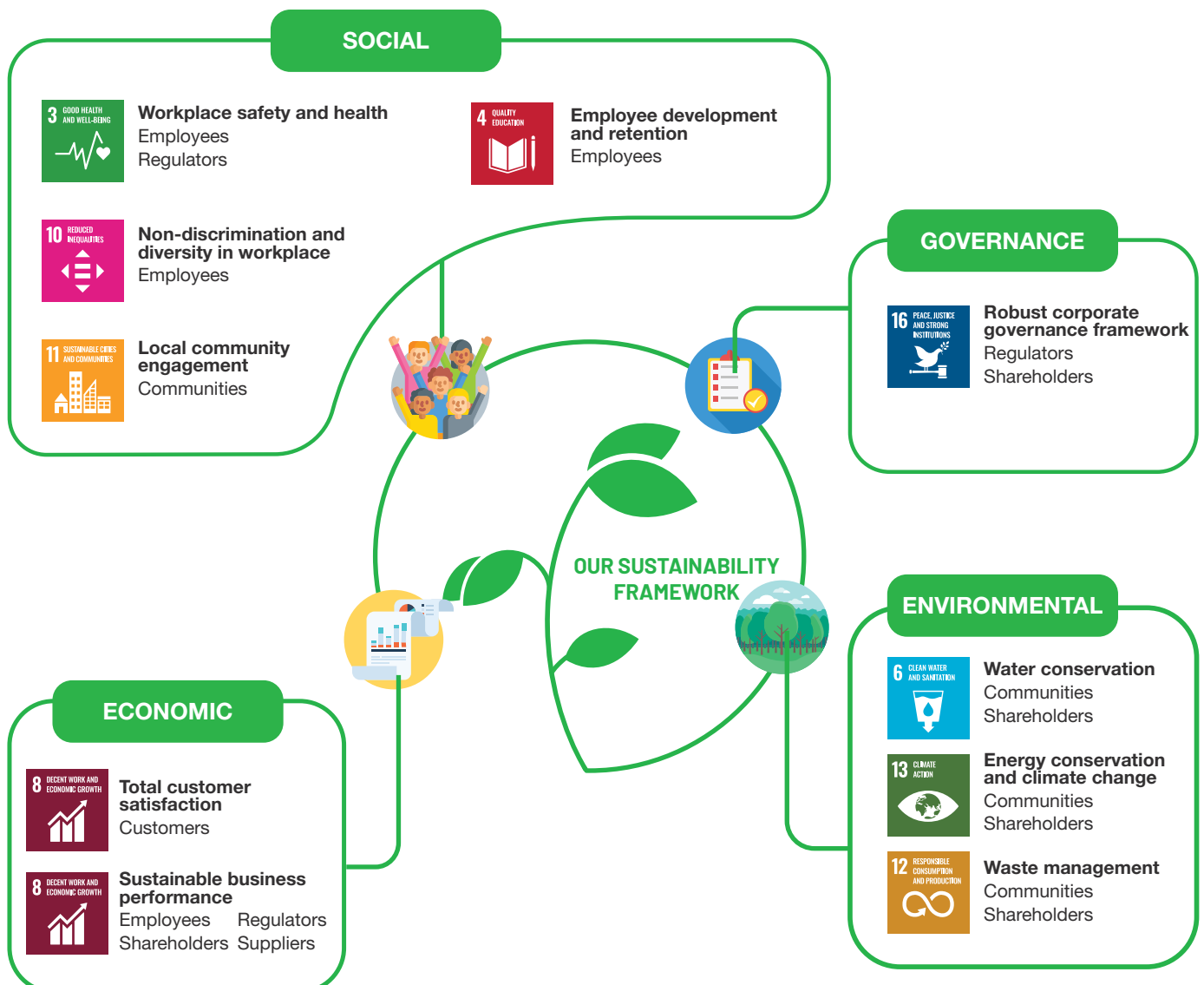
SUSTAINABILITY REPORT

BOARD STATEMENT

The board of directors (the “**Board**”) of GSS Energy Limited (“**GSS Energy**” or the “**Company**”) and its subsidiaries (collectively with the Company, the “**Group**” or “**We**”) reaffirms its commitment to sustainability with the publication of this sustainability report (this “**Report**”). This Report provides insights into the way the Group conducts its business, while highlighting its material sustainability factors under the sustainability pillars of economic, environmental, social and governance (the “**Sustainability Factors**”). In the Group’s sustainability journey, it strives to create long-term value and sustainable returns for its stakeholders whilst, at the same time, remaining conscious of the related sustainability risks and endeavouring to manage such risks responsibly.

The Board has considered the Group’s sustainability issues as part of its strategic formulation and business strategies, determined the material Sustainability Factors and overseen the management and monitoring of the material Sustainability Factors. The Board is ultimately responsible for the sustainability of the Group.





This Report communicates our support towards the United Nations’ Sustainable Development Goals (“**SDGs**”). As we collaborate closely with our stakeholders throughout the value chain, their inputs serve as the compass directing our sustainability initiatives towards prioritising our material Sustainability Factors. Below shows the interaction between our sustainability framework, material Sustainability Factors, stakeholders and the SDGs:



SUSTAINABILITY REPORT

SUSTAINABILITY PERFORMANCE AT A GLANCE

A summary of our key sustainability performance in FY2024 and a comparison with FY2023 is provided as follows:

Sustainability Pillar	Sustainability Metric	Sustainability Performance	
		FY2024	FY2023
Economic 	Product rejection rate	0.1%	0.1%
	Economic value generated ¹	S\$100.5 million	S\$118.9 million
	Operating costs ²	S\$75.7 million	S\$91.4 million
	Employee benefits paid to employees	S\$23.4 million	S\$24.4 million
	Payments to providers of capital ³	S\$2.0 million	S\$1.9 million
	Tax to governments	S\$0.3 million	S\$1.6 million
Environmental 	Water consumption (CuM)	49,574	47,962
	Aggregated Scope 1 and 2 Greenhouse gas ("GHG") emissions - tonnes carbon dioxide equivalent ("CO ₂ e")	13,763	13,665
Social 	Number of workplace fatalities	-	-
	Number of high consequence ⁴ work-related injuries	-	-
	Average training hours per employee	8.7	5.3
	Number of reported incidents of unlawful discrimination ⁵ against employees	-	-
Governance 	Number of reported corruption incidents ⁶	-	-
	Number of incidents of non-compliance by our employees with the Code or laws and regulations for which fines and/or non-monetary sanctions were incurred ⁷	-	-

¹ Economic value generated comprises revenue, other income, interest income, net of government grants.

² Operating costs comprise cost of sales, selling and distribution expenses, administrative expenses, other expenses, net of depreciation of property, plant and equipment, land use rights, right-of-use assets and amortisation of intangible assets, inventories written down, net foreign exchange loss, and employee-related costs.

³ Payments to providers of capital include interest payments made to providers of financing and dividends to shareholders (if any).

⁴ High consequence work-related injuries refer to injuries from which the employee would be unable to recover fully to pre-injury health status within six (6) months.

⁵ An unlawful discrimination incident refers to an instance of non-compliance identified by a company through established procedures and resulting in a penalty to a company. Established procedures to identify instances of non-compliance include the Group's whistle-blowing framework.

⁶ A corruption incident refers to a serious offence under Section 207(9A) read with Section 207(9D) of the Companies Act 1967 of Singapore, which is defined as one that involves fraud or dishonesty and is being or has been committed against a company by its officers or employees. Such serious offence is punishable by imprisonment for a term of not less than 2 years and the value of the property obtained or likely to be obtained from the commission of the offence amounts to not less than S\$100,000.

⁷ An incident of non-compliance refers to non-compliance by our employees with our code of business ethics and conduct or non-compliance with applicable laws and regulations, excluding offences that are fraudulent or dishonest in nature, that is subject to a fine exceeding S\$100,000.

SUSTAINABILITY REPORT

REPORTING FRAMEWORK

This Report is prepared in accordance with Rules 711A and 711B of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). This Report is also prepared with reference to the Global Reporting Initiative (“**GRI**”) Standards as it provides an extensive framework that is widely accepted as a global standard for sustainability reporting. The GRI Content Index can be found on Appendix 1.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we mapped our sustainability efforts to the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015 (the “**UN Sustainability Agenda**”). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form a call for action by all countries (both developed and developing) in a global partnership.

Our climate-related disclosures are produced based on the recommendations of Task Force on Climate-related Financial Disclosures (“**TCFD**”). Following the publication of the International Sustainability Standards Board (“**ISSB**”) Standards – International Financial Reporting Standards (“**IFRS**”) S1 and IFRS S2, we conducted a gap analysis against our existing TCFD reporting and are in the process of aligning our climate-related disclosures to the ISSB Standards. We will be guided by the phased approach recommended by the SGX Regulation (“**SGX RegCo**”) in aligning our reporting of climate-related disclosures in accordance with ISSB Standards.

REPORTING SCOPE

This Report covers the consolidated entities, as disclosed in our audited financial statements, for the financial year from 1 January 2024 to 31 December 2024 (“**FY2024**” or “**Reporting Period**”) and excluded associates and joint ventures. Historical performance data for the newly added consolidated entities from the previous year is included to facilitate comparison.

SUSTAINABILITY REPORT

OUR BUSINESS

Our key revenue stream is from our precision engineering business. In recent years, we diversified the Group's business to include the EV business. An overview of our precision engineering business and EV business⁸ is as follows:

SUPPLIERS



Precision engineering business

We procure from:

- Suppliers of materials, such as spare parts, rubber, steel, carbon, wood and plastic which are used in the manufacturing of microshafts and other precision parts; and
- Suppliers and distributors of electronic components.

Electric vehicles ("EV") business

We procure from suppliers of materials, such as tyres, motors, batteries and spare parts for manufacturing and assembly of electric motorcycles and scooters.

OPERATIONS



Precision engineering business

We are involved in:

- Providing advanced production technology to multi-national manufacturers in the field of home and car audio entertainment, communication, computer and office automation industries and medical industries; and
- Manufacturing of high precision shafts.

EV business

We are involved in the manufacturing and assembly of electric motorcycles and scooters.

CUSTOMERS



Precision engineering business

We serve customers from various industries such as automotive, consumer electronics, healthcare & medical, gaming & toys and industrial equipment industries.

EV business

We sell to distributors and corporate customers.

⁸ The oil and gas services business was excluded from the reporting scope. The Group had previously announced that PT Sarana GSS Trembul received a termination notice from PT Pertamina for the Co-operative Agreement concerning the Trembul Operating Area, effective from 26 September 2022. An appeal was submitted to PT Pertamina and the appeal was still in progress.

SUSTAINABILITY REPORT

AVAILABILITY

A PDF version of this Report is available on SGX website and the Group's website at www.gssenergy.com.sg.

ASSURANCE

We relied on internal data monitoring and verification to ensure accuracy for this Report. Internal review on the sustainability reporting process is incorporated as part of our internal audit review cycle, and we will work towards obtaining external assurance for our future sustainability reports.

FEEDBACK



We welcome feedback from our stakeholders with regards to our sustainability efforts as this enables us to consistently improve our policies, systems and results. All queries can be addressed to feedback@gssenergy.com.sg. The Board and the management of the Company will ensure that all queries in relation to the Group's sustainability reporting are addressed as soon as practicable.

STAKEHOLDER ENGAGEMENT





We continuously engage our stakeholders through multiple channels in order to understand their diverse interests and needs. This is crucial as it helps us in addressing their respective concerns and that will in turn help us improve our products' standards, services, business operations and strategically align our resources for long-term growth and sustainability. Our efforts on sustainability are focused on creating sustainable value for our key stakeholders.

We identified key stakeholder groups through a stakeholder mapping exercise and prioritised our engagements with such key stakeholder groups. Key stakeholders are determined for each material Sustainability Factor identified, based on the extent of which their interests are or may be affected by our operations. These key stakeholders include, but are not limited to, local communities (the "**Communities**"), customers, employees, governments and regulators (the "**Regulators**"), investors or shareholders (the "**Shareholders**") and suppliers.

We actively engage our key stakeholders through the following channels:

Stakeholder Group	Expectations of the Stakeholder	Engagement Platform	Frequency of Engagement	Engagement Efforts
Communities 	<ul style="list-style-type: none"> Community services 	<ul style="list-style-type: none"> Community campaigns 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Contribute to philanthropic cause and local charities, particularly for old folks and education
Customers 	<ul style="list-style-type: none"> Product and service quality Sustainability efforts Safety standards Confidentiality of customers' proprietary information such as intellectual property 	<ul style="list-style-type: none"> Emails Regular meetings and discussions Informal feedback Site visits 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> Maintain a communication channel and provide timely updates on the evolving business circumstances Respond quickly whenever an issue arises Deliver products timely and according to the customer's specifications Maintain a robust quality management system Conduct training for employees on quality control to meet or exceed customers' expectations

SUSTAINABILITY REPORT

Stakeholder Group	Expectations of the Stakeholder	Engagement Platform	Frequency of Engagement	Engagement Efforts
Employees 	<ul style="list-style-type: none"> • Remuneration and benefits • Training and development • Employee engagement • Fair treatment • Job security • Employee health and safety 	<ul style="list-style-type: none"> • Performance appraisals • Training courses • Informal feedback • Social and recreational activities • Department and company meetings 	<ul style="list-style-type: none"> • Annually • As and when required 	<ul style="list-style-type: none"> • Maintain resource support, time-off, compensation, mental health support and financial aid • Allow flexible work arrangement • Offer re-employment opportunities for senior employees • Organise activities to foster team building and social interaction among employees • Perform yearly appraisals to receive feedback from employees on the job and peers • Enable open communication within the Group
Regulators 	<ul style="list-style-type: none"> • Compliance with law and regulations • Timely reporting • Anti-corruption and bribery 	<ul style="list-style-type: none"> • Site visits and checks • Meetings and discussions • Consultations and briefings organised by key regulatory bodies 	<ul style="list-style-type: none"> • As and when required 	<ul style="list-style-type: none"> • Comply with the SGX-ST listing rules and regulations • Abide by laws and regulations of the respective countries where the Group carries out its business activities • Engage regulators periodically
Shareholders 	<ul style="list-style-type: none"> • Financial profitability • Sound management • Economic value distribution • Market valuation • Dividend payment • Transparency • Timely reporting • Sustainability efforts • Corporate governance 	<ul style="list-style-type: none"> • Annual general meetings • Annual Report • Results announcement • Corporate announcements • Media release • Meetings with analysts and investors 	<ul style="list-style-type: none"> • Annually • Half-yearly • As and when required 	<ul style="list-style-type: none"> • Communicate transparently and report relevant financial and non-financial information regularly • Maintain effective channels for shareholder communication and receiving feedback
Suppliers 	<ul style="list-style-type: none"> • Financial stability • Fair business practices 	<ul style="list-style-type: none"> • Emails • Regular meetings and discussions • Informal feedback • Site visits 	<ul style="list-style-type: none"> • As and when required 	<ul style="list-style-type: none"> • Make timely payments based on contractual terms • Maintain communication channel and provide timely updates on evolving business circumstances

SUSTAINABILITY REPORT

POLICY, PRACTICE AND PERFORMANCE REPORTING

A sustainability policy (“**SR Policy**”) covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring our Sustainability Factors has been put in place and serves as a point of reference in the conduct of our sustainability reporting. We will continually monitor, review and update our SR Policy and Sustainability Factors as and when necessary, taking into account the feedback received from our engagement with our stakeholders, organisational and external developments.

Sustainability Governance Structure

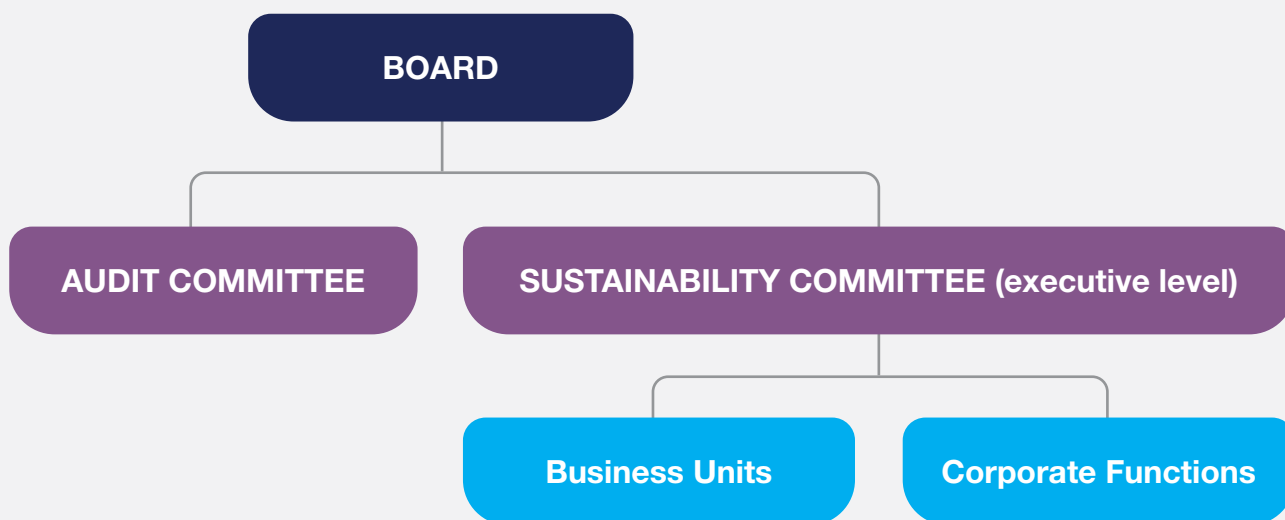
The Board advises and oversees the development of our sustainability strategy and performance targets. As part of our continual efforts to upgrade the knowledge of our directors on sustainability reporting and to meet the requirement of the SGX-ST under Catalist Rule 720(6), we confirm that all directors of the Company have attended the prescribed sustainability training courses.

Our sustainability strategy is spearheaded by an executive level sustainability committee (the “**Sustainability Committee**”), which includes senior management executives from various business units and corporate functions. The Sustainability Committee is led by the Chief Financial Officer (“**CFO**”) and tasked to develop the sustainability strategy, review our material impacts, consider stakeholder priorities and set goals and targets, as well as collect, verify, monitor and report sustainability metrics for this Report.

Aside from the Sustainability Committee, the Board is also supported by the Audit Committee on specific sustainability matters under its terms of reference. As we are still refining our sustainability related metric measuring, tracking and target setting mechanism, we will aim to link the key executives’ remuneration to sustainability performance within the next few years, when the mechanism is more mature and stable.

Our sustainability governance structure and the responsibilities of component parties are detailed as follows:

Sustainability governance structure



SUSTAINABILITY REPORT

Terms of reference of component parties

Component Party	Members	Terms of Reference
Board	Board members	<ul style="list-style-type: none"> • Determine material sustainability factors of the Group • Review and approve sustainability strategies, policies and targets (including materiality assessment process and outcome) • Monitor implementation of sustainability strategies, policies and performance against targets • Oversee the identification and evaluation of climate-related risks and opportunities • Ensure that sustainability and climate-related risks and opportunities are covered under the Group's enterprise risk management ("ERM") framework • Review and approve sustainability reports
Audit Committee	Audit Committee members	<ul style="list-style-type: none"> • Review the adequacy and effectiveness of the Group's internal controls and risk management systems • Oversee the conduct of assurance activities pertaining to the Group's sustainability reporting processes
Sustainability Committee	<ul style="list-style-type: none"> • CFO • Financial Controller • General Manager, Giken Precision Engineering (S) Pte. Ltd. ("GPE") • General Manager, Special Project • Assistant General Manager, Changzhou Giken Precision Co., Ltd. ("CGP") • Chief Operating Officer, Edison Motors Co., Ltd ("Edison Motors") 	<ul style="list-style-type: none"> • Develop sustainability strategies and policies • Ensure that the implementation of sustainability strategies is aligned across business segments • Evaluate overall sustainability risks and opportunities, with a focus on climate-related risks and opportunities • Perform materiality assessment • Monitor sustainability activities and performance against targets • Align the Group's practices with the organisation-wide sustainability agenda and strategies • Consolidate sustainability metrics to track sustainability impact on a group basis and for reporting purposes • Prepare sustainability reports
Business Units/ Corporate Functions	Representatives from Business Units or Corporate Functions designated to support the work of the Sustainability Committee	<ul style="list-style-type: none"> • Align practices at the operational level with the Group's agenda and sustainability strategies • Collect and compile sustainability metrics to track sustainability impact and for reporting purposes

SUSTAINABILITY REPORT

Sustainability Reporting Processes

Under our SR policy, our sustainability process begins with understanding the Group's context. This is followed by the ongoing identification and assessment of the Group's impact on the economy, environment, people and their human rights. The most significant impacts are prioritised for reporting, and the result of this process is the identification and disclosure of a list of Sustainability Factors in this Report.

The Group's sustainability reporting process is illustrated in the chart below:



CONTEXT

Understand the Group's context by considering its activities, business relationships, stakeholders, and sustainability context of all the entities it controls or has an interest in, including minority interests.



IDENTIFICATION

Identify actual and potential impacts on the economy, environment, people and their human rights.



RATING

Assess the pervasiveness of Sustainability Factors across the Group and cluster similar Sustainability Factors.



PRIORITISATION

Prioritise the impacts based on their significance to determine the material Sustainability Factors for reporting.



VALIDATE

Sustainability Factors will be internally validated by the Board and Sustainability Committee.



REVIEW

In each reporting period, review the material Sustainability Factors from the previous reporting period to account for changes in impacts which can result from feedback received from engagement with stakeholders, organisational and external developments.

SUSTAINABILITY REPORT

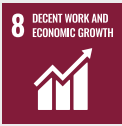
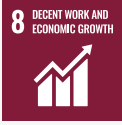



Performance Tracking and Reporting

We track the progress of our material Sustainability Factors by identifying, measuring and monitoring the relevant sustainability metrics. In addition, we set performance targets that are aligned with our strategy to ensure that we maintain the right course in our path towards sustainability. We are also consistently seeking to enhance our performance-monitoring processes and improve our data capturing systems.

OUR SUSTAINABILITY FACTORS


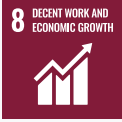



In FY2024, a materiality assessment was performed by the Sustainability Committee to update the material Sustainability Factors and this was followed by a stakeholder engagement exercise⁹ to understand the concerns and expectations of our key stakeholders. Through the materiality assessment, factors with significant impacts on the economy, environment, people and their human rights were updated. In this Report, we reported our progress in managing these factors and set related targets to improve our sustainability performance.

We endeavour to incorporate the SDGs from the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, where applicable, as a supporting framework to shape and guide our sustainability strategy. Below are the results showing how our material Sustainability Factors relate to these SDGs, along with a list of material Sustainability Factors applicable to the Group:

S/N	Sustainability Factor	Key Stakeholder	SDG	Our Effort
Economic				
1	Total customer satisfaction	• Customers		Place heavy emphasis on customer satisfaction as we understand that a high level of customer satisfaction is essential to the continual success of our business
2	Sustainable business performance	• Employees • Regulators • Shareholders • Suppliers		Contribute to economic growth by creating long-term value for our stakeholders
Environmental				
3	Water conservation	• Communities • Shareholders		Implement checks and measures to reduce water wastage, which in turn help us to work towards achieving sustainable management and efficient use of natural resources
4	Energy conservation and climate change	• Communities • Shareholders		Implement measures to reduce energy consumption, improve efficiency, lower GHG emissions, and reduce costs
5	Waste management	• Communities • Shareholders		Implement measures such as a maintaining a wastewater treatment plant at our China subsidiary, disposing waste through licensed collectors, and reducing electronic and manufacturing waste

⁹ The Company distributed an online survey to both its internal and external stakeholders of customers, employees and suppliers to gather perspectives on the most important sustainability factors for the business to prioritise.

SUSTAINABILITY REPORT

S/N	Sustainability Factor	Key Stakeholder	SDG	Our Effort
Social				
6	Workplace health and safety	<ul style="list-style-type: none"> • Employees • Regulators 		Adopt safety and health policies, operating procedures, maintain safety committees at all manufacturing plants and conduct relevant training for employees
7	Employee development and retention	<ul style="list-style-type: none"> • Employees 		Provide training opportunities to help employees expand their skills, along with benefits such as medical coverage and other fringe benefits
8	Non-discrimination and diversity in workplace	<ul style="list-style-type: none"> • Employees 		Treat all employees with respect and dignity, provide fair treatment regardless of gender, nationality, race, or religion
9	Local community engagement	<ul style="list-style-type: none"> • Communities 		Participate in corporate social responsibility events and donate to the communities we operate in
Governance				
10	Robust corporate governance framework	<ul style="list-style-type: none"> • Regulators • Shareholders 		Implement policies and procedures to enforce ethical practices and maintain internal controls and risk management systems to protect shareholders' interests and the Group's assets

We review the material Sustainability Factors on an annual basis to reflect changes in business operations, the environment, stakeholders' feedback and sustainability trends. For FY2024, pursuant to the review, there are no changes to the material Sustainability Factors identified from FY2023.

We recognise that the above-mentioned factors are critical to our sustainability journey and are thus committed to address them to our best efforts. Failure to maintain our commitments made in relation to these factors may expose the Group to risks such as loss of business, reputation, adverse financial impact, inability to attract talents and/ or regulatory actions. On the other hand, they also open us up to opportunities such as diversification into new sustainable businesses, improvement in our supply chain, customer satisfaction and building a pool of sustainability-conscious employees.

SUSTAINABILITY REPORT

The details of each material Sustainability Factor are presented as follows:

ECONOMIC

Total Customer Satisfaction

Commitment

We are committed to quality control and service excellence.

Approach

Ensuring total customer satisfaction through quality products, excellent service, and social and environmental responsibility

We maintain a quality management system to ensure total customer satisfaction through quality products, customer service and continual improvement in our processes. We pride ourselves in consistently meeting and exceeding customer expectations. Our employees place their topmost priority on quality control and service excellence and internal training is provided to our employees to familiarise themselves with the relevant quality standards. The quality management system also enables us to meet the quality standards for our businesses, comply with applicable regulations and internationally recognised market standards.

In a global marketplace, supply chains are becoming increasingly complex. Accordingly, there are growing expectations for our customers to not only ensure that their businesses are responsible, but also to ensure that their suppliers recognise and fulfill their social responsibility. Our business operations are assessed by our customers based on their product quality and traceability standards or international standards, such as the amfori Business Social Compliance Initiative (“**BSCI**”) standards which serve as a reference for monitoring and assessing workplace practices across the global supply chain, ensuring responsible practices that mitigate human rights.

We have a proven track record for our product quality and service standards and have received awards such as Quality & Delivery Champion Award issued by Portescap India in 2023 and SQOPE Procurement Award issued by Philips in 2022 which recognised the excellent quality of our products. We strive to improve our product quality and standards in order to better meet the needs of our customers.

As more consumers become environmentally conscious and prefer to support companies committed to sustainable and eco-friendly practices, we are dedicated to meeting these expectations by implementing environmental policies for ISO 14001:2015 certified entities. We regularly review these policies to ensure we are effectively managing our environmental responsibilities, which in turn enhances customer satisfaction by aligning our operations with their values.

Driving efficiency through automation and supply chain excellence

In September 2024, Giken Sakata (S) Limited (“**GSS**”), a subsidiary of GSS Energy, partnered with 5.0 Robotics, an Estonian technology innovator in automation. This partnership marks our move towards Industry 5.0, a human-centric approach to manufacturing by seamlessly integrating cutting-edge technology with human intelligence. At the core of this collaboration is the Minifactory, a revolutionary mobile production unit that addresses the growing need for regionalised and adaptable manufacturing. Co-developed by GSS and 5.0 Robotics, the Minifactory is powered by advanced robotics, artificial intelligence (“**AI**”), internet of things (“**IoT**”), and high-performance computer numerical control (“**CNC**”) systems. This compact and mobile solution enhances our production capabilities by enabling rapid reconfiguration and optimised production lines, making it adaptable to diverse industry needs. The flexibility and adaptability of the Minifactory make it ideal for high-mix, low-volume production, on-demand manufacturing, and flexible production schedules that simplify supply chains and enhance responsiveness to market needs.

SUSTAINABILITY REPORT

Performance

Internationally recognised market standards

Our operations are certified under various recognised market standards, details of which are as follows:

Quality Standard	Entity	Description of Certification/ Standard
ISO 9001:2015	<ul style="list-style-type: none"> • CGP • Changzhou Giken Technology Co., Ltd. (“CGT”) • GPE • P.T. Giken Precision Indonesia (“GPI”) 	The certification specifies the requirements for a quality management system that can demonstrate the ability to consistently provide products and services that meet customer and applicable statutory and regulatory requirements.
ISO 13485:2016	<ul style="list-style-type: none"> • GPI • GSS 	The certification specifies requirements for a quality management system that can demonstrate the ability to provide medical devices and related services that consistently meet customer and applicable regulatory requirements.
ISO 14001:2015	<ul style="list-style-type: none"> • CGP • CGT • GPE • GPI 	The certification specifies requirements for an environmental management system to minimise organisations’ environmental footprint, continually improve environmental performance and comply with relevant legal requirements.
IATF 16949:2016	<ul style="list-style-type: none"> • CGP • GPE • GPI 	The International Standard for Automotive Quality Management Systems emphasises the development of a process-oriented quality management system that provides for continual improvement, defect prevention and reduction of variation and waste in the supply chain. The goal is to meet customer requirements from the automotive sector efficiently and effectively.
UN ECE-R136	Edison Motors	The standard specifies safety requirements for electric power train and rechargeable energy storage system of vehicles.

Quality and product reject rate

During the Reporting Period, we recorded a product reject rate of 0.1% (FY2023: 0.1%).

SUSTAINABILITY REPORT

Sustainable Business Performance

Commitment

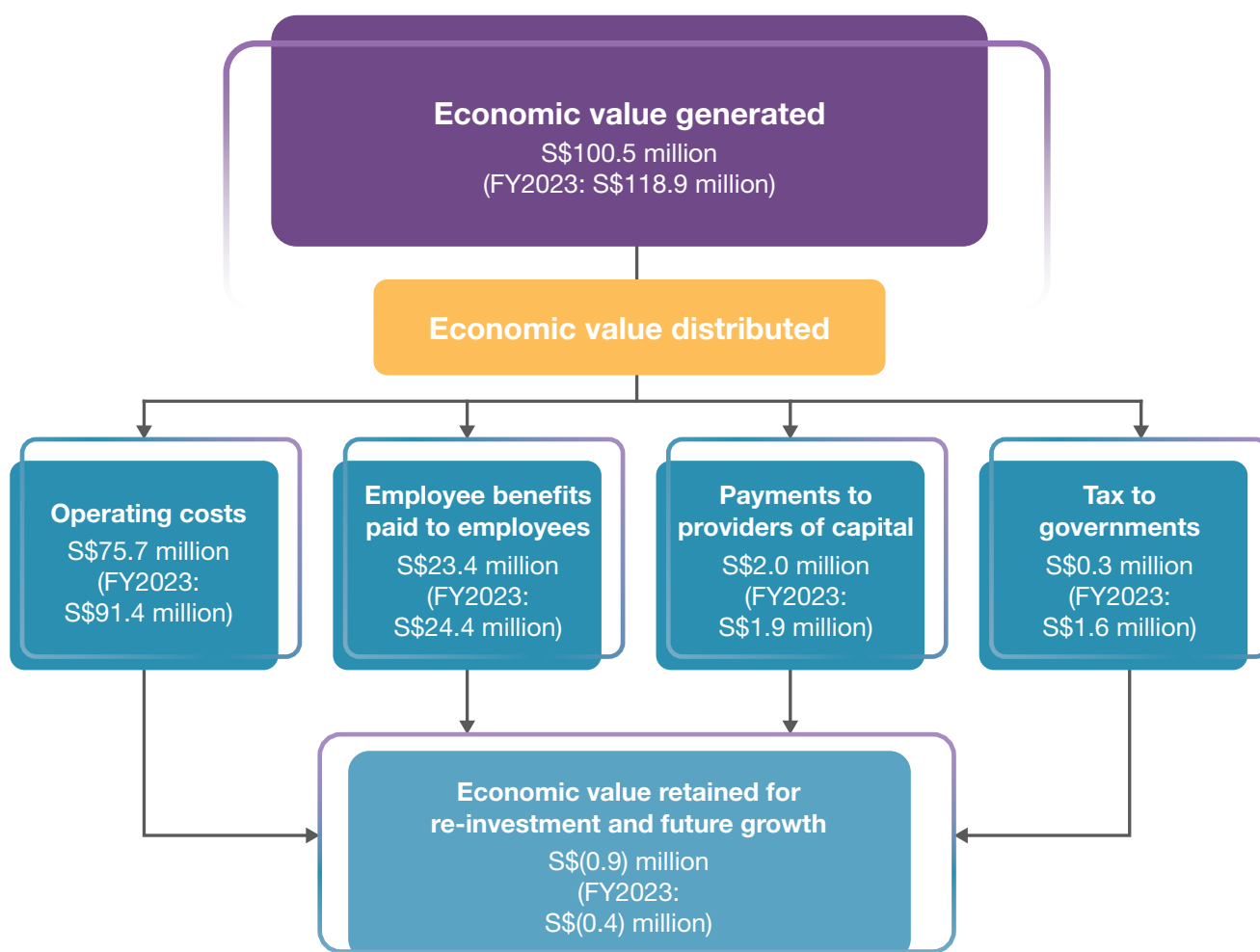
We are committed to providing value to various stakeholders through relevant and meaningful ways.

Approach

We strive to generate and distribute economic value by executing our business strategy, which includes staying abreast of market trends, maintaining a healthy balance sheet and strong cash flow, whilst mitigating relevant business risks identified.

Performance

In line with this commitment, the Group's economic value generated in FY2024 is distributed as follows to enable a sustainable business performance for the Group's future:



Refer to the financial statements in this Annual Report for the Group's financial performance and financial risk management disclosure on our efforts and progress in maintaining financial sustainability.

SUSTAINABILITY REPORT

ENVIRONMENTAL

Water Conservation

Commitment

We are committed to water-use efficiency to address global water scarcity.

Approach

We rely on water resources to run our operations primarily in our production activities and office environment. We mainly source our water supply from municipal water suppliers. Our water conservation initiatives include performing regular tracking and review on our water consumption and periodic inspections of our faucets and pipes for possible leaks.

Performance

Key statistics on our water consumption during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2024	FY2023
Water consumption from all areas of operations	CuM	49,574	47,962
Water consumption from areas of operations with water stress ¹⁰	CuM	40,653	41,864

Energy Conservation and Climate Change

Commitment

Climate change and environmental risks are of growing concern to us. Our manufacturing activities and/or logistics arrangements may be disrupted by climatic and environmental catastrophes, resulting in economic losses. To mitigate the negative impacts of climate change, we are committed to the responsible usage of energy resources and to the reduction of GHG emissions through enhancing our energy usage efficiency.

Approach

We track and monitor our Scope 1, Scope 2 and certain categories of Scope 3 GHG emissions closely and are developing mechanisms to track other categories of our Scope 3 GHG emissions, where relevant and practicable. We also developed a climate change transition plan and will refine and the plan as we progressively implement it, by considering changes in business operations, environment and market trends. Progress updates and performance will be provided in our future sustainability reports with assurance on the reporting process covered by an internal review.

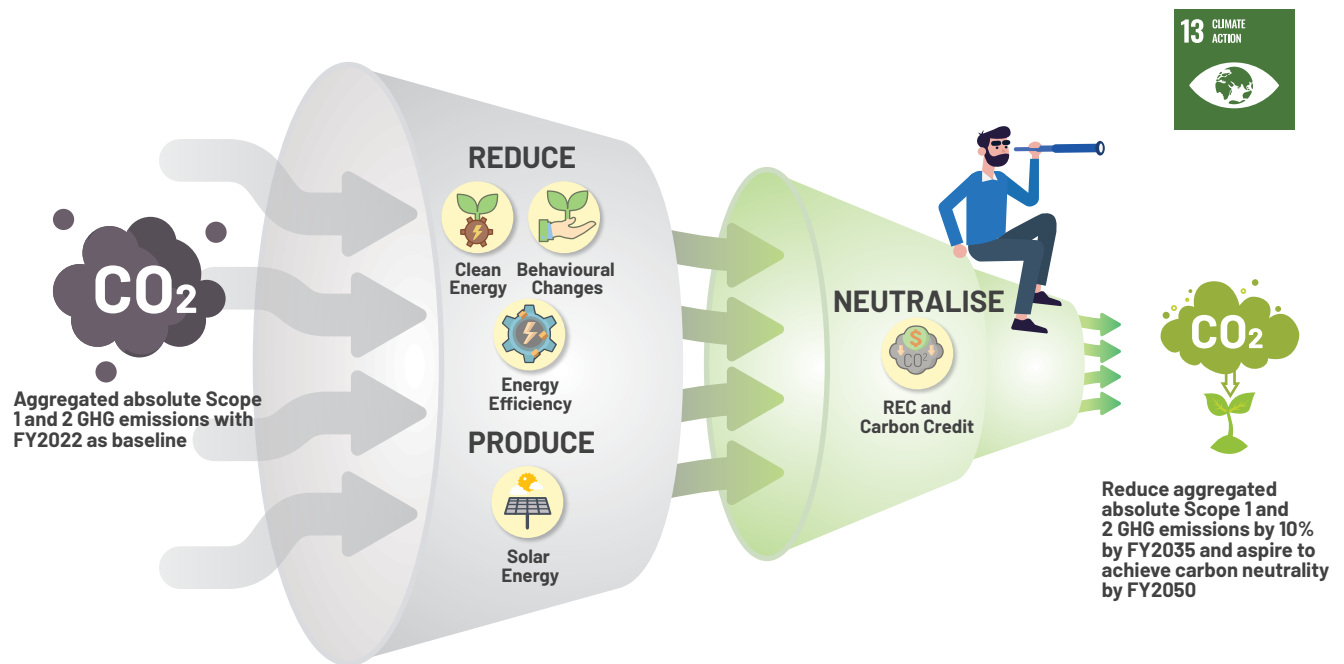
¹⁰ Areas with water stress across the Group's areas of operations are identified based on the World Resources Institute Aqueduct Water Risk Atlas. These include our manufacturing plants located in China, Indonesia and Thailand. We are monitoring steps taken at the governmental level to mitigate water stress in the respective countries or regions, whilst strengthening our water conservation efforts.

SUSTAINABILITY REPORT

We measure our GHG emissions in alignment with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004) and adopted the operational control approach as a basis to determine GHG emissions data consolidation boundaries across our entities. This approach has been selected as it allows us to manage emissions from our operations where we have practical control to introduce relevant measures and implement operating policies. We have assessed that we have operational control over all reporting entities covered in this Report.

Climate change transition plan

Our climate change transition plan steers us on our decarbonisation journey. Under this strategy, we commit to reduce our aggregated absolute Scope 1 and Scope 2 GHG emissions by 10% by FY2035 and aspire to achieve carbon neutrality by FY2050, with FY2022 as our baseline ("**Decarbonisation Target**"). Our climate change transition plan is focused on three (3) strategic levers of reduce, produce and neutralise as follows:



Details of our strategic levers are as follows:

Lever	Reduce	Produce	Neutralise
Description	<ul style="list-style-type: none"> Reduce absolute emissions within our operations, followed by our supply chain Replace existing energy source with low or zero-carbon sources 	On-site generation of green or renewable energy	Neutralise unavoidable residual emissions
Focus Area	<ul style="list-style-type: none"> Energy efficiency <ul style="list-style-type: none"> Machinery and equipment Lighting Motor vehicles Behavioural changes Clean energy 	Solar energy	<ul style="list-style-type: none"> Renewable energy certificates ("REC") Carbon credits

SUSTAINABILITY REPORT

In line with our Decarbonisation Target, we track and review spending on energy consumption regularly to control usage and take corrective actions when unusual consumption patterns are observed. We continuously strive to improve our energy use and efficiency through the following initiatives and aspirations:

Lever	Focus Area	Action Plan
Reduce	Energy efficiency – Machinery and equipment	We maintain a systematic maintenance programme for machinery and equipment to improve energy efficiency.
	Energy efficiency – Lighting	We optimise electricity efficiency using high-efficiency lighting.
	Energy efficiency – Motor vehicles	We developed an electric vehicle plan to convert 50% of internal combustion vehicles to electric vehicles by FY2035, with a goal of achieving 100% conversion by FY2050, subject to market conditions and technological advancements.
	Behavioural changes	We constantly remind our staff on basic and socially responsible habits at their workplaces such as adopting greener work ethics, switching off appliances if not in use, enabling power saving modes and optimising operating temperatures.
	Clean energy	We are constantly exploring opportunities to source for clean and/or renewable energy where we operate in.
Produce	Solar energy	The growth of renewable energy production continues to be primarily driven by political determination to create a low carbon economy and increase use of clean energy. We have knowledge and experience that is valuable in shaping and driving this agenda. The Group's China subsidiaries, CGP and CGT, have solar panels installed on the rooftop of its factory. Such measures are expected to result in lower GHG emissions for CGP and CGT.
Neutralise	<ul style="list-style-type: none"> • REC • Carbon credits 	The Group plans to explore the use of REC and carbon credits to offset unavoidable residual emissions when the relevant markets mature.

SUSTAINABILITY REPORT



Aligning with the global transition towards environmentally friendlier modes of transportation

In recent years, we expanded into the EV business whereby we manufacture EV under Edison Motors, a subsidiary.

On 30 November 2023, we launched our inaugural electric motorcycle model, the UNO-X, at the 40th Thailand International Motor Expo 2023. UNO-X was developed through a partnership with partnership with Iso, an established Italian brand.

Our UNO-X electric motorcycle is estimated to consume only about 17% of energy an internal combustion engine (“ICE”) motorbike¹¹ consumes. We believe our EV business has reshaped the industry dynamics for GSS Energy, aligning with the global transition towards environmentally friendlier modes of transportation and positioning the Group at the forefront of sustainable solutions.

We launched our electric motorcycles in the Thailand market in the second half of FY2024, with plans to expand into other markets thereafter.

Performance

In our operations, we rely mainly on the following energy sources:

- Diesel for the fleet of motor vehicles used for delivery purposes and customer visits, as well as for forklifts and backup generators;
- Petrol for fleet of motor vehicles;
- Liquefied natural gas (“LNG”) for a dual-fuel motor vehicle that run on both LNG and petrol; and
- Electricity to operate machinery and equipment used in our production activities and office equipment.

¹¹ Based on our range testing performed according to World Motorcycle Test Cycle (“WMTC”). WMTC is a worldwide harmonised test cycle developed for fuel consumption and emissions of motorcycles.

SUSTAINABILITY REPORT

Key statistics on our energy consumption and GHG emissions during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2024	FY2023
Energy consumption			
Diesel consumption	GJ	3,117	4,360
Petrol consumption	GJ	830	417 ¹²
LNG consumption	GJ	27	- ¹²
Purchased electricity consumption	GJ	65,007	63,460
Electricity generated by our solar panels	GJ	2,375	2,890
Total energy consumption	GJ	71,356	71,127
GHG emissions			
Direct GHG emissions (Scope 1 ¹³)	tonnes CO ₂ e	295	356
Indirect GHG emissions (Scope 2 ¹⁴)	tonnes CO ₂ e	13,468	13,309
Aggregated absolute Scope 1 and 2 GHG emissions	tonnes CO ₂ e	13,763	13,665

The decrease in diesel consumption and Scope 1 GHG emissions is mainly due to a reduction in the frequency of goods deliveries and reduced use of backup generators resulting from fewer power outages. The decrease in solar energy generation is primarily due to seasonal variations and environmental factors that affected sunlight exposure and impacted solar panel efficiency. The increase in petrol consumption is mainly due to the inclusion of data from the EV business, which was not tracked previously, and more frequent long-distance trips to transport employees and guests.

During the Reporting Period, we track selected Scope 3 emissions of our operations¹⁵ as follows:

Category	Coverage	Unit of Measurement	FY2024
Category 1: Purchased goods and services	Stainless steel, aluminium and copper	tonnes CO ₂ e	2,391
	Potable water	tonnes CO ₂ e	19
Category 5: Waste Generated in Operations	Scrap metal	tonnes CO ₂ e	386
Category 6: Business travel	Air travel	tonnes CO ₂ e	17
Category 7: Employee commuting	Transportation of permanent contract employees between their homes and their worksites	tonnes CO ₂ e	341

¹² Comparative figure excluded data for our EV business because fuel consumption data was not tracked.

¹³ GHG emissions from diesel and petrol consumption controlled by the Group (Scope 1) are calculated based on the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

¹⁴ GHG emissions from electricity purchased by the Group (Scope 2) are calculated based on the grid emission factors published by the relevant local authorities. Renewable energy (i.e. electricity generated by our solar panels) has no direct emissions at the point of electricity generation and therefore use an emission factor of zero in Scope 2 GHG emissions.

¹⁵ No comparative data is available as we expanded the tracking of Scope 3 GHG emissions from Singapore to all countries of operations in FY2024. Scope 3 GHG emissions were calculated using DEFRA emission factors, emission factors published by relevant authorities and industry organisations, the GHG Protocol tool, and the ICAO Carbon Emissions Calculator.

SUSTAINABILITY REPORT

Waste Management

Commitment

Responsible waste management is crucial to minimise the adverse impacts of our activities on human health and the environment. We are committed to conducting our businesses in a manner that respects and protects the environment by preventing pollution and reducing wastage.

Approach

We implemented various environmental initiatives in our operations which include the following:

Wastewater

Wastewater is mainly generated at CGP and CGT during the grinding and barreling process for cleaning metal parts from grease and rust, as well as during the cooling, cleaning, and maintenance processes of machinery.

Our China subsidiaries' upgraded and automated wastewater treatment plant eliminates the need for manual processes in the oil separation and precipitation treatments, including the process to remove pollutants from wastewater and the filtration process to reduce the moisture content of sludge. In the treatment of wastewater, lubricants are first separated from the wastewater through an oil separation tank, and the wastewater then flows to a primary sedimentation tank for sludge to be filtered out. The wastewater is further channeled to a contact oxidation tank and a secondary sedimentation tank to remove further pollutants such as chemical oxygen demand, total suspended solids and oil. The accumulated sludge from the sedimentation tanks is put through a filter press to reduce the moisture content and thereby reduce the volume of the sludge. This obviates the need to engage licensed waste collectors to further treat the waste sludge. The automated wastewater treatment plant reduces operational and disposal costs and helps minimise our impact on the environment.

Water discharged by our operations in Indonesia is collected through the drains and the water sample is tested regularly by an independent testing organisation against wastewater quality standards based on Indonesia's environmental regulations to minimise the risk of pollution to the waterways.

Hazardous and non-hazardous waste

Key wastes generated in our operations are as follows:

- Hazardous waste, which mainly includes the following:
 - Sludge and activated carbon generated from wastewater treatment plant;
 - Oil and coolant generated from production processes; and
 - Defective printed circuit boards ("PCB") from assembly services and chemicals used during production processes.
- Non-hazardous waste, which mainly includes the following:
 - Leftover microshafts after the cutting process, defective products, packaging waste; and
 - Unused plastic generated from our plastic injection moulding process, plastic food wrap, general waste and food waste generated staff canteen.

Hazardous and non-hazardous waste are collected and segregated at designated areas for handling of waste by licensed waste collectors.

SUSTAINABILITY REPORT

Material use

Our plastic injection moulding operations in Indonesia and China work closely with our customers in selecting engineering pellets/resins to produce the parts. Some of our customers allow or specify the use of recycled engineering resins. The recycled materials could be purchased or generated internally. Tests are conducted and approved by customers before recycled pellets/resins are used in production. Plastic scraps and runners that are generated can be grinded for use in manufacturing or sold to recycling companies for re-palletising which can be mixed with virgin materials to manufacture products. We reduce electronic and manufacturing waste by standardising products and processes, using recycled materials in our products if permitted by customers, ensuring that the raw materials used in production adhere to customers' specifications and do not contain prohibited or hazardous substances and comply with the Restriction of Hazardous Substances Directive. Packaging materials are reused for the next delivery where practicable.

Performance

Wastewater

In FY2024, 100% (FY2023: 100%) of wastewater generated, which amounted to 11,433 tonnes (FY2023: 13,193 tonnes), was treated to remove pollutants before discharge. The decrease in wastewater generated is mainly due to a shift in production mix as we discontinued the production of certain products that involved higher level of grinding and cleaning processes.

Hazardous and non-hazardous waste

Key statistics on the amount of waste generated during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2024	FY2023
Amount of hazardous waste generated	tonnes	33	35
Amount of non-hazardous waste generated	tonnes	368	290

The increase in non-hazardous waste is mainly due to an increase in paper and cardboard waste from operating activities, food wrap and food waste from the canteen operations of our Indonesian subsidiary. In FY2024, 100% (FY2023: 100%) of our hazardous waste are treated by licensed waste collectors whilst 100% (FY2023: 100%) of our non-hazardous waste are disposed by licensed waste collectors to prevent pollution. In FY2024, there were zero (FY2023: zero) cases of improper disposal of waste across our business operations.

SUSTAINABILITY REPORT

SOCIAL

Our human resource philosophy is to put employees at the heart of our organisation, given that they drive the success of our business. We strive to develop our employees to their fullest potential so that they contribute to the continual growth of the Group.

Our approach to develop our employees and retain talent is characterised by the following three core principles:

- Provide our employees a safe and conducive working environment for them to excel in their fields;
- Invest in the training and development of our employees to enhance their competencies; and
- Adopt fair labour practices and have zero tolerance towards discrimination.



Workplace Health and Safety

Commitment

Safety risks are inherent in workplaces and higher in manufacturing and supply chain activities whereby heavy machinery is operated. We place workplace safety and health at the forefront of our business process.

Approach

We adopt a zero-tolerance approach where workplace safety is concerned. In line with this zero-tolerance approach, we have set up workplace safety and health policy and procedures to protect our employees and for compliance with relevant regulatory requirements and industry standards. Real-life incidents are used as discussion materials for our employees to understand existing and predicted risks within their work activities.

We established a safety committee at all our manufacturing plants which holds meetings to review root causes of injury cases, discusses any violations and proposes improvements on an ongoing basis where applicable. The meetings are attended by representatives from production, maintenance, warehouse, human resource and quality assurance departments.

Our employees receive training on safety procedures in metal work, hot work, working at heights, operating plant and equipment and fire safety hazard processes. Regular fire drills and evacuation exercises are conducted in accordance with ISO 14001:2015 standards to familiarise our employees with the emergency procedures in the event of a risk incident. We track and report industrial accidents and injuries in accordance with the applicable regulatory guidelines and file work-related claims accordingly, with all our employees strictly adhering to reporting procedures concerning all work-related injuries.

SUSTAINABILITY REPORT

We also conduct air sampling tests, a necessary procedure that plays an important role in creating a safe working environment for our employees. Our employees can face serious health consequences should they inhale atmospheric contaminants, such as toxic gases which are emitted during certain production processes.

Given that liquid ammonia is used during heat treatment work and lubricants and chemicals are used in our production process for machine maintenance, the Group's operations are exposed to the risk of ammonia leakage and oil/ chemical spill which may result in burns, breathing difficulties, skin irritation, diseases and blindness. We established procedures on handling ammonia and chemicals and emergency response or corrective actions for ammonia leakage and oil spill.

Annually, ammonia leakage and oil spill drill refresher trainings are carried out for our employees. Training is a critical aspect of a sound spill response plan. The aim of the drill is to allow the team to recap on the procedures for the containment of spillage and respond swiftly and calmly should any spillage occur. The drill is conducted in the following sequence:

1

Assess the risk: Any employee who witnesses the spillage should inform the area supervisor who will alert the emergency response team ("**ERT**"), while the rest of the employees should cordon off the spill area.



2

Spillage response: ERT follows the protocol on identifying and assessing the spillage, donning proper personal protective equipment, and taking appropriate actions to stop, clean and decontaminate spill area and dispose the waste.



3

Incident reporting/ investigation: ERT investigates the cause of spillage and reports to the factory manager. The factory manager adopts the incident report, and takes necessary corrective actions.



SUSTAINABILITY REPORT

Performance

There were no workplace fatalities, high consequence work-related injuries and work-related ill health cases in FY2024 (FY2023: 0). In FY2024, there were 6 (FY2023: 18) minor recordable work-related injuries which mainly relate to slip and fall, machinery incidents and an accident during electric vehicle testing. We strengthened the relevant procedures to reinforce workplace safety measures. We endeavour to achieve zero rate of work-related injuries or deaths.

In FY2024, there were zero (FY2023: zero) incidents of ammonia leakage and oil spill across the Group's operations.

Employee Development and Retention

Commitment

We are committed to nurturing our employees to raise our employees' learning and development capacity, yielding a capable and more agile workforce.

Approach

To support this commitment, we provide on-the-job training whenever possible. Aside from on-the-job training and relevant skill upgrades, we also provide opportunities for our employees to gain knowledge and skills beyond their job functions through external courses on areas, such as supervisory, social compliance and anti-bribery. All training processes are closely monitored and tracked by the line managers and the human resource department to ensure that our employees' learning and development needs are adequately met.

To provide competitive remuneration based on merit to all employees, our employees receive regular feedback on their performance and career development.

We also provide our employees with job rotation opportunities to motivate them in broadening their skill sets, diversifying their current job roles, and rejuvenating their interest in learning through tackling different challenges. Such arrangements also form part of our succession planning.

Staff welfare is also a key component of our management ethos. We regularly review employees' compensation, medical benefits and other fringe benefits based on industry benchmarking and consider our employees' job scope, responsibilities and performance to ensure that we remain competitive in attracting and retaining talent.



We are committed to creating a conducive environment for their mental and physical well-being. Our employees are entitled to health care benefits under Group's hospitalisation insurance plan, including medical care and dental care. Personal Accident Insurance Policies and Workmen's Compensation Policies with disability coverage are also provided for our employees. We provide our employees with pro-family benefits such as maternity leave, paternity leave and childcare leave (collectively as "**Parental Leave**"). For our Indonesia subsidiary, we provide mental health support which includes an in-house clinic and a praying room. A cooperative has also been set up by our employees to provide an option for employees to apply for a loan for purposes such as school funds, purchase of a home, repair of home due to floods or fires. We promote staff wellness and a healthy lifestyle through organising ongoing recreational and team building activities such as soccer sessions and celebration of special occasions.

SUSTAINABILITY REPORT

Performance

Training hours

Key statistics on training hours provided for our employees are as follows:

Sustainability Metric	FY2024	FY2023
Overall		
Total training hours	14,816	9,445
Average training hours per employee	8.7	5.3
Gender (Male)		
Total training hours	8,620	4,725
Average training hours per employee	12.0	6.4
Gender (Female)		
Total training hours	6,196	4,720
Average training hours per employee	6.3	4.4
Management		
Total training hours	321	278
Average training hours per employee	2.9	2.6
Non-management		
Total training hours	14,495	9,167
Average training hours per employee	9.1	5.4

The increase in training hours is mainly attributable to an increase in training provided by one of our China subsidiaries to its employees, through collaboration with Changzhou Technician College in FY2023. The training focused on technical areas such as machine operations. In addition, our Indonesia subsidiary registered an increase in training hours due to training conducted to raise employees' awareness on human rights and workplace safety, driven by requirements from clients.

New hires

Key statistics on new employee hires are as follows:

Sustainability Metric	FY2024 Rate	FY2023 Rate
Overall	41%	46%
Gender		
Male	39%	26%
Female	61%	74%
Age		
Below 30	95%	93%
30 to 50	4%	7%
Above 50	1%	-%

Employee turnover

Key statistics on employee turnover are as follows:

Sustainability Metric	FY2024 Rate	FY2023 Rate
Overall	45%	60%
Gender		
Male	40%	25%
Female	60%	75%
Age		
Below 30	86%	88%
30 to 50	11%	11%
Above 50	3%	1%

SUSTAINABILITY REPORT

The decrease in the overall turnover rate is mainly due to a lower cessation of employment contracts during the Reporting Period to meet project demands of our Indonesia subsidiary.

Parental Leave

Key statistics on Parental Leave taken by eligible employees are as follows:

Sustainability Metric	FY2024		FY2023	
	Male	Female	Male	Female
Number of employees entitled to Parental Leave	14	7	24	25
Number of employees who took Parental Leave	14	7	24	25
Number of employees who returned to work after Parental Leave ended	14	7	24	25
Return to work rate of employees who took Parental Leave	100%	100%	100%	100%
Retention rate of employees 12 months after they returned to work from Parental Leave ¹⁶	75%	44%	79%	94%

The lower retention rate of employees 12 months after they returned to work from Parental Leave is mainly due to the expiration of their employment contracts.

Non-Discrimination and Diversity in Workplace

Commitment

We are committed to upholding and protecting the human rights of all employees through a culture of trust, respect and inclusion in the Company.

Approach

As part of our human rights policy, we treat all employees with respect and dignity and give fair treatment, irrespective of gender, nationality, race or religion. In line with our commitment to protect human rights, any form of discrimination based on distinguishing characteristics is not tolerated. We do not employ child labour and strictly abide by the minimum legal age requirement set by relevant authorities. We strive to maintain harmonious and mutually beneficial relationships with labour unions to protect the rights of our employees.

The Group pledged to uphold the Fair Employment Practices governed by the Tripartite Alliance for Fair Employment Practices (“**TAFEP**”), formed by the Ministry of Manpower, Singapore National Employers Federation and National Trade Union Congress. Pursuant to the pledge, we are committed to a fair and inclusive workplace for all, based solely on merit and ability and governed by progressive human resource practices. We align the remuneration and benefits for our employees based on our employees’ skills, knowledge, experience, responsibilities and performance to ensure that we compensate our employees fairly. Employees are provided with equal opportunities for progression within the organisation, training and development and other enrichment opportunities.

¹⁶ Retention rate is calculated based on employees who took Parental Leave in the preceding reporting period.

SUSTAINABILITY REPORT

Performance

As at the end of FY2024, the Group has a total of 1,699 (FY2023: 1,798) permanent and temporary employees in Singapore, Indonesia, China and Thailand. The employees of our Indonesia subsidiary contributed to the majority of our workforce and they are mainly under temporary contract as the business of our Indonesia subsidiary are driven by project demand.

The breakdown of our workforce by employment contract and region as at the end of FY2024 is as follows:

	Singapore	Indonesia	China	Thailand	Total
Overall	98	1,443	131	27	1,699
Permanent	98	235	131	27	491
Temporary	-	1,208	-	-	1,208

During the Reporting Period, we had zero (FY2023: zero) reported incidents of unlawful discrimination against employees.

Gender diversity

Key statistics on gender diversity of our employees are as follows:

Sustainability Metric	FY2024		FY2023	
	Male	Female	Male	Female
Overall	42%	58%	41%	59%
Employee category				
Management	77%	23%	76%	24%
Non-management	40%	60%	39%	61%
Employment contract				
Permanent	62%	38%	60%	40%
Temporary	34%	66%	34%	66%

Age diversity

Key statistics on age diversity of our employees are as follows:

Sustainability Metric	FY2024			FY2023		
	Below 30	30 – 50	Above 50	Below 30	30 – 50	Above 50
Overall	65%	25%	10%	68%	25%	7%
Employee category						
Management	6%	42%	52%	7%	47%	46%
Non-management	69%	24%	7%	71%	24%	5%
Employment contract						
Permanent	12%	56%	32%	13%	61%	26%
Temporary	86%	13%	1%	89%	11%	-%

SUSTAINABILITY REPORT

Local Community Engagement

Commitment

We believe that it is our responsibility and privilege to serve and support the communities we operate in.

Approach

We work with various organisations to empower local communities.

Performance

All Saints Home (Yishun)

Our employees visited the All Saints Home (Yishun) (“**Home**”) regularly, bringing joy and happiness to residents of the Home. In FY2024, we engaged the residents through exciting games such as bingo, sudoku and card games to reduce cognitive decline in elderly and reminisce the good old days. We also volunteered to bring the elderly out for an outing to Jewel Changi Airport to celebrate Mid-Autumn Festival. We sponsored the elderly and care staff a delicious lunch at PappaRich restaurant @ Terminal 2 to share joy over a hearty meal. To add a special touch to the outing and in the spirit of the Mid-Autumn Festival season, we also gifted the elderly beautiful lanterns, lighting up their day with a little extra festive cheer.



SUSTAINABILITY REPORT

GOVERNANCE

Robust Corporate Governance Framework

Commitment

A high standard of corporate governance is integral in ensuring the sustainability of our business as well as safeguarding shareholders' interest and maximising long-term shareholder value. The Board recognises the importance of maintaining a sound system of risk management and internal controls to safeguard the interests of the Group and its shareholders.

Approach

Dealing in securities

In the event of dealing in securities, we remind all our directors and officers that they are not supposed to deal in the Company's shares during the period commencing one month before the announcement of the Company's half-year financial statements and full-year financial statements, or if they are in possession of unpublished price-sensitive information of the Company.

Our directors and employees are discouraged from dealing in the Company's securities based on short-term considerations. Directors are required to report to the Company Secretaries whenever they deal in the Company's shares. The Company Secretaries update the Register of Directors' Shareholdings and make timely announcements on SGXNET.

Policies and procedures

Our policies and commitments for enforcing ethical business practices are as follows:

- A code of business ethics and conduct ("**Code**") that outlines expectations for employees and the consequences for any violations of rules or standards not being met; and
- A whistleblowing policy that provides a mechanism for employees to report concerns about alleged wrongful acts. The procedures for whistleblowing are accessible to employees who can file complaints directly via email to members of the Audit Committee.

All new hires are required to undergo an orientation program which briefs them on the Code as well as the available whistle-blowing channels.

Risk management

The Board, with the assistance of the Audit Committee, is committed to maintaining a sound system of internal controls and risk management systems to safeguard the interests of the shareholders and the Group's assets. The internal audit team conducts annual internal compliance audits at various business units to ensure proper controls are in place and are adhered to.

We have in place an ERM framework to identify and manage the risks that we are exposed to. We regularly assess and review our businesses and operational environment to identify and manage emerging risks that may impact our sustainability and continue to look out for opportunities associated to the identified risks.

For more information relating to our corporate governance structure and practices, please refer to the Corporate Governance Report section of this Annual Report.

Performance

We are one of the companies listed on the Catalist Board of Singapore Exchange under the SGX Fast Track Programme of Singapore Exchange Regulation. This programme recognises public listed companies with good corporate governance practices and compliance track records and allows them to enjoy fast-tracked approval for certain corporate actions.

Our efforts in corporate sustainability practices have been recognised through winning the "Singapore Corporate Sustainability Award – Small Cap" at the prestigious SIAS Investor's Choice Award 2023.

During the Reporting Period, there were zero (FY2023: zero) corruption incidents reported.

During the Reporting Period, there were zero incidents of non-compliance by our employees with the Code or any laws and regulations for which fines and/or non-monetary sanctions were incurred (FY2023: zero).

SUSTAINABILITY REPORT

TARGETS AND PROGRESS

To measure our ongoing sustainability performance and drive continuous improvement, we developed a set of targets related to our material Sustainability Factors. Our progress against these targets is reviewed and reported on an annual basis with details as follows:

Legend: Progress tracking

- New target ●●○ On track to meet target
●●● Target achieved ●○○ Not on track, requires review

S/N	Material Sustainability Factor	Target ¹⁷	Current Year's Progress
Economic			
1	Total customer satisfaction	<u>Ongoing and long-term</u> Maintain product reject rate at 0.1%	●●● Maintained product reject rate at 0.1%
2	Sustainable business performance	<u>Short-term</u> Maintain or improve our economic value generated subject to economic conditions <u>Ongoing and long-term</u> Maximise returns for long-term profitability, with the aim of creating sustainable shareholder value	●●○ Economic value generated decreased from S\$118.9 million in FY2023 to S\$100.5 million in FY2024. The decrease is mainly due to weaker demand in the consumer electronics sector, as well as challenging global economic conditions, including inflationary pressures and the ongoing tensions between the US and China. The precision engineering business will strengthen supply chain resilience, explore strategic partnerships and automation technologies to improve operational efficiency. On the EV business, the Group is committed to growing the EV business in FY2025. The new battery pack development business is progressing well and is expected to deliver positive results despite some project delays due to supply chain constraints.

¹⁷ Time horizons for target settings are: (i) short term: within 5 years (until FY2028); (ii) medium term: between 5 and 20 years (between FY2028 and FY2043); (iii) long term: above 20 years (FY2043 onwards); and (iv) ongoing: encompassing short, medium, and long term.

SUSTAINABILITY REPORT

S/N	Material Sustainability Factor	Target	Current Year's Progress
Environmental			
3	Water conservation	<u>Short-term</u> Maintain or reduce water consumption	●●○ Recorded a slight 3% increase in water consumption
4	Energy conservation and climate change	<u>Short-term</u> Reduce aggregated absolute Scope 1 and 2 GHG emissions with FY2022 as the baseline	●●● Achieved a 5% reduction of aggregated absolute Scope 1 and 2 GHG emissions with FY2022 as the baseline
		<u>Medium-term and long-term</u> Reduce aggregated absolute Scope 1 and 2 GHG emissions by 10% by FY2035 and aspire to achieve carbon neutrality by FY2050 with FY2022 as our baseline	●●○ Staying on track to meet the targets set in our climate change transition plan, achieving a 5% reduction in emissions compared to the base year
5	Waste management	<u>Ongoing and long-term</u> Maintain zero cases of improper disposal of waste across business operations	●●● Maintained zero case of improper disposal of waste across business operations
Social			
6	Workplace health and safety	<u>Ongoing and long-term</u> <ul style="list-style-type: none"> • Aim to maintain zero fatalities and reduce workplace accidents to zero • Maintain zero incidents of ammonia leakage and oil spill across business operations • Conduct fire drills and evacuation exercise at least once per year 	●●○ <ul style="list-style-type: none"> • Maintain zero workplace fatalities, high-consequence work-related injuries and work-related ill health cases • Achieved a reduction in number of recordable work-related injuries • Maintained zero incidents of ammonia leakage and oil spill across business operations • Conducted fire drills and evacuation exercise at least once per year
7	Employee development and retention	<u>Short-term</u> Maintain or reduce employee turnover rate	●●● Reduction in employee turnover rate by 15% is mainly due to a lower cessation of employment contracts to meet project demands
		<u>Ongoing and long-term</u> Achieve an average of not less than 3.6 hours of overall training per employee	●●● Achieved an average of 8.7 hours of overall training per employee mainly due to increase in training provided by our China subsidiary to its employees, through collaboration with Changzhou Technician College in FY2024. In addition, our Indonesia subsidiary experienced an increase in training hours to raise employees' awareness on human rights and workplace safety, driven by increased focus from clients.

SUSTAINABILITY REPORT

S/N	Material Sustainability Factor	Target	Current Year's Progress
Social			
8	Non-discrimination and diversity in workplace	<u>Ongoing and long-term</u> Maintain zero incidents of unlawful discrimination against employees	● ● ● Maintained zero incident of unlawful discrimination against employees
9	Local community engagement	<u>Ongoing and long-term</u> Participate in community engagement activities to help the communities	● ● ● Continued to participate in community engagement activities
Governance			
10	Robust corporate governance framework	<u>Ongoing and long-term</u> <ul style="list-style-type: none"> • Maintain zero incidents of corruption and/or fraud across the Company's core operations • Maintain compliance with relevant laws and regulations 	● ● ● <ul style="list-style-type: none"> • Maintained zero incident of corruption • Maintained zero incident of non-compliance with laws and regulations

For the material Sustainability Factors identified in this Report, the Board and Sustainability Committee have considered the relevance and usefulness of setting related targets in the short-term, medium-term and long-term horizons. As the historical data trends for certain material Sustainability Factors have yet to stabilise, we have not set the related medium and long-term targets and will disclose such targets in our future sustainability reports when the data trends have stabilised and subject to market trends.

SUPPORTING THE TCFD

Our climate-related disclosures are produced based on the recommendations of TCFD:

Governance
a. Describe the board's oversight of climate-related risks and opportunities.
The Board oversees the management and monitoring of the Sustainability Factors and considers climate-related issues in determining the Group's strategic direction and policies.
b. Describe management's role in assessing and managing climate-related risks and opportunities.
Our sustainability strategy is spearheaded by an executive level Sustainability Committee, which includes senior management executives from various support units. The Sustainability Committee is led by the CFO and tasked to develop the sustainability strategy, consider climate-related issues in the evaluation of sustainability risks and opportunities, review our material impacts, consider stakeholder priorities and set goals and targets, as well as collect, verify, monitor and report sustainability metrics for this Report.
Strategy
a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.
b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.
We recognise that climate change poses different types of risks to our business. The Group's assessment on potential implication of climate-related risks was undertaken based on the Network of Central Banks and Supervisors for Greening the Financial System ("NGFS") range of climate scenarios:

SUSTAINABILITY REPORT

Scenario	Description
NGFS – Orderly	This scenario assumes that climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued through cohesive stringent climate policies and innovation.
NGFS – Hot house world	This scenario assumes that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. Critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts like sea-level rise. Only currently implemented policies are preserved, leading to high physical risks.

We selected NGFS' orderly and hot house world scenarios for the purpose of our qualitative climate scenario analysis. The impact of the climate-related risks is analysed on group-wide activities in the short term (within 5 years, until FY2028), medium term (between 5 and 20 years, between FY2028 and FY2043) and long term (above 20 years, FY2043 onwards).

Based on the above-mentioned scenarios, the climate-related risks and opportunities identified by the Group during a climate-related risk assessment exercise include the following:

Risk and Potential Impact	Potential Impact Magnitude				Mitigation Measure	Climate-Related Opportunity
	Current Effect (\$\$)	Short Term	Medium Term	Long Term		
Key physical risk identified						
Adverse weather conditions						
The physical impacts of climate change such as rising sea levels, changes in precipitation patterns and extreme variability in weather patterns can pose risks to our operations, supply chains and markets, and impact our ability to secure key production inputs and/or meet our customers' needs. They may also lead to higher cooling costs and reduced labour productivity, resulting in adverse impacts on the financial performance of the Group.	Scenario: Orderly				We put in place a climate change transition plan to steer us on our decarbonisation journey.	In view of the potential environmental risks and the resultant emerging needs for energy efficiency and lower emissions, the Group realises the opportunity to invest in energy-efficient technologies and renewable energy use.
	NA ¹⁹	●	●	●		
	Scenario: Hot house world					
We remain vigilant in monitoring the impact of climate change on our operations, mindful of the alarming estimated global cost of US\$16 million per hour ¹⁸ arising from climate-related damage.	NA ¹⁹	●	●	●	The increased prevalence and severity of adverse weather conditions drove us in adopting energy efficiency initiatives and producing renewable solar energy to manage energy consumption, generate energy savings and reduce GHG emissions.	You may refer to the energy conservation and climate change Sustainability Factor for further details

¹⁸ Source: <https://www.weforum.org/agenda/2023/10/climate-loss-and-damage-cost-16-million-per-hour/>

¹⁹ We are unable to estimate the current financial effect due to uncertainties in the inputs and assumptions resulting from the lack of available data, including information about climate outcomes and their effects on the Group. We will continue to monitor credible information to support our disclosures in this area.

SUSTAINABILITY REPORT

Risk and Potential Impact	Potential Impact Magnitude				Mitigation Measure	Climate-Related Opportunity
	Current Effect (\$\$)	Short Term	Medium Term	Long Term		
Key transition risks identified						
Shifting consumer preferences for environmentally friendly products						
The transition to a low-carbon future may lead to shifting customer preferences for greener products and/or more efficient technologies and lower emission technologies, which may in turn impact the costs of our inputs used in manufacturing our products and demand for the products sold by our customers (which in turn affects the demand for our products).	Scenario: Orderly				We continuously invest in the research and development of more energy-efficient and environmentally friendly products.	In view of the resultant emerging needs for environmentally friendly products, we realise the opportunity to promote our electronic motorcycles to customers.
	NA ²⁰	●	●	●		
	Scenario: Hot house world					
	NA ²⁰	●	●	●		
Enhanced emissions-reporting obligations						
Given that the Group is principally involved in manufacturing, it is exposed to environmental pollution risks. With rising concerns over the effects of climate change, key stakeholders such as the regulators and shareholders are demanding climate-related information. Failure to comply with the relevant climate reporting requirements may lead to adverse impacts on the Group's reputation and financial performance.	Scenario: Orderly				To strengthen our sustainability governance structure, we put in place a Sustainability Committee for managing and monitoring our material Sustainability Factors, including working with the various business units and corporate functions to ensure that these are integrated into our day-to-day operations.	The enhanced emissions reporting obligations and increase in regulatory costs will raise climate awareness amongst our employees.
	30,000 to 45,000	●	●	●		
	Scenario: Hot house world					
	30,000 to 45,000	●	●	●		
The Group experienced an increase in costs due to enhanced obligations for GHG emissions reporting. Such costs include investment of manpower resources in reporting function such as more comprehensive data collection, analysis, and reporting processes, greater involvement from management, and additional costs for consultants and employee training.					In addition, we established terms of reference for component parties involved in the sustainability reporting process, for clarity and accountability purposes.	With more defined job responsibilities and training, the Group will also be better positioned to use energy resources responsibly and adopt environmentally friendly practices.

Legend

● Minor ● Moderate ● Major

²⁰ We are unable to estimate the current financial effect due to uncertainties in the inputs and assumptions resulting from the lack of available data, including information about climate outcomes and their effects on the Group. We will continue to monitor credible information to support our disclosures in this area.

SUSTAINABILITY REPORT

In terms of our business strategy and financial planning based on the scenarios above, we will continue to formulate adaptation and mitigation plans and explore allocating resources towards transitioning to low-carbon practices. We strive to minimise the climate risks associated with our business and will seize opportunities in an effective manner such as expanding collaboration and partnership with key stakeholders to innovate and develop low carbon goods and services for the market.

c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The resilience of an organisation's strategy is dependent on its ability to adapt and thrive in the face of changing circumstances and emerging risks. The climate scenario analysis is crucial in providing insights on the potential extent of the climate-related risk exposure to our businesses as well as the potential opportunities.

Through our climate scenario analysis, we concluded that unmitigated climate risks of adverse weather conditions under hot house world scenario may result in major financial impact in the medium and long term. Under orderly scenario, the climate-related risks identified are not expected to result in significant financial impacts in the short, medium, or long term. We will incorporate these findings and considerations into our strategy, decision-making and risk management approach moving forward.

Risk Management

- a. Describe the organisation's processes for identifying and assessing climate-related risks.**
- b. Describe the organisation's processes for managing climate-related risks.**
- c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.**

The Group's climate-related risks are identified and assessed during a climate-related risk assessment exercise which is performed by the Sustainability Committee, on an annual basis.

Under the assessment, business units and support functions are responsible for identifying and documenting their relevant risk exposures that might hinder their progress towards contributing to the Group's business objectives. The Group's climate-related risks and opportunities are subsequently presented to the Board. We will integrate the climate-related risks into our risk management framework in the future.

SUSTAINABILITY REPORT

Metrics and Targets

a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

We monitor, measure and report our environmental performance such as energy consumption and GHG emissions in our sustainability reports. Monitoring and reporting these data and metrics enable us to identify areas of material climate-related risks and be more focused on our efforts.

b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.

To support the climate change agenda, we disclose our Scope 1, 2 and selected Scope 3 GHG emissions in this Report and set climate-related targets such as those related to energy and GHG emissions. We will continue to monitor our emissions and expand our disclosure on our Scope 3 GHG emissions wherever applicable and practicable.

Our disclosure on indirect Scope 3 emissions includes purchased goods and services (category 1), waste generated in operations (category 5), business travel (category 6) and employee commuting (category 7) in FY2024.

c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

As a commitment towards mitigating climate change, we set climate-related targets related to energy consumption and GHG emissions. For further details, please refer to the targets and progress section in this Report.

SUSTAINABILITY REPORT

APPENDIX 1 GRI CONTENT INDEX

Statement of use	GSS Energy Limited has reported with reference to the GRI Standards for the period from 1 January 2024 to 31 December 2024.
GRI 1 used	GRI 1: Foundation 2021

GRI standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organisational details	12-13, 98, 145-146
	2-2 Entities included in the organisation's sustainability reporting	15
	2-3 Reporting period, frequency and contact point	15, 17-18
	2-4 Restatements of information	None
	2-5 External assurance	17
	2-6 Activities, value chain and other business relationships	16, 24-25
	2-7 Employees	39
	2-8 Workers who are not employees	We have approximately 35 workers who are not employees as at 31 December 2024. They are mainly security guards outsourced for our Indonesia subsidiary and outsourced workers in the areas of information technology, sales and after-sales for our EV business.
	2-9 Governance structure and composition	05-12, 19-20
	2-10 Nomination and selection of the highest governance body	56-69
	2-11 Chair of the highest governance body	05, 12, 19-20, 59
	2-12 Role of the highest governance body in overseeing the management of impacts	19-20, 52
	2-13 Delegation of responsibility for managing impacts	19-20, 52
	2-14 Role of the highest governance body in sustainability reporting	19-20, 52
	2-15 Conflicts of interest	52-53
	2-16 Communication of critical concerns	41, 76
	2-17 Collective knowledge of the highest governance body	19, 53
	2-18 Evaluation of the performance of the highest governance body	69-70
	2-19 Remuneration policies	70-73
	2-20 Process to determine remuneration	70-73

SUSTAINABILITY REPORT

GRI standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints.
	2-22 Statement on sustainable development strategy	02-04, 13
	2-23 Policy commitments	24, 34-35, 38, 41, 80
	2-24 Embedding policy commitments	24, 34-35, 38, 41, 80
	2-25 Processes to remediate negative impacts	41, 76
	2-26 Mechanisms for seeking advice and raising concerns	41, 76
	2-27 Compliance with laws and regulations	33, 36, 39, 41
	2-28 Membership associations	None
	2-29 Approach to stakeholder engagement	17-18, 79-80
	2-30 Collective bargaining agreements	As at 31 December 2024, 95% of the applicable Group's employees are covered by collective bargaining agreements.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	19-22
	3-2 List of material topics	22-23
	3-3 Management of material topics	22-44
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	26
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	41
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	31
GRI 303: Water and Effluents 2018	303-5 Water consumption	27
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	31
	305-2 Energy indirect (Scope 2) GHG emissions	31
	305-3 Other indirect (Scope 3) GHG emissions	31
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	32-33
	306-3 Waste generated	33
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	37
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	36
	401-3 Parental leave	38
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	36
	403-10 Work-related ill health	36

SUSTAINABILITY REPORT

GRI standard	Disclosure	Location
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	37
	404-2 Programs for upgrading employee skills and transition assistance programs	36
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	39
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	39
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	40

APPENDIX 2 INDUSTRY-BASED GUIDANCE ON IMPLEMENTING CLIMATE-RELATED DISCLOSURE METRICS

The sustainability disclosure metrics are based on the IFRS SDS Industry-Based Guidance for implementing climate-related disclosure (“Industry-Based Metrics”) (Volume B54 – Electronic Manufacturing Services & Original Design Manufacturing) for the Group’s precision engineering business. The details are as follows:

Table 1. Sustainability Disclosure Topics & Accounting Metrics

Topic	Code	Metric	Response
Water Management	TC-ES-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	<ul style="list-style-type: none"> Total water withdrawn and consumed in FY2024: 49,574 CuM Percentage of water withdrawal and consumption from areas with water stress²¹ in FY2024: 82%
Product Lifecycle Management	TC-ES-410a.1	Weight of end-of-life products and e-waste recovered; percentage recycled	We do not track these metrics as we mainly manufacture and assemble components and mechanisms of electronic products for distribution to customers from various industries. These customers are generally responsible for further distribution to end-users and managing the end-of-life products, including recycling programs.

Table 2. Activity Metrics

Topic	Activity Metric	Response
TC-ES-000.A	Number of manufacturing facilities	We have seven (7) production and assembly lines across 5 locations.
TC-ES-000.B	Area of manufacturing facilities	51,353 m ²
TC-ES-000.C	Number of employees	1,699 permanent and temporary employees as at 31 December 2024

²¹ Areas with water stress across the Group’s areas of operations are identified based on the World Resources Institute Aqueduct Water Risk Atlas. These include our manufacturing plants located in China, Indonesia and Thailand.

CORPORATE GOVERNANCE REPORT

GSS Energy Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) is committed to a high standard of corporate governance in order to protect the interest of its shareholders and enhance long-term shareholder value. The board of directors (the “**Board**” or the “**Directors**”) fully supports the principles and guidelines of the Code of Corporate Governance 2018 (the “**Code**”) and has put in place various mechanisms to ensure that effective corporate governance is practiced. The Board is pleased to report on the Company’s corporate governance processes and activities as required by the Code and the relevant sections of the Listing Manual of the SGX-ST, Section B: Rules of Catalist (the “**Catalist Rules**”).

The Group has generally adhered to the principles and provisions laid down by the Code, and where there is any variation from the provisions of the Code, appropriate explanation has been provided within this Report. For easy reference, the principles and provisions of the Code under discussion in this Report are specifically identified.

BOARD MATTERS

The Board’s Conduct of Affairs

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

Principal Roles of the Board

The Board oversees the business affairs of the Group and is responsible for setting the strategic direction and establishing goals for the management team of the Company (“**Management**”). In addition to setting these goals, the Board works with Management to achieve them, while also guiding the Group’s approach to governance.

During the financial year ended 31 December 2024 (“**FY2024**”), as in the past years, apart from its statutory responsibilities, the principal roles of the Board include:

- i. providing entrepreneurial leadership, setting strategic directions and objectives, and ensuring that adequate financial and human resources are in place for the Group to achieve its objectives;
- ii. ensuring the adequacy and effectiveness of internal controls (including financial, operational and compliance) and establish and maintain a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and Group performance;
- iii. reviewing financial performance and necessary reporting compliance;
- iv. approving matters as specified under the SGX-ST’s interested person transaction policy;
- v. reviewing and approving major funding, investment and divestment proposals;
- vi. setting the Group’s values, standards and organisational culture, reviewing Management performance (including business ethics), ensuring proper accountability within the Group, and ensuring that obligations to shareholders and other stakeholders are understood and met;
- vii. assuming responsibility for corporate governance; and
- viii. considering sustainability issues such as environmental and social factors as part of its strategic formulation.

Fiduciary Duties and Conflicts of Interest

Directors are cognizant that they are fiduciaries of the Company and owe fiduciary duties under the law. Upon appointment, Directors undertake to comply with their director duties under the Catalist Rules, the Companies Act 1967 of Singapore (the “**Companies Act**”), the Company’s internal guidelines and policies, and any other applicable laws and regulations.

CORPORATE GOVERNANCE REPORT

In the exercise of their power and duties, Directors act in good faith and in the best interests of the Company by exercising due care, skills and diligence, and avoiding conflicts of interest. When an actual or potential conflict of interest situation arises, the conflicted Director is required to recuse himself or herself from conflict-related discussions unless the Board is of the opinion that his or her participation is necessary. Where such participation is permitted, the conflicted Director excuses himself or herself for an appropriate period during the discussions to facilitate full and frank exchange by the other Directors, and shall in any event recuse himself or herself from the decision-making.

A Director is required to declare his or her interests in all transactions with the Group, if any, and provide details on the nature of such interests as soon as practicable after the relevant facts have come to his or her knowledge. This is also provided on an annual basis.

Directors' Orientation and Training

A formal letter of appointment is provided to a new Director upon his or her appointment, setting out the duties and obligations associated with his or her directorship. All new Directors are given an orientation of the Group's business, core values, corporate governance practices and its strategic directions, as well as industry-specific knowledge.

A new director with no prior experience as a director of an issuer listed on the SGX-ST must also undergo mandatory training in his or her roles and responsibilities as prescribed by the SGX-ST, unless the Nominating Committee (the "NC") is of the view that training is not required because he or she has other relevant experience.

Directors are informed of and encouraged to attend relevant training programmes conducted by Singapore Institute of Directors ("SID"), Singapore Exchange Limited, and business and financial institutions and consultants. Such training and development undertaken by Directors will be at the Company's expense. They are also informed about matters such as the Company's Code of Dealings which prohibits dealing in the Company's shares when they are privy to price sensitive information.

Directors are updated regularly on changes in relevant laws and regulations; industry developments; business initiatives and challenges; and analyst and media commentaries on matters related to the Company and the media industry so as to enable them to properly discharge their duties as Board or Board Committee members.

Access to Complete, Adequate and Timely Information

The Directors receive updates on the business of the Group from Management on an on-going basis through regular scheduled meetings and ad-hoc Board meetings. Prior to the meetings, they are furnished with complete, accurate and adequate information in a timely manner to enable them to be fully cognisant of the decisions and actions of Management, and to make informed decisions and discharge their duties and responsibilities effectively. As a general rule, materials will normally be circulated out to them a week in advance of each meeting.

The Directors have been provided with the contact details of Management and may, at any time, request for further explanation, briefings or informal discussions on any aspect of the Group's operations or business issues from Management, and the Directors may assist Management to strategise, make business decisions and oversee the execution of business plans by Management to achieve the Company's goals. The appointment and removal of the company secretary is a decision of the Board as a whole. In furtherance of their duties, the Directors, whether individually or collectively, may seek and obtain independent professional advice as and when the need arises, at the Company's expense.

Board Committees

To assist the Board in discharging its oversight functions and enhance the Company's corporate governance framework, the Board has formed four (4) committees, namely the Audit Committee (the "AC"), the NC, the Remuneration Committee (the "RC") and the Investment Committee (the "IC") (collectively, the "Board Committees"). Each Board Committee reviews the matters that fall within its respective terms of reference (the "Terms of Reference") and reports its decisions to the Board which endorses and accepts ultimate responsibility on such matters. Minutes of each Board Committee's meetings are available to all Board members. All Directors are required to declare their board representations annually. The NC will consider whether the board member is able to adequately carry out his or her responsibilities as a Director of the Company when he or she has multiple board representations and other commitments.

CORPORATE GOVERNANCE REPORT

The Board acknowledges that, while these various Board Committees have the authority to examine particular issues and report back to the Board with their decisions and recommendations, the ultimate responsibility on all matters lies with the Board.

Investment Committee Composition and Role

To facilitate the strategic decision-making for better management of the Company and Group's investments, particularly in relation to complex or significant investment matters, the Board, with the assistance of the NC, established an IC on 13 February 2025.

The primary role of the IC is to support the Board in overseeing the Group's investment-related activities, decisions, policies, and risks, ensuring alignment with the Company's and Group's strategic goals.

As of the date of this Annual Report, the IC comprises the following five (5) members, one (1) of whom is a Non-Executive Non-Independent Director, who is the Chairperson; two (2) of whom are Non-Executive Independent Directors; one (1) of whom is the Executive Director and Group Chief Executive Officer ("**CEO**"); and one (1) of whom is the Group Chief Financial Officer ("**CFO**"):

Fung Kau Lee, Glenn	-	Chairperson
Yeung Kin Bond, Sydney	-	Member
Lei Chien	-	Member
Wong Quee Quee, Jeffrey	-	Member
Wong Liong Khoon	-	Member

The members of the IC comprise independent Directors and key executives of the Company, forming a well-balanced team to assess investment opportunities, review strategic initiatives, and guide decision-making on matters within its Terms of Reference.

The IC shall operate in accordance with its written Terms of Reference, which clearly outline its authority and duties, and report directly to the Board. The responsibilities and principal functions of the IC include:

- i) to review major transactions, including prospective investments and divestments, and new joint ventures within the authorities delegated by the Board;
- ii) to review the project assessment and risk management process, and the adequacy, and standards thereof;
- iii) to examine the annual capital expenditure plans formulated by the Company;
- iv) to review from time to time, as appropriate, these Terms of Reference on their effectiveness and recommend to the Board any necessary changes;
- v) such other matters in relation to investments and divestments as the Committee may deem appropriate; and
- vi) any other duties assigned by the Board.

The IC will hold a regular meeting to review the annual capital investment plan at least once a year, along with additional or emergency meetings as required for any significant transactions.

Since the establishment of the IC, it has met once to review and implement internal investment guidelines, investment reporting and disclosure practices, investment strategy (including investment budgets), evaluation of underperforming investments, potential disposing or restructuring, strategic investments or collaboration such as mergers or joint ventures, capital allocation, and fundraising and financing opportunities.

CORPORATE GOVERNANCE REPORT

Board Approvals

The Group has adopted internal guidelines governing matters that require the Board's approval which has been clearly communicated to Management in writing. Where appropriate, decisions are also taken by way of Directors' resolutions in writing. The matters that require the Board's approval are listed below:

- i. appointment of Directors;
- ii. annual report and financial statements and accounts;
- iii. issuance of shares, dividends and other returns to shareholders;
- iv. interested person transactions;
- v. material acquisition or disposal;
- vi. corporate strategies and financial restructuring;
- vii. opening and closing of bank accounts, change of authorised signatories, mode of operation and dealing mandates with the Company's banks, acceptance of offers for banking facilities, and any borrowings, financial covenant or commitment; and
- viii. any other matters as prescribed under the relevant legislations and regulations, as well as the provisions of the Company's Constitution.

While matters relating to the Group's policies and strategies require the Board's approval, Management is responsible for the day-to-day administration and operations of the Group.

Board Attendance

The Board meets at least for 4 times a year for regularly scheduled meetings to review the performance of the Group and the announcements of the Group's half year and full year financial results. Additional meetings may be convened on an ad-hoc basis as and when necessary to address significant issues or transactions. Directors may convene Board meetings by teleconferencing or videoconferencing. The Company's Constitution allows for the Board meetings to be conducted in the form of telephone conferencing or other methods of simultaneous communication by electronic or telegraphic means without a member being in the physical presence of another member or members.

The number of meetings of the Board, Board Committees and general meetings held in 2024 and the attendance of each Director at those meetings are set out in the table below:

	Board	Audit Committee	Nominating Committee	Remuneration Committee	General Meeting ⁽³⁾
Number of meetings held	4	4	2	2	1
Name of Director	Number of meetings attended				
Anthony Kuek Eng Chye ⁽¹⁾	2	2	2	1	1
Lei Chien ⁽²⁾	2	2	–	1	–
Yeung Kin Bond, Sydney	3	4*	1	1*	1
Ng Say Tiong	4	4*	2*	2*	1
Fung Kau Lee, Glenn	4	4	2*	2	1
Wong Quee Quee, Jeffrey	4	4	2	2	1
Lee Kok Beng	2	2*	–	1*	1

* Attendance by invitation of the relevant Board Committees.

(1) Retired on 30 April 2024.

(2) Appointed on 16 July 2024.

(3) Refers to the annual general meeting ("AGM") held on 30 April 2024

CORPORATE GOVERNANCE REPORT

Principle 2: Strong and independent element on the Board

Board Composition and Size

As at the date of this Annual Report, the Board comprises six (6) members, of which two (2) are Independent Non-Executive Directors, one (1) is a Non-Executive Non-Independent Director and three (3) are Executive Directors.

Lei Chien	- Non-Executive Independent Director and Chairperson of the Board (appointed on 16 July 2024)
Yeung Kin Bond, Sydney	- Group Chief Executive Officer and Executive Director
Ng Say Tiong	- Executive Director
Lee Kok Beng	- Executive Director
Wong Quee Quee, Jeffrey	- Non-Executive Independent Director
Fung Kau Lee, Glenn	- Non-Executive Non-Independent Director

The NC is responsible for examining the size and composition of the Board and Board Committees. Provision 2.3 of the Code provides that the Non-Executive Directors are to make up a majority of the Board. After having considered the scope and nature of the Group's businesses and the requirements of the business, the Board and the NC, after extensive observation and deliberation, are of the view that the current board size and composition is appropriate notwithstanding that the Non-Executive Directors do not make up a majority of the Board. The Board believes that the existing composition of the Board Committees effectively serves the Group. There was no individual or small group of individuals that dominates the decisions of the Board. The Directors have demonstrated strong independent character and judgement over the years in discharging their duties and upholding the interest of shareholders. They have expressed individual viewpoints, debated issues and objectively scrutinised and challenged Management where appropriate. Accordingly, notwithstanding that the Provision 2.3 of the Code was not met in FY2024, the Board is of the view that it has an appropriate level of independence and diversity to enable it to make decisions in the best interests of the Company. The Board is able to exercise independent and objective judgment on corporate affairs. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined, taking into consideration the long-term interests of the Group and its shareholders. The key information regarding the Directors is set out on pages 5 to 10 of this Annual Report.

Board Independence

The Code defines an "independent" director as one who is independent in conduct, character and judgement, has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company.

The Board recognises that independent directors may over time develop significant insights in the Group's business and operations, and can continue to provide noteworthy, objective and valuable contributions 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.

The NC takes into consideration of relations or circumstances identified in the Code and the Practice Guidance accompanying the Code (the "Practice Guidance") in its determination as to whether a Director is independent. In FY2024, the Board considered a Director to be independent if he or she was independent in conduct, character and judgement, and had no relationship with the Company, its related corporations, its substantial shareholders (i.e., having at least a 5% interest in the Company) or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company. Where any of the following circumstances existed, the Director would not be considered independent: (i) a Director being employed by the Company or any of its related corporations for the current or any of the past three (3) financial years; or (ii) a Director who has an immediate family member who is, or has been in any of the past three (3) financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC. Other circumstances that the Board considers in its determination of a Director's independence include (i) a Director being on the Board for an aggregate period of more than nine (9) years; (ii) a Director providing to or receiving from the Company or any of its subsidiaries significant payments or material services during the financial year under review or the previous financial year, other than compensation for board service; and (iii) a Director being related to any organisation to which the Company or any of its subsidiaries, or from which the Company or any of its subsidiaries received, significant payments or material services during the financial year in question or the previous financial year.

CORPORATE GOVERNANCE REPORT

The Directors submit annual declarations of independence to the NC for assessment. The NC, in its deliberation of the independence of a Director, took into consideration the relevant provisions of the Catalist Rules, the Code and where relevant, the recommendations set out in the Practice Guidance.

Following its annual review, the NC, having reviewed the independence of the relevant Directors, is satisfied that there are no relationships or circumstances which are likely to materially affect the following Independent Directors' objective and independent judgement:

- i. Dr Lei Chien ("**Dr Lei**"); and
- ii. Mr Wong Quee Quee, Jeffrey ("**Mr Jeffrey Wong**").

Accordingly, the Board has, upon the NC's recommendation, affirmed that the above-named Directors, each of whom had served less than nine (9) years as an Independent Director since their date of appointment to the Board, remains independent as contemplated by the Catalist Rules and the Code.

Board Diversity

With a view to achieving a sustainable and balanced development, the Company sees diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Company is accordingly committed to promoting diversity of the Board. The Company has adopted its diversity policy (the "Board Diversity Policy") since 2022 and the Board Diversity Policy is reviewed and updated (where necessary) by the NC. The Board, through its Board Diversity Policy, endorses the principle that its Board should have a balance of skills, knowledge, experience, length of service, age, gender 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 and to foster constructive debate. All Board appointments are made based on merit, in the context of skills, experience, independence and knowledge which the Board, as a whole, requires to be effective.

The Board recognises the importance and benefits of diversity in all ways, regardless of genders, age groups, skillsets, experiences, background and other distinguishing factors/qualities, is to have an effective and diverse Board. The main objective of the Board Diversity Policy is to continue to maintain the appropriate balance of perspectives, skills and experience on the Board to support the long-term success of the Company.

The Board Diversity Policy applies to the Board and to the Group's workforce. The Board is aware that the Board Diversity Policy should include the following:

- (a) the Company's targets to achieve diversity on its Board;
- (b) the Company's accompanying plans and timelines for achieving the targets;
- (c) the Company's progress towards achieving the targets within the timelines; and
- (d) a description of how the combination of skills, talents, experience and diversity of its directors services the needs and plans of the Company.

The current Board consists of members from diverse backgrounds and possess core competencies, qualifications and skills, all of whom, as a group, provides the Board with a good mix of the necessary experience and expertise to direct and lead the Group. Their combined wealth and diversity of experience enables them to contribute effectively to the strategic growth and governance of the Group. For reference, please refer to pages 5 to 10 of this Annual Report for key information regarding the Directors. The Board recognises the importance and value of gender diversity in the composition of the Board.

CORPORATE GOVERNANCE REPORT

Diversity Targets and Progress

The target, timeline and progress towards achieving the diversity objectives as set out in the Board Diversity Policy are summarised below:

1. Tenure of Service of Board of Directors

The tenure of each independent Director is monitored every year so that the process for Board renewal is reviewed and considered ahead of any independent Director reaching the nine-year mark to facilitate a smooth transition and to ensure that the Board continues to have an appropriate level of independence.

2. Diversity of Age

The ages of the current Directors range from 49 to 66. The Company has not set any specific target for the boardroom age diversity but will work towards having appropriate age diversity in the Board, if opportunity arises. The Company does not fix age limit for its Directors given that its Directors are normally reputed and experienced in the corporate world and could continue to contribute to the Board in steering the Company. The Board is committed to promoting age diversity, valuing the contribution of its members regardless of age, and seeks to eliminate age stereotyping and discrimination on age.

3. Female Board Representation

In recognition of the importance and value of gender diversity in the composition of the Board, the Company appointed a female Director during FY2024. Dr Lei was appointed as the Non-Executive Independent Director and Chairperson of the Board of the Company on 16 July 2024. She was also appointed as the Chairperson and member of various Board Committees. This aligns with the gender diversity target set for FY2023, which aimed to have at least one (1) female representation on the Board and its gender diversity as outlined in the Board Diversity Policy.

The NC will continue to assess the need for additional female representation on the Board. Female candidates if fielded for consideration will be considered for Board appointments.

4. Strive for majority of the Board members to be independent

As at the date of this Annual Report, the Board comprises six (6) members of which two (2) are Independent Directors and the Chairperson of the Board is independent. Although the Board is not composed of a majority of Independent Directors, the Company is in compliance with Provision 2.2 of the Code as the Chairperson is independent and believes that the level of Board independence to-date, enabled the Board to function effectively at optimum level during the year and exercise objective judgment on corporate affairs independently.

Notwithstanding, the Board will review its composition on a regular basis and strive to achieve compliance with the Code (specifically in relation to Provision 2.3), taking into consideration its operational needs.

5. Balance of skill set on the Board

The Company believes that diversity in skill sets would support the work of the Board and the Board Committees and the needs of the Group, and that an optimal mix of experience would help shape the Group's strategic objectives and provide effective guidance and oversight of Management and the Group's operations. The broad categories in the skill matrix are (i) industry knowledge; (ii) business and related; (iii) strategic planning; and (iv) professional skills (e.g. accounting & finance and legal & regulatory etc).

The NC and the Board had reviewed the skill matrix and are satisfied that the current Board members have the appropriate skill set to lead and govern the Group effectively to achieve the Company's strategic objectives. In identifying any new Board members, the NC and the Board aim to have an appropriate mix of expertise with complementary skills, core competencies and experience for facilitating effective decision making. Each Director will be appointed based on his or her skills, experience and knowledge, and is expected to bring forth his or her experience and expertise to the Board for the continuous development of the Group.

CORPORATE GOVERNANCE REPORT

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

- (i) annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and
- (ii) annual evaluation by the Directors with a view to understanding the range and level of expertise which is potentially lacking on the Board.

The NC reviews its targets for diversity from time to time and may recommend changes or additional targets to achieve greater diversity. In addition, the NC reviews the Company's Board Diversity Policy from time to time, as appropriate, to ensure its continued effectiveness and relevance, and any revisions, where necessary, will be recommended to the Board for approval. The Company remains committed to implement the Board Diversity Policy and any further progress made towards the implementation of such policy will be disclosed in future Corporate Governance Reports, as appropriate.

Roles of Non-Executive Directors

The Non-Executive Independent Directors may meet without the presence of Management, as and when they deem appropriate, to review any matters that might be raised privately. The Chairperson of such meetings will then provide feedback to the Board as appropriate.

Principle 3: Clear division of responsibilities and balance of power and authority

Separation of the role of Chairperson and Chief Executive Officer

The Company has a separate Chairperson and Group CEO. The Chairperson and the Group CEO are not related to each other. This ensures that there is an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

Both Directors are to maintain effective oversight and accountability at Board and Management levels.

Dr Lei is the Independent Non-Executive Chairperson of the Board. She promotes high standards of corporate governance and leads the Board to ensure its effectiveness on all aspects of its role. The principal responsibilities of the Chairperson include leading the Board to ensure it effectively discharges its role and responsibilities, approving agendas of Board Meetings, monitoring the quality and timeliness of the flow of information from Management to the Board and promoting effective communication with shareholders. The Chairperson also facilitates robust discussions and deliberations in Board meetings, encourages constructive relations between Board and Management, and promotes high standards of corporate governance with the full support of the other Directors, the Company Secretary and Management.

At the AGM and other shareholder meetings, the Chairperson plays a pivotal role in fostering constructive dialogue between shareholders, the Board and Management.

Mr Yeung Kin Bond, Sydney ("**Mr Sydney Yeung**") is the Group CEO, he bears responsibility for the overall management, businesses development and strategic planning of the Group, and the timeliness of information flow between Management and the Board.

The Group CEO manages the Company and oversees the Group's operations and implementation of the Group's strategies, plans and policies to achieve planned corporate performance and financial goals. His management of the Group's business, including implementing Board's decisions, is carried out with the assistance of the senior management executives of the Group. Collectively, they are responsible for the day-to-day operations and administration of the Company and the Group, ensuring, inter alia, operational and organisational efficiency, profitable performance of the operating units, regulatory compliance, good corporate governance and effective risk management.

The Board is of the view that during FY2024, the Company had an effective group of Independent Non-Executive Directors in place to ensure balance within the workings of the Board and to provide oversight minority shareholders' interests.

CORPORATE GOVERNANCE REPORT

Principle 4: Board Membership

Formal and transparent process for the appointment and re-appointment of the Directors to the Board

The Board reviews the composition of the Board and Board Committees, taking into consideration the Director's experience, competencies, contribution and performance.

Nominating Committee Composition and Role

As of the date of this Annual Report, the NC comprises the following three (3) members, two (2) of whom, including the Chairperson, are Non-Executive Independent Directors:

Lei Chien	-	Chairperson (appointed on 16 July 2024)
Yeung Kin Bond, Sydney	-	Member
Wong Quee Quee, Jeffrey	-	Member

The Board established the NC with written Terms of Reference which clearly set out its authority and duties, and report to the Board directly. The responsibilities and principal functions of the NC, as set out in its Terms of Reference, include:

- i) To review succession plans for Directors, in particular, the Chairperson and Group CEO;
- ii) To determine whether a Director is independent annually;
- iii) To review and recommend nomination and re-nomination of the Directors having regards to the Directors contribution and performance;
- iv) To review the composition of the Board annually;
- v) To decide whether a Director with multiple board representations and other principal commitments is able to carry out his or her duties as a Director;
- vi) To make recommendations to the Board on the process and criteria for evaluation of the performance of the Board, its Board Committees and Directors, and to be responsible for assessing the effectiveness of the Board as a whole and the Board Committees, and for assessing the contribution of each individual Director to the effectiveness of the Board. The review of Board diversity forms part of its annual evaluation of the Board's performance and effectiveness;
- vii) To review the training and professional development programmes for the Board and to ensure that new Directors are aware of their duties and obligations; and
- viii) To ensure the adherence to the Code.

Review of Directors' independence

The NC is satisfied that the current size and composition of the Board has the adequate ability to meet the Company's existing scope of needs and the nature of operations. From time to time, the NC will review the appropriateness of the current Board size, taking into consideration the changes in the nature and scope of operations as well as the regulatory environment.

The independence of each Director is assessed and reviewed annually by the NC. In its deliberation as to the independence of a Director, the NC took into account if such Director holds substantial interest in shares in the capital of the Company and examples of relationships as set out in the Code, considered whether a Director had business relationships with the Group, and if so, whether such relationships could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent judgements.

CORPORATE GOVERNANCE REPORT

The Independent Directors for FY2024, being Dr Lei and Mr Jeffrey Wong, have confirmed that they or their immediate family members do not have any relationship with the Company or any of its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment with a view to the best interests of the Company, and do not fall under any of the circumstances pursuant to Rule 406(3)(d)(i) and (ii) of the Catalist Rules of the SGX-ST. The Independent Directors do not have substantial interest in shares of the Company and were not in foreseeable situation that could compromise their independence of thought and decision. The Board, based on the review conducted by the NC, has determined that the said Directors are independent.

Appointment of New Directors and Re-appointment of Directors

The NC conducts an annual review of the balance, diversity and size of the Board to determine whether any changes are required in relation to the Board composition. Where new Directors are required, the NC will identify the key attributes that an incoming Director should have, which is based on a matrix of the attributes of the existing Board and the requirements of the Group. After the Board endorses the key attributes, the NC taps on the resources of the Directors' network and/or engage external professional bodies or consultants to source for potential candidates. The NC will interview the shortlisted potential candidates with appropriate profile to assess suitability and to ensure that the candidates are aware of the expectation and the level of commitment required, before nominating most suitable candidate to the Board for approval and appointment as Director.

The role of the NC also includes the responsibility of reviewing the re-nomination of Directors who retire by rotation, taking into consideration the Director's integrity, independence, contributions and performance (such as attendance record, preparedness and participation at meetings) and any other parameters as may be determined by the NC. Each member of the NC shall abstain from voting on any resolutions in respect of his or her reappointment.

New Directors are appointed by way of a Board resolution, upon their nomination by the NC. In accordance with Regulation 88 of the Company's Constitution, these new Directors that are appointed by the Board are subject to election by shareholders at the first opportunity after their appointment. The Constitution also provides that at least one-third of the remaining Directors are subject to re-election by rotation at each AGM. This will enable all shareholders to exercise their rights in selecting all Board members.

Pursuant to Regulation 89 of the Company's Constitution, all Directors of the Board, including the Chairperson are required to submit themselves for re-nomination and re-election at regular intervals, at least once every three (3) years. At each AGM of the Company, one-third of the Directors, being those who have served longest in office since their re election, are required to retire by rotation.

Pursuant to Rule 720(4) of the Catalist Rules, all Directors must submit themselves for re-appointment at least once every three (3) years.

The Board has accepted the NC's nomination of the retiring Directors, who have given their consent for re-election at the forthcoming AGM of the Company. The retiring Directors at the forthcoming AGM of the Company are Mr Sydney Yeung and Mr Fung Kau Lee, Glenn ("**Mr Glenn Fung**"), who will retire pursuant to Regulation 89 of the Constitution of the Company and Rule 720(4) of the Catalist Rules; and Dr Lei, who will retire pursuant to Regulation 88 of the Constitution of the Company. Dr Lei will, upon election as a Director of the Company, continue to serve as an Independent Non-Executive Director and Chairperson of the Board, and remain as the Chairperson of the NC and the RC, and a member of the AC and IC respectively and will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

CORPORATE GOVERNANCE REPORT

Pursuant to Rule 720(5) of the Catalist Rules, the information set out in Appendix 7F relating to the above Directors to be put forward for election or re-election at the forthcoming AGM is disclosed below:

Name of Director	Yeung Kin Bond, Sydney	Fung Kau Lee, Glenn	Lei Chien
Date of Appointment	30 November 2014	25 November 2016	16 July 2024
Date of last re-appointment (if applicable)	29 April 2022	29 April 2022	Not applicable
Age	51	68	66
Country of principal residence	Singapore	Hong Kong SAR, China	Taiwan, Republic of China
Whether appointment is executive, and if so, the area of responsibility	Executive, Mr Sydney Yeung is responsible for day-to-day management decisions and for implementing the Company's long and short-term plans.	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and Group CEO, member of the NC and the IC.	Non-Executive Non-Independent Director, Chairperson of the IC, member of the AC and the RC.	Non-Executive Independent Director and Chairperson of the Board, Chairperson of the NC and the RC, and member of the AC and the IC
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Sydney Yeung as the Executive Director and Group CEO was recommended by the NC, and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experience and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr Glenn Fung as the Non-Executive Director was recommended by the NC, and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experience and overall contribution since he was appointed as a Director of the Company.	The re-election of Dr Lei as the Independent Non-Executive Director and Chairperson of the Board was recommended by the NC, and the Board has accepted the recommendation, after taking into consideration her qualifications, expertise, past experience and overall contribution since she was appointed as a Director of the Company.
Professional and educational qualifications	Fordham University	<ul style="list-style-type: none"> Bachelor of Applied Science (Civil Engineering), University of British Columbia Canada Master in Business Administration, University of British Columbia Canada Member of Chartered Financial Analyst Institute 	<ul style="list-style-type: none"> B.A, Foreign Languages and Literature, National Taiwan University M.A, Annenberg School for Communication, University of Pennsylvania Ph.D., Annenberg School for Communication, University of Pennsylvania

CORPORATE GOVERNANCE REPORT

Name of Director	Yeung Kin Bond, Sydney	Fung Kau Lee, Glenn	Lei Chien
Working experience and occupation(s) during the past 10 years	<p>2014 to Present: Executive Director and Group CEO, GSS Energy Limited</p> <p>2011 to Present: Independent Non-Executive Director, Ares Asia Limited</p> <p>2010 to Present: Director, Roots Capital Asia Limited</p>	<p>2024 to Present: Director, Verde Ventures (Singapore) Pte. Ltd.</p> <p>2024 to Present: Director, Verde Chemical (Singapore) Pte. Ltd.</p> <p>2015 to Present: CEO of N-Bridge Capital Group Limited</p> <p>2007 to Present: Director, Sundan Pacific Limited</p>	<p>2023 to Present: Senior Research Fellow, Belt and Road Research Institute, Hainan University</p> <p>2018 to Present: Chairperson and Executive Director, Natural Beauty Bio-Technology Ltd.</p> <p>2017 to Present: Chairperson, National Women's League, R.O.C</p> <p>2016 to Present: Executive Director, Pacific Construction Co., Ltd.</p> <p>2014 to 2020: Vice Chairman, DigiDom Cable TV Co., Ltd.</p> <p>2011 to 2020: Independent Director, IBF Financial Holdings Co., Ltd.</p> <p>2009 to 2017: Director, Eastern Broadcasting Co., Ltd.</p>
Shareholding interest in the listed issuer and its subsidiaries	Yes	Yes	None
Shareholding details	Direct interest of 245,627,494 shares in share capital of the Company and deemed to have an interest in the 2,660,001 shares in the capital of the Company held by Roots Capital Asia Limited.	Deemed to have an interest in the 72,700,000 shares held by Sundan Pacific Limited.	None
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None	None
Conflict of interest (including any competing business)	None	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

CORPORATE GOVERNANCE REPORT

Name of Director	Yeung Kin Bond, Sydney	Fung Kau Lee, Glenn	Lei Chien
Other Principal Commitments including Directorships			
Past (for the last 5 years)	None	None	2014 to 2020: Vice Chairman, DigiDom Cable TV Co., Ltd. 2010 to 2020: Independent Director, IBF Financial Holdings Co., Ltd.
Present	Director of <ul style="list-style-type: none"> ● Giken Sakata (S) Limited ● Giken Precision Engineering (S) Pte. Ltd. ● Changzhou Giken Precision Co., Ltd ● Changzhou Giken Technology Co., Ltd ● Turbo Charge Limited ● Avita-Giken Technology Co., Ltd. ● Giken Trading (S) Pte. Ltd. ● Giken Mobility Pte. Ltd. ● Giken Motors Asia Pacific Pte. Ltd. ● Edison Motors Co., Ltd ● Giken Renewable Energy Solutions Pte. Ltd. ● Giken-EM Pte. Ltd. ● Changzhou Gik-EM Import & Export Co. Ltd. ● WiseGiken Elite Pte. Ltd. ● Verde Chemical (Singapore) Pte. Ltd. ● I-Motor Asia Limited ● I-Motor Korea Co., Ltd. ● Roots Capital Asia Limited ● Commissioner, PT Giken Precision Indonesia ● Commissioner, PT Gken Technology Indonesia ● Commissioner, PT Sarana GSS Trembul 	Director of <ul style="list-style-type: none"> ● Sundan Pacific Limited ● N-Bridge Capital Group Limited ● Verde Ventures (Singapore) Pte. Ltd. ● Verde Chemical (Singapore) Pte. Ltd. 	Senior Research Fellow, Belt and Road Research Institute, Hainan University Chairperson and Executive Director, Natural Beauty Bio-Technology Ltd. Chairperson, National Women's League, R.O.C Executive Director, Pacific Construction Co., Ltd.

CORPORATE GOVERNANCE REPORT

Name of Director	Yeung Kin Bond, Sydney	Fung Kau Lee, Glenn	Lei Chien
Information required pursuant to Catalist Rules 704(6) and/or 704(7)			
(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?	None	None	None
(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?	None	None	None
(c) 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?	None	None	None
(d) Whether there is any unsatisfied judgment against him?	None	None	None

CORPORATE GOVERNANCE REPORT

Name of Director	Yeung Kin Bond, Sydney	Fung Kau Lee, Glenn	Lei Chien
(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?	None	None	None
(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?	None	None	None
(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?	None	None	None
(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?	None	None	None

CORPORATE GOVERNANCE REPORT

Name of Director	Yeung Kin Bond, Sydney	Fung Kau Lee, Glenn	Lei Chien
(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?	None	None	None
(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	None	None	None
(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	None	None	None
(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	None	None	None
(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?	None	None	None

CORPORATE GOVERNANCE REPORT

Name of Director	Yeung Kin Bond, Sydney	Fung Kau Lee, Glenn	Lei Chien
(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?	None	Yes	None
If Yes, Please provide full details	Not applicable	Mr Glenn Fung was investigated by the Investment Dealers Association of Canada in 2001 over the conduct of an employee he was supervising while working for HSBC (Canada). The case was closed with a settlement of C\$25,000, paid by HSBC, and with no admission of guilt. Mr Glenn Fung was subsequently promoted to Vice President of HSBC Brokerage (USA).	Not applicable
Disclosure applicable to the appointment of Director only.			
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. 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).	Yes. Mr Sydney Yeung has served as a Director of GSS Energy Limited since 2014. He is also a Director of Ares Asia Limited.	Yes. Mr Glenn Fung has served as a Director of GSS Energy Limited since 2016.	No. Dr Lei was appointed as a Director of GSS Energy Limited in July 2024 and attended the Listed Entity Director Programme in September 2024.

CORPORATE GOVERNANCE REPORT

Directors' Time Commitments

The role of the NC also includes assessing yearly if each Director has any issue with competing time commitments, holds multiple directorships which may impact his or her ability to provide sufficient time and attention to his or her duties as a Director of the Company. In addition, the NC will also take into consideration, inter alia, a qualitative assessment of each Director's contributions as well as any other relevant time commitments.

The Board has not set a maximum number of other company directorships which a Director may concurrently hold, taking into consideration that multiple representations can benefit the Group as these Directors bring to the Board greater depth and diversity of experience, knowledge and perspectives. The NC and the Board are satisfied that all the Directors were able to and have been adequately carrying out their duties as Directors of the Company in FY2024.

The listed company directorships and profile of each Director is provided in the "Board of Directors" section of the Annual Report.

Principle 5: Board performance

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

The NC has been tasked to assist the Board to develop a performance evaluation framework for the Board, Board Committees and individual Directors, proposed performance criteria and assist in the conduct of the evaluation, analyses the findings and reports the results to the Board.

The NC, together with the Board, has established a formal process setting out the performance criteria for assessing the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution by each individual Director to the effectiveness of the Board to align with the applicable principles and provisions set out in the Code.

The evaluation exercise is carried out by way of performance evaluation questionnaires which are circulated to the Board members for completion. The Board performance evaluation process assesses qualitative and quantitative criteria including, inter alia, size, independence, diversity and quality of Board composition, adequacy, quality and timeliness of information provided to the Board, the Board's understanding of the Group's strategic objectives and internal controls, sustainability, Board culture and dynamics, Board's partnership with Management and other key issues. Each Director evaluates the performance of the Board and Board Committees.

The assessment of the contribution of individual Directors to the effectiveness of the Board is also performed annually. Such assessments are made against established performance criteria approved by the Board. The assessment parameters for each Director include his or her knowledge and abilities, attendance records at the meetings of the Board and Board Committees, and the intensity and quality of participation at meetings. The Board acts on the feedback and in consultation with the NC to evaluate the Directors' contribution individually and have taken such evaluation into consideration for the re-nomination of the Directors.

For FY2024, the NC conducted a formal review of the performance evaluation of the Board, the Board Committees and individual Directors. The findings were summarized based on feedback collected through questionnaires circulated to the Board and Board Committees, as well as self-assessment forms completed by each individual Director. Each evaluation, along with the feedback and recommendations from the Board, Board Committees and individual Directors, was discussed and reviewed by the NC. Based on the evaluation summary for FY2024, along with feedback and recommendations from the Board, Board Committees and individual Directors, the NC is satisfied that all members of the Board, the Board Committees, and individual Directors met their performance objective for FY2024.

The primary objective of the Board evaluation exercise is to create a platform for the Board and the Board Committees members to provide constructive feedback on the Board procedures and processes and the changes which should be made to enhance the effectiveness of the Board and the Board Committees.

CORPORATE GOVERNANCE REPORT

The NC has, without the engagement of external facilitator, assessed the Board and the Board Committees overall performance to-date and is of the view that the performance of the Board as a whole and the Board Committees were satisfactory.

The individual Director evaluation exercise assists the NC in determining whether to re-nominate Directors who are due for retirement at the forthcoming AGM of the Company, and in determining whether Directors with multiple board representations are able to and have adequately discharged their duties as Directors of the Company.

Each member of the NC shall abstain from voting on any resolutions in respect of the assessment of his or her performance or his or her re-nomination as Director.

The NC reviewed the mix of skills and experiences of the Directors that the Board requires to function competently and efficiently in achieving the Group's strategic objectives. When reviewing the Board's performance for FY2024, the NC is satisfied that the Board has a good mix of skills and expertise to meet the needs of the Group and noted the following points:

- Feedback received from the Directors and acted on their comments accordingly; and
- Individual Director's attendance at meetings of the Board, Board Committees and general meetings, individual Director's functional expertise and his or her commitment of time to the Company.

The Chairperson, in consultation with the NC, will, if necessary, propose steps to be undertaken to strengthen the Board's leadership so as to improve the effectiveness of the Board's oversight of the Company.

Principle 6: Remuneration matters

Remuneration Committee Composition and Role

As of the date of the Annual Report, the RC comprises the following three (3) members, two (2) of whom, including the Chairperson, are Independent Non-Executive Directors:

Lei Chien	-	Chairperson (appointed on 16 July 2024)
Wong Quee Quee, Jeffrey	-	Member
Fung Kau Lee, Glenn	-	Member

The RC members are well-versed in executive compensation matters, given their extensive experience in major appointments and senior corporate positions. The RC has explicit authority within its Terms of Reference to seek external professional advice on remuneration matters.

During FY2024, no external evaluation facilitators were engaged with regards to the remuneration of Directors but the RC has drawn reference to the current industry practices and norms in compensation to maintain market competitiveness.

The RC is guided by its Terms of Reference which is in line with the Code. The responsibilities and principal functions of the RC, as set out in its Terms of Reference, include:

- i) ensuring remuneration policies are in line with the Group's strategic objectives and corporate values, and do not give rise to conflicts between the objectives of the Company and interests of individual Directors and key executives;
- ii) reviewing and make recommendation to the Board, the fees for the Non-Executive Directors;
- iii) reviewing and make recommendation to the Board on Executive Directors' (including the Group CEO's) remuneration packages; and
- iv) administering share options scheme.

CORPORATE GOVERNANCE REPORT

The RC is tasked for ensuring that a formal and transparent procedure is in place for developing policy and for determining the remuneration packages of individual Directors and key management personnel ("KMP"). The RC recommends for the Board's endorsement, a framework of remuneration which covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, benefits-in-kind and specific remuneration packages for each Director and KMP. The RC also reviews the Company's obligations arising in the event of termination of the Executive Directors' and KMP's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. No member of the RC is involved in deliberating and deciding in respect of any remuneration, compensation or any form of benefits to be granted to him or her.

Directors do not participate in decision making in determining their own remuneration. Directors' fees are subject to shareholders' approval at the AGM.

Principle 7: Level and Mix of Remuneration

The Group recognises the importance of having a skilled and dedicated workforce to manage and grow the businesses in an increasingly competitive and challenging environment. The Group formulates remuneration policies to provide compensation packages at market rates which reward good performance and attract, retain and motivate the Directors and executive officers. This ensures an appropriate remuneration level and mix that recognises the performance, potential, and responsibilities of these individuals.

The Company does not use contractual provisions to allow the Group to reclaim incentive components of remuneration from the Executive Directors and KMP in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

Remuneration of Executive Directors and KMP

The Executive Directors do not receive any Directors' fees. The Company advocates a performance-based remuneration structure for Executive Directors and KMP that is flexible and responsive to the market, comprising a base salary, as well as variable performance bonus which is based on the Group's performance and the individual's performance such as management skills, process skills, people skills and business planning skills. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance so as to promote the long-term sustainability of the Group.

Remuneration of Non-Executive Directors

The Non-Executive Directors have no service contracts with the Company and are paid with Directors' fees. In determining the quantum of such fees, factors such as effort and time spent, frequency of meetings, responsibilities of Non-Executive Directors, and the need to be competitive in order to attract, motivate and retain these Directors are taken into account. The Chairperson of the Company receives higher fees to take into account the nature of his or her responsibilities. The aggregate fees of the Non-Executive Directors are subject to the approval of the shareholders at the AGM and will only be paid after the necessary approval has been obtained.

Yearly, the RC conducts review on the structure of Directors' fees and of the computation of the aggregate Directors' fees with reference to Directors' fees of other listed companies in similar industries to ensure that the Directors' fees are within market norms and commensurate with responsibilities of the Non-Executive Directors. Pursuant thereto, the RC will propose the required changes (if any) to the Board for endorsement.

The RC, with the concurrence of the Board, has recommended to use the same structure for FY2023 Directors' fees after having considered last financial year overall quantum. FY2024 Directors' fees will be tabled for shareholders' approval at the forthcoming AGM. These measures serve to ensure that the independence of the Non-Executive Directors is not compromised by their compensation.

CORPORATE GOVERNANCE REPORT

Share-based Incentive

The Company had previously adopted the GSS Energy Limited Executives' Share Option Scheme (the "GEL Scheme") and GSS Energy Limited 2018 Executives' Option Scheme (the "GEL 2018 Scheme"), to acknowledge the contributions made by key management and staff to the well-being and prosperity of the Group and to allow them to have a real and meaningful stake in the Company at a relatively low direct cost. The Executive Directors, Independent Directors, employees, controlling shareholders and their associates are eligible to participate in the scheme in accordance with the Rules of the GEL Scheme and GEL 2018 Scheme.

Principle 8: Disclosure on Remuneration

The compensation packages for employees including the Executive Directors, Group CEO and KMP comprise a fixed component (base salary), variable component (cash based annual bonus), allowances and benefits, where applicable, taking into account amongst other factors, the individual's performance, and the performance of the Group and industry practices.

For FY2024, having reviewed and considered the variable components in the remuneration packages of the Executive Directors, Group CEO and KMP, the RC is of the view that the remuneration packages of the Executive Directors, Group CEO and KMP, which include a fixed component and a variable component linked to the Company's performance, is aligned to the interest of shareholders and are not excessive. The variable portion is linked to individual performance, and is dependent on the performance of the Group, as well as the contribution of the individual to the Group's performance.

The annual reviews of the compensation are carried out by the RC to ensure that the remuneration of the Executive Directors, Group CEO, and KMP 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. The performances of the Executive Directors and Group CEO (together with other KMP) are reviewed periodically by the RC and the Board.

Under Principle 8.1 of the Code, the Company is to disclose the amounts and breakdown of remuneration of (a) each individual Director and the CEO; and (b) at least the top five (5) KMP (who are not Directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these KMP. The Board supports and is aware of the need for transparency. Nevertheless, after deliberation, the Board has decided not to include a separate annual remuneration report to shareholders in this Annual Report on the remuneration of KMP (who are not Directors or the Group CEO of the Company) as the Board is of the view that the remuneration packages are confidential and sensitive in nature and full disclosure of the specific remunerations of each individual KMP is not in the best interest of the Group having regard to the highly competitive environment in which it operates.

A breakdown of the level and mix of the remuneration paid to each individual Director of the Company for FY2024 are as follows:

Name of Director	Salary, allowances and benefits S\$'000	Bonus(AWS) S\$'000	Director's Fees S\$'000	Total Remuneration S\$'000
Yeung Kin Bond, Sydney	515	75	–	590
Ng Say Tiong	288	44	–	332
Lee Kok Beng	220	35	–	255
Kuek Eng Chye, Anthony	–	–	14	14
Wong Quee Quee, Jeffrey	–	–	38	38
Fung kau Lee, Glenn	–	–	36	36
Lei Chien	–	–	19	19

- The salary and bonus(AWS) amounts shown are inclusive of Singapore Central Provident Fund (CPF) contributions.
- The Director's fees for FY2024 were approved in advance at the AGM held on 30 April 2024.
- Bonus(AWS) for financial year 2023 and 2024 were paid in 2024.

CORPORATE GOVERNANCE REPORT

A breakdown of the remuneration band and the level and mix of the remuneration (in percentage terms) paid to the KMP (who are not Directors of the Group CEO) in the Company and in the Group's subsidiaries, excluding any associated companies, for FY2024 are as follows:

Name of KMP	Salary Allowances & Benefits	Bonus	Total
Below S\$250,000			
Wong Liong Khoon	87%	13%	100%
Goh Lai Hai	87%	13%	100%
Orr Bee Lay	87%	13%	100%
Ahuja Vikram	100%	–	100%

Except for Mr Wong Liong Khoon, who is considered as executive officer of the Group for the purposes of the Catalyst Rules, the other KMP are the top three (3) KMP (who are not Directors or the Group CEO of the Company) of the Group. Although the Code requires disclosure for the top five KMP (who are not Directors or the Group CEO), the Group had determined that only the above-mentioned identified personnel are KMP of the Group, by virtue of having authority and responsibility for planning, directing and controlling the activities of mechanisms, microshafts and electric vehicle business segment of the Group. As and when the Group determines that there is another KMP based on the scope of work and authority, such KMP will be identified and included in the disclosure.

The remuneration of each of the KMP does not exceed S\$250,000 for FY2024. The total remuneration paid to the KMPs for FY2024 is S\$624,488. Save as disclosed above, no other long-term incentives and no termination, retirement or post-employment benefits have been granted to the Directors and KMP.

Save for Mr Sydney Yeung, who is an employee as the Group CEO and is also a Director and a substantial shareholder of the Company, the Group does not have any other employees who are substantial shareholders of the Company, or immediate family members of a Director, the Group CEO or a substantial shareholder of the Company.

Principle 9: Risks Management and Internal Controls

Risk Management and Internal Control Systems

The Board, with the assistance of the AC, is committed to maintaining a sound system of internal controls, including financial, operational, information technology, compliance, and risk management systems to safeguard the interests of the shareholders and the Group's assets. Reviews are undertaken to ensure that the system of internal controls maintained by the Group is sufficient to provide reasonable assurance that the Group's assets are safeguarded against unauthorised use or dispositions, that transactions authorised, and proper financial records are maintained.

Assurance from the Group CEO, Group CFO and KMP

The Group also periodically reviews operational and compliance control areas through the various heads of department, and has continuously made improvements with the assistance of regular internal reviews.

For FY2024, the Board has received written assurance from:

- i) the Group CEO and Group CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- ii) the Group CEO and the representative of KMP that the system of risk management and internal controls in place within the Group (including financial, operational and compliance) are sufficiently adequate and effective in addressing the material risks in the Group in its current business operations.

CORPORATE GOVERNANCE REPORT

Adequacy and Effectiveness of Risk Management and Internal Control Systems

The AC conducts a review of the effectiveness of the Company's material internal control systems including financial, operational, compliance and information technology controls and risk assessment at least annually to ensure adequacy thereof. In addition, an annual review is also conducted to ensure that safeguards, checks and balances are put in place to prevent any conflict of interest or any weakening of internal controls. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the AC. The AC also reviews the effectiveness of the actions taken by Management on the recommendations made by the internal auditor in this respect.

For FY2024, the following were performed to review adequacy and effectiveness of the Company's risk management and internal control systems:

- (a) Board Committees' meetings were held with KMP to discuss and review the financial and operational performance of the Group, internal control issues, where applicable, were discussed and addressed during such meetings;
- (b) An external audit was performed by the external auditors and control gaps in financial controls were highlighted to the AC and appropriately addressed. The control gaps were presented and reviewed by the AC;
- (c) A review of financial, operational and compliance matters was performed by the external professional consultant and significant internal control matters were highlighted to the Group CFO and KMP and appropriately addressed by respective business units; and
- (d) Discussions were held between the AC, internal audit team and the external auditors in the absence of KMP to address any potential concerns.

For FY2024, no material weaknesses in the systems of risk management and internal controls were identified by the Board.

Pursuant to the above, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems maintained by the Company's management were adequate and effective as at 31 December 2024 against material financial misstatements or loss, the reliability of financial information, the maintenance of proper accounting records, includes the safeguarding of shareholders' investments, the Company's assets, compliance with appropriate legislation, regulation and best practice, and the identification and management of business risks.

Principle 10: Audit Committee

Audit Committee Composition and Role

As of the date of the Annual Report, the AC comprises the following three (3) members, two (2) of whom, including the Chairperson, are Independent Non-Executive Directors:

Wong Quee Quee, Jeffrey	-	Chairperson
Lei Chien	-	Member (appointed on 16 July 2024)
Fung Kau Lee, Glenn	-	Member

The Board is satisfied that the AC members, collectively, have relevant accounting and related financial management expertise or experience and are appropriately qualified to discharge their responsibility. None of the AC members are former members, partners or directors of the Company's existing auditing firm.

For FY2024, the AC convened four (4) meetings, attended by members of the AC and relevant management staff. The AC also meets with the external auditors, without the presence of the Company's management staff, at least once a year.

CORPORATE GOVERNANCE REPORT

The AC carries out its duties in accordance with a set of written Terms of Reference which includes, mainly, the following:

- i) reviewing the audit plans and results of the Company's external audits;
- ii) reviewing the adequacy, effectiveness, independence, scope and results of internal audits of the Group conducted by its external professional consultant and external audit;
- iii) reviewing the Group's financial and operating results and accounting policies;
- iv) reviewing the audited financial statements of the Company and the Group for the financial year and external auditor's report on these statements before their submission to the Directors of the Company for consideration and approval thereafter;
- v) reviewing the significant financial reporting issues and judgement so as to ensure the integrity of the financial statements of the Group and of the Company and any announcements relating to the Group's and the Company's financial performance;
- vi) reviewing the half year and full year results announcements of the Company and the Group to the SGX-ST;
- vii) ensuring the co-operation and assistance by Management to external auditors;
- viii) making recommendations to the Board on the re-appointment of the external auditors and approved the remuneration and term of engagement of the external auditors;
- ix) reviewing "interested person transactions" as defined in Chapter 9 of the Catalist Rules and ensuring that the transactions were on normal commercial terms and not prejudicial to the interests of the members of the Company; and
- x) performing any other functions which may be agreed by the AC and the Board.

The AC has been given full access to and 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 AC.

The AC is kept abreast by Management and the external auditors of change to accounting standards, the Catalist Rules and other regulations that could have an impact on the Group's business and financial statements.

Through the half year and full year financial statements and timely announcements to shareholders, the Board aims to provide shareholders with adequate details that would allow a balanced and understandable assessment of the Group's financial performance, position and prospects. This responsibility extends to reports to regulators. The AC has been tasked to review the Company's financial information to ensure that the objective is met.

The AC considered the report from the external auditors, including their findings on the significant risks and audit focus areas. Significant matters that were discussed with Management and the external auditors have been included as Key Audit Matters (the "**KAM**") in the audit report for FY2024 on pages 89 and 90 of this Annual Report. In assessing the KAM, the AC took into consideration the approach and methodology applied as well as the reasonableness of the estimates and key assumptions used. The AC concluded that Management's accounting treatment and estimates in the KAM were appropriate.

External Auditors

The AC is satisfied with the independence and objectivity of the external auditors and has recommended to the Board that RSM SG Assurance LLP be nominated for re-appointment as the Company's external auditors in respect of financial year ending 31 December 2025 ("FY2025") at the forthcoming AGM of the Company. The aggregate fees paid/payable to the external auditors of the Company for audit services amounted to S\$279,000 for FY2024. During FY2024, no non-audit related work was carried out by the external auditors, and therefore, no fees were paid for such services.

CORPORATE GOVERNANCE REPORT

The Company has complied with Rules 712 and 715 of the Catalist Rules in the appointment of its external auditors.

Internal Auditors

The internal audit function is to assist the Board to evaluate the adequacy, effectiveness, reliability of the internal controls and risk management processes of the Group. The AC is tasked to examine the internal audit plan, determine the scope of audit examination, implementation of the improvements required on internal control weakness identified, review findings thereof, and to ensure Management provides the necessary Cooperation for internal auditors to perform their duties.

The internal audit function of the Group is outsourced to NLA Risk Consulting Pte Ltd (“**NLA**”) since financial year ended 31 December 2020. NLA adopts the Standards of Professional Practice of Internal Auditing set by the Institute on Internal Auditors in performing their audits. The internal auditors review the effectiveness of key internal controls, including financial, operational, information technology, risk management and compliance controls for selected scope of review annually, as approved by the AC. The internal auditors report their findings and any recommendation for improvement to the AC. The relevant department will follow up on any recommendation for improvement and progress is reviewed by NLA and the Board for the next financial year. The internal audit team maintains its independence as the members do not handle direct operational matters or maintain the accounts for the business units that they are auditing within the Group. The AC is satisfied that the internal audit function is independent of all the areas, effective and adequately resourced. The internal auditors report primarily to the Chairperson of the AC and has unrestricted access to the documents, records, properties and personnel of the Company and of the Group. The AC annually reviews the adequacy and effectiveness of the internal audit function to ensure that resources are adequate and that the internal audits are performed effectively. It approves the appointment, termination, evaluation and the remuneration of the internal auditors.

Furthermore, in the course of the statutory audit, the external auditors also perform a review of the adequacy and effectiveness of the Group’s material internal controls to the extent of their scope as laid out in their audit plan. Material non-compliance and internal control weaknesses noted during the audit are reported to the AC together with the recommendations of the external auditors.

Meeting Auditors Without the Presence of Management

The AC meets with the external auditors and the internal auditors, at least once a year, without the presence of Management, to review any matter that might be raised. These meetings enable the auditors to raise any issues in the course of their work directly to the AC.

In line with Rule 705(5) of the Catalist Rules, the Board provides confirmation to the shareholders in its half year financial statements announcements, that to the best of its knowledge, nothing has come to the attention of the Board which might render the financial statements to be false or misleading in any material aspect.

In addition, the Company has, pursuant to Rule 720(1) of the Catalist Rules, received undertakings from all its Directors and executive officer that they will each, in the exercise of their powers and duties as Directors and executive officer, comply with the provision of the SGX-ST’s Catalist Rules, the Securities and Futures Act 2001 of Singapore, the Singapore Code on Takeovers and Mergers, and the Companies Act and will also ensure that the Company complies with them.

Whistle-blowing Policy

The Company adopted a whistle-blowing framework whereby staff, shareholders, clients, vendor and contractors of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The framework includes arrangement for independent investigation and appropriate follow-up of such matters. The Company is committed to ensuring that the identity of the whistleblower is kept confidential and the protection of the whistleblower against detrimental or unfair treatment. The Company’s whistleblowing policy can be found at the Company’s website at the URL <https://gssenergy.com.sg/whistleblowing-policy/>. The AC reviews all whistleblowing complaints, if any. The whistle blowing policy and procedures are reviewed by the AC from time to time to ensure that they remain relevant. The AC reports to the Board on such matters at the Board meetings. Should the AC receive reports relating to serious offences and/or criminal activities in the Group, the AC and the Board have access to the external advice where they deem appropriate.

CORPORATE GOVERNANCE REPORT

During FY2024, there was no incident of concern reported to the AC.

Interested Person Transactions

The Company has established a procedure for recording and reporting interested person transactions. All interested person transactions are subject to review by the AC to ensure they are carried out on a normal commercial terms.

During FY2024, Mr Sydney Yeung, Executive Director and Group CEO of the Company (the “**Undertaking Shareholder**”) extended a loan of S\$1,900,000 with an interest of 7% per annum to the Company (the “**Shareholder’s Loan**”). The Undertaking Shareholder is an “interested person” for the purposes of the Catalist Rules. The Company was however not required to seek shareholders’ approval as the value at risk is within the threshold of Rule 906 of the Catalist Rules.

Pursuant to the deed of undertaking dated 23 October 2024 provided by the Undertaking Shareholder to the Company in connection with the right issue exercise that completed on 8 January 2025 (the “**Rights Issue**”), the Undertaking Shareholder will apply and set off the aggregate rights shares’ subscription amount of S\$1,115,402 against part of the outstanding amount under the Shareholders Loan.

Subsequent to FY2024, the Company applied and set off the amount of S\$1,115,402 against part of the Shareholder’s Loan, and repaid the balance of loan including interest of S\$726,836 on 13 January 2025.

Material Contracts

Pursuant to Rule 1204(8) of the Catalist Rules, no material contracts were entered into between the Company or any of its subsidiaries involving the interest of any Director, the Group CEO or controlling shareholders of the Company, which are either subsisting at the end of the financial year or, if not then subsisting, entered into since the end of previous financial year except for the related party transactions, the Shareholder’s Loan and Directors’ remuneration disclosed in the Note [3] to the financial statements.

Principle 11: Shareholders rights

The Company endeavours to ensure that all material information is disclosed on a comprehensive, accurate and timely basis via SGXNET. This will allow shareholders to make informed decisions in respect of their investments in the Company. The Company does not practice selective disclosure. In line with continuous disclosure obligations of the Company pursuant to the Catalist Rules and the Code, the Company’s policy is that all shareholders should be informed equally and timely of all major developments that impact the Group.

Information is communicated to all shareholders on a timely basis through:

- i) annual reports that are prepared and issued to all shareholders. The Company makes every effort to ensure that all relevant information about the Group and other disclosures that are required by the SGX-ST, the Companies Act and Singapore Financial Reporting Standards, are included in the Annual Report;
- ii) periodic financial statements containing a summary of the financial information and affairs of the Group for the period that are reported through the SGXNET;
- iii) notices and explanatory notes for AGMs and extraordinary general meetings (“**EGM**”);
- iv) disclosures to the SGX-ST; and
- v) the Group’s website at www.gssenergy.com.sg, at which shareholders can access information on the Group. The website provides, *inter alia*, information on the Group’s corporate disclosure, corporate data, corporate profile and annual reports.

CORPORATE GOVERNANCE REPORT

Conduct of General Meetings

Shareholders are encouraged to attend all general meetings (ie. AGMs and EGMs) to ensure a high level of accountability and to stay informed of the Group's strategy and objectives. If shareholders are unable to attend any meetings of the Company, the Constitution of the Company allows shareholders to appoint up to two (2) proxies to vote on their behalf through proxy forms sent in advance. Nominee agencies such as banks, securities custodians and the Central Provident Fund ("CPF") are allowed to appoint more than two (2) proxies. Therefore, shareholders who hold shares through these nominees, including CPF investors, can attend and participate at the meetings as proxies of these agencies. Voting in absentia by mail, facsimile or email is currently not allowed.

The AGM serves as the principal forum for shareholders to obtain information and give feedback about the Group. The notice of AGM and Circulars will be issued at least fourteen (14) days before the scheduled date. The Board welcomes questions from shareholders, either formally at the AGM or informally, before and after the AGM.

The forthcoming AGM will be held, in a wholly physical format, at the Company's head office, located at Blk 4012 Ang Mo Kio Ave 10, #05-01 Techplace 1, Singapore 569628, on 29 April 2025. There will be no option for shareholders to participate virtually.

In addition, the Company will not be distributing physical copies of the Annual Report FY2024, and related meeting documents. Such documents are available for download from the Company's corporate website and the SGX-ST's website. A member who wishes to obtaining a printed copy of the Annual Report FY2024 and related meeting documents should complete the requested form accompany the Notice of AGM and Proxy Form and return the completed request form to the Company.

Shareholders may pre-submit any questions they may wish to ask in relation to the resolutions to be tabled at the AGM or EGM. The proceeding of each of the general meetings will be properly recorded, including substantial or relevant comments or queries from shareholders relating to the agenda of the general meetings and responses from the Board and Management. All minutes of the general meetings, which include comments and the questions raised by shareholders, together with the responses from the Board and Management, will be available on the Company's corporate website and SGXNet within one (1) month from the general meetings.

Separate Resolutions at General Meetings

Separate resolutions on each distinct issue are tabled at general meetings and voting on each resolution by poll is carried out systematically with proper recording of votes cast and the resolution passed. Shareholders are given the opportunity to raise questions on each of the motions. Bundling of resolutions are kept to a minimum and are done only where the resolutions are interdependent so as to form one (1) significant proposal and only where there are reasons and material implications justifying the same, which will be explained in the notice of meeting.

Dividend Policy

The Company has not adopted a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, operational and capital requirements, cash flow and financial conditions, as well as general business conditions and other factors which the Board may deem appropriate. The Board endeavours to maintain a balance between meeting shareholder's expectations and prudent capital management.

The Board has reviewed the Group's resources for ongoing operations and plans for expansion, and considered that the consolidation of all available financial resources would enable the Group to use them more effectively to support growth and enhance shareholder value. Accordingly, a dividend was not recommended for FY2024.

CORPORATE GOVERNANCE REPORT

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 has in place an Investor Relations Policy which sets out the principles and practices that the Company applies to provide shareholders and prospective investors with information necessary to make well-informed investment decisions and to ensure a level playing field. The Company stands committed to engaging shareholders and investment community through clear, timely and consistent communications.

The Company has engaged an investor relations (“IR”) firm to focus on facilitating the communications with all stakeholders – regulators, shareholders, analysts and media on a regular basis, to attend to their queries or concerns as well as to keep the investors public apprised of the Group’s financial performance and corporate development. To enable shareholders to contact the Company easily, the contact details of the IR personnel are set out on page 12 of this Annual Report as well as on the Company’s corporate website.

The AGM is an opportune forum for direct dialogue with shareholders, investors and analysts. They have the opportunity to raise questions to the Board and senior Management, and clarify with them any issues they may have. All Directors attend our general meetings for shareholders and the external auditors are also present to address shareholders’ queries about the conduct of audit and the preparation and contents of the auditors’ report. Such meetings allow the Company to gather the views or inputs of the shareholders and address any concerns that they may have.

All Directors as of that date attended the AGM 2024. The shareholders were invited to submit their questions for the AGM in advance of the meeting, and the Company provided its responses via SGXNET and the Company’s corporate website on 25 April 2024 prior to commencement of the AGM on 30 April 2024.

Outside of the financial announcement periods, when necessary and appropriate, the Group CEO engages with local and foreign investors to garner feedback from the investor community on a range of strategic and topical issues, which provides the Board with valuable insights on investors’ views. When opportunities arise, the Group CEO conducts media interviews to give shareholders and the investing public a profound perspective of the Group’s business.

For the forthcoming AGM 2025 of the Company, shareholders are allowed to submit questions relating to the Annual Report and the accompanying Appendices, and resolutions set out in the notice of AGM in advance to the Company by email or by post to the Company. The Company’s responses to the questions will subsequently be published on SGXNET at least forty-eight (48) hours prior to the closing date and time for the lodgment of the proxy forms to facilitate members’ votes and to allow members to make an informed decision on the resolutions to be tabled at the AGM.

In line with the continuous disclosure obligations under the requirements set out in the Catalist Rules and the Companies Act, the Board informs the shareholders promptly of all major developments that may have a material impact on the Group where required pursuant to such obligations.

The Company and its business information is also made available on the Company’s corporate website at: www.gssenergy.com.sg. Shareholders and the public can access for the latest financial results, media releases, annual report and other corporate information on the Company. Investors can submit feedback and queries to the Company’s investor relations team through contact provided on the Company’s corporate website. Investor relations personnel will attend to their queries to keep the investing public apprised of the Company’s corporate developments and financial performance.

CORPORATE GOVERNANCE REPORT

Principle 13: Engagement with Stakeholders

The Company values the importance of maintaining positive relationships, engaging 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 Company's stakeholders include employees, contractors and suppliers, government and regulators, community, shareholders and investors. Having identified the stakeholders and the material issues, it has provided the necessary guidance on the key areas of focus and the prioritisation of resources for the various sustainability initiatives. More details on the Company's approach to stakeholder engagement and materiality are disclosed in the Sustainability Report on pages 17 to 18 of this Annual Report.

The Company maintains a corporate website at www.gssenergy.com.sg to communicate and engage with stakeholders.

Code of Business Ethics

The Group has adopted a Code of Business Ethics to regulate the standards and ethical conduct of the Group's employees who are required to observe and maintain high standards of integrity.

Dealing in Securities

Following the introduction of the Code, the Company has brought to the attention of its employees the implications of insider trading and recommendations of the Code.

In compliance with the Rule 1204(19) of the Catalist Rules, the Company has adopted and implemented an internal compliance code which prohibits securities dealings by Directors and employees while in possession of unpublished price-sensitive information. Officers are discouraged to deal in the Company's securities on short-term considerations.

Directors, executives and any other employees who have access to material price-sensitive information are prohibited from dealing in securities of the Company prior to the announcement of a matter that involves material unpublished price-sensitive information. They are required to report on all their dealings in the Company's securities to the Company. They are also prohibited from dealing in the Company's securities during the period commencing one (1) month before the announcement of the Company's half year or full year results and ending on the day after the announcement of the half year and full year results.

Non-Sponsor Fees

On 7 March 2024, the Company announced receipt of written notification from the Company's existing sponsor, Stamford Corporate Services Pte. Ltd. ("SCS") that it will terminate its continuing sponsorship of the Company, with effect from 28 May 2024. On 28 March 2024, the Company announced that it has appointed Evolve Capital Advisory Private Limited ("ECA") in place of SCS, to act as its new sponsor with effect from 29 May 2024.

During the financial year under review, non-sponsor fees of S\$70,000 were paid to the Company's sponsor, ECA. While a sum of S\$nil in legal fees (incurred in association with corporate actions which the Company has consulted for) was paid to Morgan Lewis Stamford LLC, a related corporation of SCS.

Use of Proceeds

The Group raised net proceeds of approximately S\$5.47 million (the "Net Proceeds") from the issue of 436,670,762 rights shares, pursuant to a renounceable non-underwritten rights issue (the "Rights Issue"). The total number of issued shares of the Company increased from 630,191,957 to 1,066,862,718 shares (excluding treasury shares) as of the completion date of the Rights Issue.

CORPORATE GOVERNANCE REPORT

As at date of this Annual Report, the use of Net Proceeds from the Rights Issue is as follows:

Use of Net Proceeds	Amount allocated(1) S\$'000	Percentage allocation %	Amount utilized as at the date of this announcement S\$'000	Percentage utilisation %	Balance S\$'000
Partial repayment of the Shareholder's Loan	1,115	20.38	(1,115)	20.38	–
Working capital purposes ⁽²⁾	2,178	39.82	(2,178)	39.82	–
Business expansion ⁽³⁾	2,177	39.80	(1,169)	21.37	1,008
	5,470	100.00	(4,462)	81.57	1,008

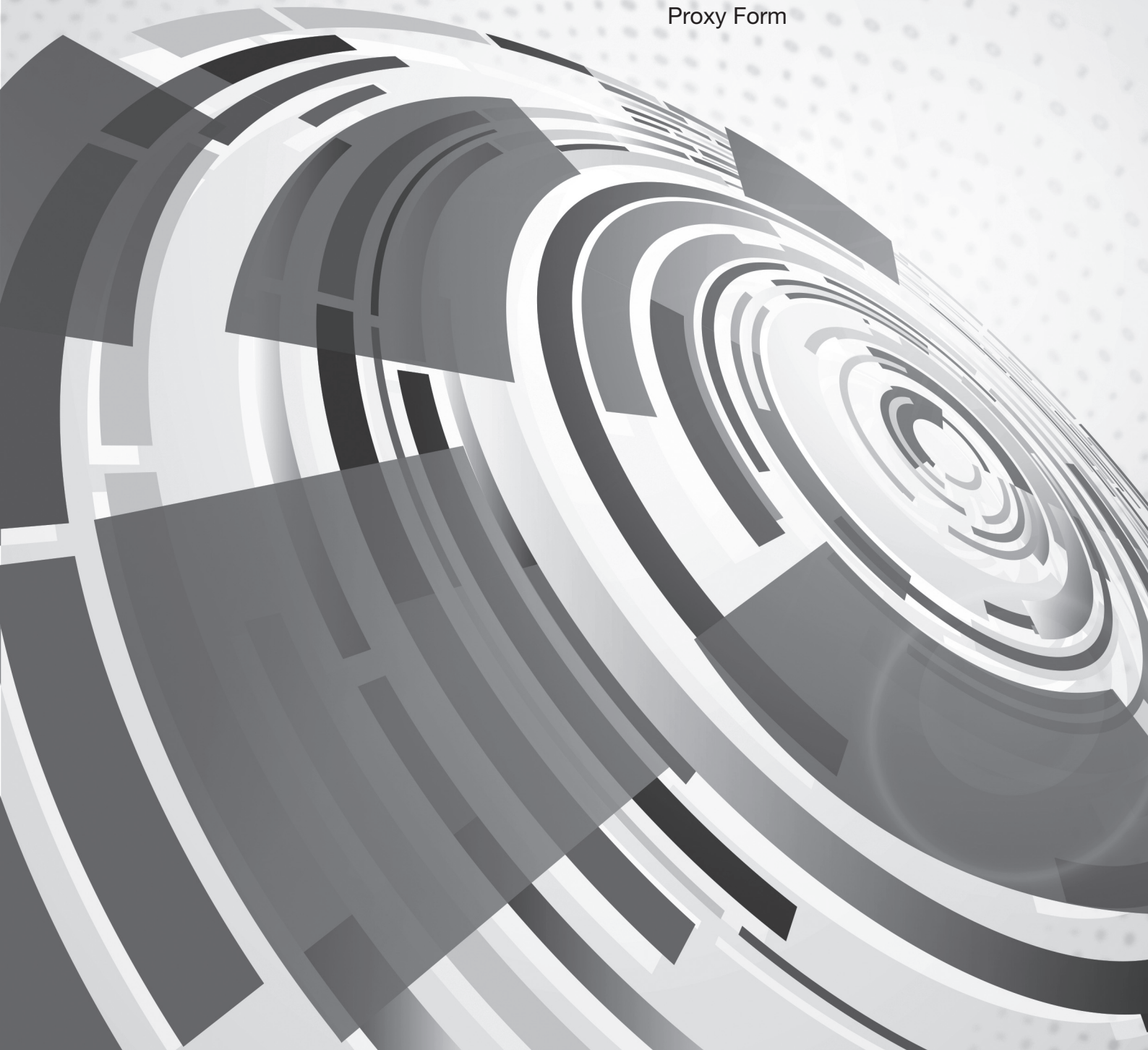
Notes:

- (1) Please refer to the announcement on the Results of the Rights Issue, which was released via SGXNet on 3 January 2025.
- (2) S\$2,178,000 has been utilized for working capital purposes.
- (3) S\$1,169,000 has been utilized for product and business development of battery pack business and electric vehicle model which is in line with the Group's business strategy.

The above utilization of the Net Proceeds from the Rights Issue is in accordance with the stated use and percentage allocated as disclosed in the Company's announcement on the Results of the Rights Issue, which was released via SGXNet on 3 January 2025.

FINANCIAL CONTENTS

83	Directors' Statement	95	Consolidated Statement of Changes in Equity
89	Independent Auditor's Report	96	Statement of Changes in Equity
93	Consolidated Statement of Comprehensive Income	97	Consolidated Statement of Cash Flows
94	Statements of Financial Position	98	Notes to the Financial Statements
		145	Statistics of Shareholdings
		147	Notice of Annual General Meeting
			Proxy Form



DIRECTORS' STATEMENT

The Board of Directors (the “Board” or “Directors”) of GSS Energy Limited (the “Company”) present their statement together with the audited financial statements of the Company and its subsidiaries (the “Group”) for the financial year ended 31 December 2024, the statement of financial position of the Company as at 31 December 2024 and the statement of changes in equity of the Company for the reporting year ended 31 December 2024.

1. Opinion of the directors

In the opinion of the directors

- (a) the consolidated financial statements of the Group, the statement of financial position and statement of changes in equity of the Company together with the notes thereon are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the reporting year then 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.

The board approved and authorised these financial statements for issue.

2. Directors

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

Yeung Kin Bond, Sydney
Ng Say Tiong
Lee Kok Beng
Dr Lei Chien, Joanna (Appointed on 16 July 2024)
Fung Kau Lee, Glenn
Wong Quee Quee, Jeffrey

3. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable 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 paragraph 4 below.

DIRECTORS' STATEMENT

4. Directors' interests in shares and debentures

The Directors of the Company holding office at the end of the reporting year had no interests in shares in or debentures of the Company or other related body corporate as recorded in the register of directors' interests in shares in or debentures kept by the Company under section 164 of the Companies Act 1967 of Singapore, (the "Act"), except as follows.

Name of directors and companies in which interests are held	Direct interest		Deemed interest	
	At beginning of the reporting year	At end of the reporting year	At beginning of the reporting year	At end of the reporting year
Company:				
GSS Energy Limited	Number of shares of no par value			
Yeung Kin Bond, Sydney	90,333,499	93,933,499	1,400,001	1,400,001 ⁽¹⁾
Fung Kau Lee, Glenn	–	–	72,700,000	72,700,000 ⁽²⁾
Wong Quee Quee, Jeffrey	800,000	800,000	–	–
Lee Kok Beng	905,000	905,000	–	–

⁽¹⁾ Roots Capital Limited ("Roots Capital") holds 1,400,001 (2023: 1,400,001) shares in the Company. As at the date of this statement, Mr Yeung Kin Bond, Sydney is the sole director of Roots Capital and he holds 100% of the issued share capital of Roots Capital. Accordingly, he is deemed to have an interest in the shares in the Company held by Roots Capital.

⁽²⁾ Sundan Pacific Limited ("Sundan Pacific") holds 72,700,000 (2023: 72,700,000) shares in the Company. As at the date of this statement, Mr Fung Kau Lee, Glenn is the managing director of Sundan Pacific and he holds 100% of the issued share capital of Sundan Pacific. Accordingly, he is deemed to have an interest in the shares in the Company held by Sundan Pacific.

Name of directors and companies in which interests are held	Direct interest		Deemed interest	
	As at 31 December 2024	As at 21 January 2025	As at 31 December 2024	As at 21 January 2025
Company:				
GSS Energy Limited	Number of shares of no par value			
Yeung Kin Bond, Sydney	93,333,499	245,627,494 ⁽³⁾	1,400,001	2,660,001 ⁽³⁾
Fung Kau Lee, Glenn	–	–	72,700,000	72,700,000 ⁽³⁾
Wong Quee Quee, Jeffrey	800,000	1,520,000 ⁽³⁾	–	–
Lee Kok Beng	905,000	4,719,500 ⁽³⁾	–	–

⁽³⁾ On 6 January 2025, the Company allotted and issued 436,670,762 Rights Shares at an issue price of S\$0.013 for each Rights Share, on the basis of nine (9) Rights Shares for every ten (10) existing ordinary shares in the capital of the Company, pursuant to a renounceable non-underwritten rights issue (the "Rights Issue"). The Rights Issue completed on 8 January 2025. As a result, the total number of issued shares of the Company increased from 630,191,957 to 1,066,862,719 shares (excluding treasury shares).

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the Register of the Directors' Shareholdings, the Directors' interests as at 21 January 2025 in the shares of the Company have changed from those disclosed as at 31 December 2024 and have been disclosed in the above statement.

DIRECTORS' STATEMENT

5. Options

The GEL 2016 Scheme and the GEL 2018 Scheme are share option incentive schemes (collectively known as “GEL Schemes”). The objective of the GEL Schemes is to attract, retain and motivate key employees of the Company and its related Group companies by providing them with the opportunity to acquire a proprietary interest in the Company and to align their interests and efforts with the long-term interests of the Company’s shareholders. The GEL Schemes continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the relevant date on which the GEL Schemes are adopted by Shareholders.

Under the terms and conditions of the GEL Schemes, (a) full-time employees of the Company and its related Group companies; (b) Executive Directors of the Company and its related Group companies; and (c) Non-executive Directors (including Independent Directors) of the Company and its related Group companies are eligible to participate in the GEL Schemes.

The number of shares to be offered to a grantee in accordance with the GEL Schemes shall be determined at the absolute discretion of the Remuneration Committee (the “RC”), which shall take into account criteria such as the rank and responsibilities, performance, years of service and the potential contributions of the grantee. The RC shall exercise its discretion judiciously in deciding the number of shares under the GEL Schemes to grant to each grantee.

Since commencement of the GEL Schemes, the Company issued and allotted 700,000 new ordinary shares (the “New Shares”) in the capital of the Company, at the exercise price of \$0.09856 for each New Share with a total consideration of \$68,992 pursuant to the exercise of options granted under the GEL 2017 Schemes.

The aggregate number of shares in respect of which the Company may grant options, when added to the number of shares issued and issuable in respect of (i) all options granted under the GEL Schemes; and (ii) all options or awards granted under any other incentive schemes or share plans, shall not exceed 15% of the total issued share capital of the Company (excluding treasury shares) on the day immediately preceding the grant date. This rule under the relevant GEL Scheme may be amended by the RC from time to time, but only after all required approvals have been obtained from the Board and the shareholders of the Company, in accordance with the terms and conditions of the relevant GEL Scheme.

The exercise price for each share in respect of which an option is exercisable shall be fixed by the RC at the market price share at time of grant (the “Market Price”) or at a discount to the Market Price. The discount shall not exceed the 20% of the Market Price.

(i) Options granted on 9 March 2022 under GEL 2018 Schemes

The Company granted a total of 6,000,000 options to subscribe for ordinary shares of the Company at exercise price of \$0.05664 per share. Letters of Offer for grant of options to selected employees were issued on 9 March 2022 (“2022 Grant Date”). The vesting period for the options is 24 months from the 2022 Grant Date and the exercise period was from 10 March 2024 to 9 March 2027.

DIRECTORS' STATEMENT

5. Options (Continued)

(ii) Options granted details

- (a) Options granted to Directors and controlling shareholders of the Company and employee its subsidiaries under the GEL Schemes are as follows:

Name	Options granted during financial year under review '000	Aggregate options granted since commencement of the scheme to the end of the financial year under review '000	Aggregate options exercised since commencement of the Scheme to the end of the financial year under review '000	Aggregate options cancelled and lapsed since commencement of the Scheme to the end of the financial year under review '000	Aggregate options outstanding at the end of the financial year under review '000
Directors					
Yeung Kin Bond, Sydney	–	7,400	–	(7,400)	–
Ng Say Tiong	–	13,000	–	(13,000)	–
Lee Kok Beng	–	2,400	–	(2,400)	–
Fung Kau Lee, Glenn	–	700	–	(700)	–
Others	–	56,923	(700)	(53,223)	3,000
	–	80,423	(700)	(76,723)	3,000

- (b) The options granted to the controlling shareholder, Yeung Kin Bond, Sydney, are as described in paragraph (a) above. There were no options granted to associates of the controlling shareholder during the financial year.
- (c) During the financial year, no employee has received 5% or more of the total number of options available under the GEL Schemes.
- (d) Under the terms and conditions of the GEL Schemes, Directors and employees of the Company's parent Company and its subsidiaries (other than the Company and the Company's subsidiaries) are not entitled to participate in the GEL Schemes.
- (e) No share options were granted during the financial year.
- (f) Under the GEL Schemes, share options granted, exercised and lapsed during the financial year and outstanding as at 31 December 2024 were as follows:

Date granted	Balance at 1 January 2024 '000	Granted '000	Lapsed/ Cancelled '000	Balance at 31 December 2024 '000	Exercise price \$	Exercise period
9 March 2022	4,000	–	(1,000)	3,000	0.05664	10 March 2024 to 9 March 2027

DIRECTORS' STATEMENT

6. Report of Audit Committee

The Audit Committee (the “AC”) members at the date of this statement are as follows:

Wong Quee Quee, Jeffery	(Chairperson), Independent
Dr Lei Chien, Joanna	(Member), Independent
Fung Kau Lee, Glenn	(Member), Non-independent

The AC carries out its functions in accordance with Section 201B(5) of the Act and the Code of Corporate Governance 2018. The AC is guided by its terms of reference which is in line with the Code of Corporate Governance 2018. The principal responsibilities of the AC are:

- (i) reviewing the audit plans and results of the Group’s external audits;
- (ii) reviewing the adequacy, effectiveness, independence, scope and results of internal audits of the Group conducted by its external professional consultant and external audit;
- (iii) reviewing the Group’s financial and operating results and accounting policies;
- (iv) reviewing the audited financial statements of the Company and the Group for the financial year and external auditor’s report on these statements before their submission to the Directors of the Company for consideration and approval thereafter;
- (v) reviewing the significant financial reporting issues and judgement so as to ensure the integrity of the financial statements of the Group and of the Company and any announcements relating to the Group’s and the Company’s financial performance;
- (vi) reviewing the half-yearly and full-year results announcements of the Company and the Group to the SGX-ST;
- (vii) ensuring the co-operation and assistance by management to external auditors;
- (viii) making recommendations to the Board on the re-appointment of the external auditors and approved the remuneration and term of engagement of the external auditors;
- (ix) reviewing “interested person transactions” as defined in Chapter 9 of the Catalist Rules and ensures that the transactions were on normal commercial terms and not prejudicial to the interests of the members of the Company; and
- (x) performing any other functions which may be agreed by the AC and the Board.

The AC has full access to and 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 AC.

The AC reviews all non-audit services provided by the external auditors to the Group, if any. There is non-audit services provided to the Group by the external auditors for the financial year ended 31 December 2024.

The AC has recommended to the Board the nomination of RSM SG Assurance LLP, for re-appointment as external auditors of the Company at the forthcoming annual general meeting.

Other functions performed by the AC are described in the report on corporate governance included in the annual report of the Company. It also includes an explanation of how the independent auditor’s objectivity and independence is safeguarded where the independent auditor provides non-audit services.

DIRECTORS' STATEMENT

7. Directors' opinion on the adequacy of internal controls

Based on the internal and financial controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by management, other committees of the Board and the Board, with the concurrence of the AC, is of the opinion that the Company's internal controls addressing financial, operational, compliance and information technology risks, and risk management systems were adequate and effective as at 31 December 2024.

8. Subsequent developments

Further to the closing Date of 30 December 2024 for the Rights Issue, 436,670,762 Rights Shares were allotted and issued on 6 January 2025 pursuant to the Rights Issue. Accordingly, Rights Shares were listed and quoted on the Catalist on 8 January 2025 successfully.

9. Additional disclosure requirements of the Listing Manual of Singapore Exchange Securities Trading Limited

The auditors of the subsidiaries of the Company are disclosed in Note 17 in the financial statements. In the opinion of the Board and the AC, Rule 712 and Rule 715 of the Listing Manual Section B: Rules of Catalist of SGX-ST have been complied with.

10. Independent auditor

RSM SG Assurance LLP has expressed willingness to accept re-appointment.

On behalf of the directors

Yeung Kin Bond, Sydney
Director

Ng Say Tiong
Director

12 April 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of GSS Energy Limited

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of GSS Energy Limited (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group, and statement of changes in equity of the Company for the reporting year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current reporting 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.

1. Assessment of impairment of goodwill

Please refer to Note 2A, 2B and 16 to the financial statements for the relevant accounting policy and key assumptions used in assessing the impairment of goodwill.

On 30 March 2022, a wholly owned subsidiary, Giken Mobility Pte. Ltd., acquired 100% equity interest in Edison Motors Co., Ltd (“Edison Motors”) and recognised a goodwill of \$6,395,000 upon acquisition. Management’s assessment process is complex and judgmental and is based on assumptions and other factors. Accordingly, this annual impairment test is significant to our audit.

Goodwill is assessed annually for impairment. The management engaged an independent valuation specialist to assess the recoverable amount based on value-in-use (discounted cash flow) method to determine the recoverable amount of goodwill. The value-in-use calculation involves significant judgment and estimation in determining the cash flow forecasts expected to arise from the cash-generating unit (“CGU”), a suitable discount rate in order to calculate present value and terminal growth rate. If there are indicators of impairment, the deficit between the recoverable amount and their carrying value would be recognised in profit or loss.

INDEPENDENT AUDITOR'S REPORT

To the Members of GSS Energy Limited

Key audit matters (Continued)

We have performed the following audit procedures to address the key audit matter:

- a) We engaged our internal valuation specialist to assist in the review of management's expert estimates;
- b) We discussed with management the basis adopted by management for the discounted future cash flows used to determine the value-in-use of the CGU;
- c) We challenged management's estimates used in the discounted future cash flows through our knowledge of the CGU's operations and performed sensitivity analysis on the outcome of the value-in-use of the CGU;
- d) We assessed and tested the key assumptions which the outcome of the impairment assessment is most sensitive to; and
- e) We assessed the adequacy of the disclosures made in the financial statements.

The Group has recognised an impairment charge on its goodwill of \$6,395,000 during the financial year which resulted in the carrying amount of goodwill reduced to \$112,000 as at 31 December 2024.

2. Assessing expected credit loss allowance on trade receivables

Please refer to Notes 2A, 2B and 21 to the financial statements for the relevant accounting policy and key assumptions used in assessing the expected credit loss allowance on trade receivables.

Trade receivables of the Group are significant as at the end of the reporting year. The allowance for impairment of trade receivables is estimated by management through the application of judgement and use of subjective assumptions. Any impairment of significant receivables could have material impact to the Group's and the Company's profit or loss.

Accordingly, assessed the expected credit loss allowance on trade receivables as a key audit matter.

The estimate of expected credit loss allowance is based on the historical trend of trade receivables, which includes analysis of the age of these receivables, credit worthiness of the profile of the customers and historical default rates.

For the samples selected, our audit procedures included, but were not limited to the following:

- a) We obtained an understanding of the Group's policies and procedures in assessing expected credit loss allowance on trade receivables;
- b) We assessed the credit risks of the customers by analysing the payment history and receipts subsequent to reporting year end of selected customers and considered events or indicators which resulted in increase in credit risk of those customer; and
- c) We assessed the adequacy of disclosures in the financial statements.

Other information

Management is responsible for the other information. The other information comprises the statement by directors but does not include the financial statements and our auditor's report thereon.

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

INDEPENDENT AUDITOR'S REPORT

To the Members of GSS Energy Limited

Other information (Continued)

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

Responsibilities of management and directors for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

INDEPENDENT AUDITOR'S REPORT

To the Members of GSS Energy Limited

Auditor's responsibilities for the audit of the financial statements (Continued)

- e) 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.
- f) 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Ng Thiam Soon.

RSM SG Assurance LLP
Public Accountants and
Chartered Accountants
Singapore

12 April 2025
Engagement partner - effective from year ended 31 December 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	Notes	2024 \$'000	2023 \$'000
Revenue	5	99,878	118,198
Cost of sales		(91,437)	(106,386)
Gross profit		8,441	11,812
Other income and gains	6	935	802
Distribution costs		(10,767)	(11,610)
Administrative expenses		(4,954)	(4,896)
Finance costs	8	(2,044)	(1,875)
Other losses	6	(7,924)	(2,367)
Loss before tax from continuing operations		(16,313)	(8,134)
Income tax expense	10	(308)	(796)
Loss from continuing operations for the year		(16,621)	(8,930)
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss			
Foreign exchange differences on translating foreign operations		560	(990)
Items that will not be reclassified to profit or loss			
Remeasurement (loss)/gain on retirement benefits		(6)	90
Other comprehensive income/(loss) for the year, net of tax		554	(900)
Total comprehensive loss for the year		(16,067)	(9,830)
Loss for the year attributable to:			
Owners of the parent, net of tax		(15,764)	(8,792)
Non-controlling interest, net of tax		(857)	(138)
		(16,621)	(8,930)
Total comprehensive loss attributable to:			
Owners of the parent		(15,223)	(9,724)
Non-controlling interests		(844)	(106)
		(16,067)	(9,830)
Earnings/(loss) per share (cents)			
Basic	11	(1.93)	(1.09)
Diluted	11	(1.93)	(1.09)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

		Group	Company		
	Notes	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
ASSETS					
<u>Non-current assets</u>					
Property, land and equipment	12	22,682	22,614	–	–
Intangible assets	13	3,396	3,169	–	–
Land use rights	14	1,064	1,109	–	–
Right-of-use assets	15	9,143	12,290	–	–
Goodwill	16	112	6,507	–	–
Other receivables	21	–	–	6,250	6,250
Investment in subsidiaries	17	–	–	16,337	16,399
Investment in associates	18	–	–	–	–
Other assets		195	–	182	–
Deferred tax assets	10	792	699	–	–
Total non-current assets		37,384	46,388	22,769	22,649
<u>Current assets</u>					
Inventories	19	15,897	18,295	–	–
Trade and other receivables	21	25,600	22,462	5,747	783
Other non-financial assets	22	2,435	2,088	244	5
Cash and cash equivalents	23	9,034	14,883	4	107
Total current assets		52,966	57,728	5,995	895
Total assets		90,350	104,116	28,764	23,544
EQUITY AND LIABILITIES					
<u>Equity</u>					
Share capital	24	66,666	66,666	66,666	66,666
Other reserves	25	6,054	93	5,544	135
Accumulated losses		(39,483)	(23,782)	(48,312)	(46,887)
Equity, attributable to owners of the parent		33,237	42,977	23,898	19,914
Non-controlling interest		(2,291)	(1,472)	–	–
Total equity		30,946	41,505	23,898	19,914
<u>Non-current liabilities</u>					
Deferred tax liabilities	10	263	284	–	–
Loans and borrowings	26	2,669	4,729	–	–
Lease liabilities	20	3,378	5,363	–	–
Other payables	27	12	26	–	–
Retirement benefit obligations	28	2,379	2,201	–	–
Total non-current liabilities		8,701	12,603	–	–
<u>Current liabilities</u>					
Income tax payable		1	40	–	–
Loans and borrowings	26	14,761	21,261	–	–
Lease liabilities	20	2,668	3,322	–	–
Trade and other payables	27	33,273	25,385	4,866	3,630
Total current liabilities		50,703	50,008	4,866	3,630
Total liabilities		59,404	62,611	4,866	3,630
Total equity and liabilities		90,350	104,116	28,764	23,544

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2024

Group	Total equity \$'000	Attributable to parent sub-total \$'000	Share capital \$'000	Rights issue reserve \$'000	Accumulated losses \$'000	Currency translation reserve \$'000	Statutory reserve \$'000	Share Option reserve \$'000	Other reserve \$'000	Non-controlling interest \$'000
Current year:										
Opening balance at 1 January 2024	41,505	42,977	66,666	-	(23,782)	(1,637)	1,473	135	122	(1,472)
Changes in equity:										
Loss from continuing operations for the year	(16,621)	(15,764)	-	-	(15,764)	-	-	-	-	(857)
Exchange difference arising from translation of foreign operations (Note 25A)	560	547	-	-	-	547	-	-	-	13
Remeasurement of defined benefit scheme	(6)	(6)	-	-	(6)	-	-	-	-	-
Total comprehensive loss for the year	(16,067)	(15,223)	-	-	(15,770)	547	-	-	-	(844)
Expiry of share options (Note 25C)	-	-	-	-	74	-	-	(74)	-	-
Share option expenses (Note 25C)	13	13	-	-	-	-	-	13	-	-
Subscription monies of rights share, net (Note 25D)	5,470	5,470	-	5,470	-	-	-	-	-	-
Capital contribution by non-controlling shareholder	25	-	-	-	-	-	-	-	-	25
Transfer to statutory reserve	-	-	-	-	(5)	-	5	-	-	-
Closing balance at 31 December 2024	30,946	33,237	66,666	5,470	(39,483)	(1,090)	1,478	74	122	(2,291)

Group	Total equity \$'000	Attributable to parent sub-total \$'000	Share capital \$'000	Accumulated losses \$'000	Currency translation reserve \$'000	Statutory reserve \$'000	Share Option reserve \$'000	Other reserve \$'000	Non-controlling interest \$'000
Previous year:									
Opening balance at 1 January 2023	51,261	52,627	66,666	(18,820)	(615)	1,473	3,801	122	(1,366)
Changes in equity:									
Loss from continuing operations for the year	(8,930)	(8,792)	-	(8,792)	-	-	-	-	(138)
Exchange difference arising from translation of foreign operations (Note 25A)	(990)	(1,022)	-	-	(1,022)	-	-	-	32
Remeasurement of defined benefit scheme	90	90	-	90	-	-	-	-	-
Total comprehensive loss for the year	(9,830)	(9,724)	-	(8,702)	(1,022)	-	-	-	(106)
Expiry of share options (Note 25C)	-	-	-	3,740	-	-	(3,740)	-	-
Share option expenses (Note 25C)	74	74	-	-	-	-	74	-	-
Closing balance at 31 December 2023	41,505	42,977	66,666	(23,782)	(1,637)	1,473	135	122	(1,472)

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2024

Company	Total equity \$'000	Share capital \$'000	Accumulated losses \$'000	Rights issue reserve \$'000	Share Options reserve \$'000
Current year:					
Opening balance at 1 January 2024	19,914	66,666	(46,887)	–	135
Changes in equity:					
Total comprehensive loss for the year	(1,425)	–	(1,425)	–	–
Share-based payments plan value of employee services	13	–	–	–	13
Expiry of share options	(74)	–	–	–	(74)
Subscription monies of rights share, net	5,470	–	–	5,470	–
Closing balance at 31 December 2024	23,898	66,666	(48,312)	5,470	74
Previous year:					
Opening balance at 1 January 2023	21,152	66,666	(49,315)	–	3,801
Changes in equity:					
Total comprehensive loss for the year	(1,297)	–	(1,297)	–	–
Share-based payments plan value of employee services	59	–	–	–	59
Expiry of share options	–	–	3,725	–	(3,725)
Closing balance at 31 December 2023	19,914	66,666	(46,887)	–	135

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2024

	2024 \$'000	2023 \$'000
Cash flows from operating activities		
Loss before tax	(16,313)	(8,134)
Adjustment for:		
Amortisation of intangible assets	280	220
Depreciation of land use rights	51	52
Depreciation of right-of-use assets	3,187	3,393
Depreciation of property, plant and equipment	3,716	3,292
Finance costs	2,044	1,875
Intangibles written off	6	–
Property, plant and equipment written off	29	–
Loss allowance on trade receivables	995	2,274
Interest income	(128)	(123)
Inventories written off	859	–
Impairment loss of goodwill	6,395	–
Share option expenses	13	74
Unrealised foreign exchange differences	(1,258)	(609)
Operating cash flows before changes in working capital	(124)	2,314
Inventories	862	12,087
Trade and other receivables	2,663	(13,404)
Other non-financial assets	(347)	1,775
Trade and other payables	6,583	(4,035)
Provision for retirement benefit obligations	(6)	90
Net cash flows generated from/(used in) operations	9,631	(1,173)
Interest received	91	77
Income taxes paid	(308)	(1,577)
Net cash flows provided by/(used in) operating activities	9,414	(2,673)
Cash flows from investing activities		
Acquisition of short-term investments	(2,735)	(4,519)
Proceeds from disposal of short-term investments	2,772	4,565
Acquisition of other assets	(195)	–
Purchase of property, plant and equipment	(2,258)	(1,810)
Purchase of intangible assets	(426)	(1,947)
Net cash flows used in investing activities	(2,842)	(3,711)
Cash flows from financing activities		
Cash restricted in use	(13)	(351)
Proceeds from bank loans and borrowings	46,926	94,016
Repayment of bank loans and borrowings	(56,000)	(82,065)
Repayments of principal of lease liabilities	(3,388)	(3,595)
Repayments of interest of lease liabilities	(239)	(439)
Interest paid	(1,805)	(1,436)
Net proceeds from amount due to director	1,800	–
Net cash flows (used in)/provided by financing activities	(12,719)	6,130
Net decrease in cash and cash equivalents	(6,147)	(254)
Effect of exchange rate changes on cash and cash equivalents	285	(365)
Cash and cash equivalents, statement of cash flows, beginning balance	14,532	15,151
Cash and cash equivalents, statement of cash flows, ending balance	8,670	14,532

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

1. General information

The Company (Registration No: 201432529C) is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollar and they cover the Company (referred to as “parent”) and the subsidiaries.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The principal activities of the Company are those of investment holding and provides management support for its Group’s companies. The Company is listed on the Singapore Exchange Securities Trading Limited (SGX-ST”).

The principal activities of the subsidiaries and associates are disclosed in Notes 17 and 18, respectively, to the financial statements. Related companies in these financial statements refer to members of the GSS Energy Limited Group.

The registered office is: 141 Cecil Street, #07-06 Tung Ann Association Building, Singapore 069541.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS (I) s”) and the related Interpretations to SFRS (I) (“SFRS (I) INT”) as issued by the Accounting Standards Committee under ACRA (“ASC”). They comply with the provisions of the Companies Act 1967 and with the IFRS Accounting Standards (IFRSs) issued by the International Accounting Standards Board (IASB).

Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. Disclosures are made on the accounting policy information relating to material transactions, other events or conditions if that information is material to the financial statements or is required by a financial reporting standard. It is regarded as material if users of the financial statements would need it to understand other material information in the financial statements. An account balance entity-specific accounting policy and other information is disclosed in the relevant respective account balances in the financial statements. Entity-specific accounting policy and other information that relates to more than one account balance or a class of material transactions is described below.

Basis of presentation and principles of consolidation

The consolidated financial statements of the Group include the financial statements made up to the end of the reporting year of the Company and all of its subsidiaries. The consolidated financial statements are the financial statements of the Group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases. Changes in the group’s ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners.

The carrying amounts of the Group’s and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the Group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

The Company’s separate financial statements have been prepared on the same basis, and as permitted by the Companies Act 1967, the Company’s separate statement of profit or loss and other comprehensive income is not presented.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy and other explanatory information

2A. Material accounting policy information

Disclosures are made on the accounting policy information and other explanatory information relating to material transactions, other events or conditions if that information is material to the financial statements or is required by a financial reporting standard.

Revenue and income recognition

General - Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Sale of goods - Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Services - Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs. For services that are not material transactions revenue is recognised as the services are provided.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute for the Singapore employees to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). Certain subsidiaries overseas have defined contribution retirement benefit plans in which employees are entitled to join upon fulfilling certain conditions. The assets of the fund may or may not be held separately from those of the reporting entity in an independently administered fund. The entity contributes a fixed percentage of the salary of each participating employee.

For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Certain component of the reporting entity operates a defined benefit plan for qualifying employees of the components in Indonesia. The net obligation in respect of defined employee benefit plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in the current and prior periods, discounting that amount, and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan, or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements. The scheme is constituted as a trust and the assets are kept separate from those of the reporting entity.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy and other explanatory information (Continued)

2A. Material accounting policy information (Continued)

Employee benefits (Continued)

The plan exposes the reporting entity to actuarial risks, in particular: (a) Salary risk: any increase in the plan participants' salary will increase the plan's liability. (b) Longevity risk: any increase in the plan participants' life expectancy will increase the plan's liability. (c) Investment risk: if the actual return on plan assets is below the discount rate used in calculating the defined benefit plan liability, a plan deficit will arise; however, the composition of plan assets is balanced enough not to expose the reporting entity to significant concentrations of investment risk. (d) Interest rate risk: a decrease in the bond interest rate will increase the plan liability (however, this is partially counterbalanced by an increase in the return on the plan's debt investments).

Share-based compensation

For the equity-settled share-based compensation transactions, the fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed on a straight-line basis over the vesting period is measured by reference to the fair value of the options granted ignoring the effect of non-market conditions such as profitability and sales growth targets. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. The fair value is measured using a relevant option pricing model. The expected lives used in the model are adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. At each end of the reporting year, a revision is made of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in profit or loss with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. Cancellations of grants of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) are accounted for as an acceleration of vesting, therefore any amount unrecognised that would otherwise have been charged is recognised immediately in profit or loss.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

Translation of financial statements of other entities

Each entity determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such a reporting entity for incorporation in the combined financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy and other explanatory information (Continued)

2A. Material accounting policy information (Continued)

Income tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. For items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries and associates except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property plant and equipment.

Land use rights

Land use rights under operating leases are initially stated at cost. Following initial recognition, land use rights are measured and carried at cost less accumulated amortisation. The land use rights are amortised on a straight-line basis over the lease term of 50 years.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy and other explanatory information (Continued)

2A. Material accounting policy information (Continued)

Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum lease payments. A corresponding right-of-use asset is recorded (or included in property, plant and equipment). Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as a finance cost. Right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Cash and cash equivalents

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term (three months or less), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity. In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

Associates

An associate is an entity including an unincorporated entity in which the reporting entity has a significant influence and that is neither a subsidiary nor a joint arrangement of the reporting entity. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. An investment in an associate includes goodwill on acquisition, which is accounted for in accordance with the financial reporting standard on business combinations. In the company's separate financial statements, an investment in an associate is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for an associate is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of an investment in the associate are not necessarily indicative of the amounts that would be realised in a current market exchange.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy and other explanatory information (Continued)

2A. Material accounting policy information (Continued)

Associates (Continued)

In the consolidated financial statements, the accounting for investments in an associate is on the equity method. Under the equity method the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The carrying value and the net book value of the investment in the associate are not necessarily indicative of the amounts that would be realised in a current market exchange. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. Accounting policies of associates are changed where necessary to ensure consistency with the policies adopted by the reporting entity.

In the Company's separate financial statements, an investment in an associate is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for an associate is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of an investment in the associate are not necessarily indicative of the amounts that would be realised in a current market exchange.

Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is recognised as of the acquisition date measured as the excess of (a) over (b); (a) being the aggregate of: (i) the consideration transferred which generally requires acquisition-date fair value; (ii) the amount of any non-controlling interest in the acquiree measured in accordance with the financial reporting standard on business combinations (measured either at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets); and (iii) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; and (b) being the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with the financial reporting standard on business combinations.

Intangible assets other than goodwill

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the reporting entity. After initial recognition, an intangible asset with indefinite useful life is carried at cost less any accumulated impairment losses. Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible with an indefinite useful life and an intangible asset not yet available for use.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. Costs include all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of work-in-progress and manufactured products, costs include materials, direct labour and an appropriate proportion of production overhead expenditure. Net realisable value is the estimated selling price at which the inventories can be realised in the normal course of business after allowing for the costs of completion and costs of realisation. Allowance is made for obsolete, slow moving and defective inventories.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy and other explanatory information (Continued)

2A. Material accounting policy information (Continued)

Carrying amounts of non-financial assets

The carrying amount of non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is expensed.

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification of financial assets and financial liabilities and subsequent measurement:

The financial reporting standard on financial instruments requires the certain classification of financial assets and financial liabilities. At the end of the reporting year, the reporting entity had the following classes:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) 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. Typically trade and other receivables, bank and cash balances are in this class.
- Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy and other explanatory information (Continued)

2A. Material accounting policy information (Continued)

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are material differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

Other specific material accounting policy information and other explanatory information

These are disclosed at the relevant Notes to the financial statements.

2B. Judgements, assumptions and estimation uncertainties

Disclosures on material information about the assumptions management made about the future, and other major sources of estimation uncertainty at the end of the reporting year, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the corresponding Notes to these financial statements. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Assessing the impairment of goodwill:

The amount of goodwill is tested annually for impairment. This annual impairment test is material and the process is complex and highly judgmental and is based on assumptions that are affected by expected future market or economic conditions. As a result, judgement is required in evaluating the assumptions and methodologies used by management, in particular those relating to the forecasted revenue growth and profit margins. The disclosures about goodwill are included in the Note 16. Small changes in the key assumptions used could give rise to an impairment of the goodwill balance in the future. Actual outcomes could vary from these estimates.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy and other explanatory information (Continued)

2B. Judgements, assumptions and estimation uncertainties (Continued)

Assessing expected credit loss allowance on trade receivables:

The assessment of the expected credit losses (ECL) requires a degree of estimation and judgement. In measuring the expected credit losses, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward-looking information such as forecasts of future economic conditions. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year.

The carrying amount is disclosed in the Note 21 to the financial statements.

Assessing loss allowance on inventories:

The assessment of the allowance for impairment loss on inventories requires a degree of estimation and judgement. The level of the loss allowance is assessed by taking into account the recent sales experience, the ageing of inventories, other factors that affect inventory obsolescence and subsequent events. Possible changes in these estimates could result in revisions to the stated value of the inventories.

The carrying amounts of inventories at the end of the reporting year is disclosed in the Note 19 to the financial statements.

Assessing the ability to exercise control over subsidiary: See Note 17.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) related party relationships, transactions and outstanding balances, including commitments, including (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

3A. Related party transactions and balances

There are transactions and arrangements between the reporting entity and related parties, the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

In addition to the information disclosed elsewhere in the notes to the financial statements, the transactions with other related parties were not material and are not disclosed.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3. Related party relationships and transactions (Continued)

3B. Key management compensation

	Group	
	2024 \$'000	2023 \$'000
Directors' fees	107	116
Salaries and other short-term employee benefits	2,071	1,875
Post-employment benefits	141	103
Other long-term benefits	13	74
	2,332	2,168
Fees to a Company in which a director has an interest	1,413	1,345
Fees to a firm in which a director is a member	919	823
	2,332	2,168

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

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

3C. Loan from a director

Mr Sydney Yeung, the Chief Executive Officer and Executive Director of the Company (the "Undertaking Shareholder") has extended a loan of \$1,900,000 with an interest of 7% per annum to the Company (the "Shareholder's Loan").

Pursuant to the deed of undertaking dated 23 October 2024 provided by the Undertaking Shareholder to the Company in connection with the Rights Issue, the Undertaking Shareholder will apply and set off the aggregate Rights Shares subscription amount of \$1,115,402 against part of the outstanding amount under the Shareholder's Loan (Note 25D).

The outstanding amount is disclosed in Note 27 to the financial statements.

3D. Other receivables from and other payables to related parties

The trade transactions and the related receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed.

The other receivables from and other payables to related parties disclosed in Notes 21 and 27 respectively are unsecured, non-interest bearing and repayable on demand. The transactions were not material and are not disclosed.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4. Financial information by operating segments

The Group discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker to allocate resources and in assessing performance. Generally, financial information on segments is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

4A. Information about reportable segment profit or loss, assets and liabilities

For management purposes the reporting entity is organised into major strategic operating segments that offer different products and services. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the board of directors (who are identified as the chief operating decision makers) in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

The Group's reportable segments are organised on a regional basis into three main operating businesses, namely:

- 1) Mechanisms division
- 2) Microshafts division
- 3) Electric vehicle division

Mechanisms division provides advanced production technology to multi-national manufacturers in the field of home and car audio entertainment, communication, computer and office automation industries and medical industries.

Microshafts division concentrates on the manufacturing of high precision shafts.

Electric vehicle division concentrates on design, manufacture and distribution of electronic vehicles including spare parts.

Unallocated segment includes marketing and provision of sales support services.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the reporting entity are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those used by the reporting entity.

The management reporting system evaluates performance based on a number of factors. However, the primary profitability measurement to evaluate segment's operating results comprises two major financial indicators: (1) earnings from operations before depreciation and amortisation, interests and income taxes (called "Recurring EBITDA") and (2) operating result before interests and income taxes and other unallocated items (called "ORBIT").

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4. Financial information by operating segments (Continued)

4A. Information about reportable segment profit or loss, assets and liabilities (Continued)

	Mechanisms \$'000	Microshafts \$'000	Electric vehicle \$'000	Unallocated segment \$'000	Eliminations \$'000	Group \$'000
Continuing operations 2024						
Revenue by segment						
External customers	82,578	17,276	24	–	–	99,878
Intersegment revenues	16,705	2,165	447	180	(19,497)	–
	99,283	19,441	471	180	(19,497)	99,878
Results:						
Operating profit / (loss)	(5,768)	(814)	(11,788)	(1,206)	5,179	(14,397)
Interest income						128
Finance costs						(2,044)
Loss before tax from continuing operations						(16,313)
Income tax expense						(308)
Loss from continuing operations						(16,621)
Segment assets and liabilities						
Segment assets	58,392	18,627	7,217	6,114	–	90,350
Total assets						90,350
Segment liabilities	50,275	4,588	2,203	2,338	–	59,404
Total liabilities						59,404
Other segment information						
Addition to property, plant and equipment	1,869	127	262	–	–	2,258
Addition to intangible assets	–	–	426	–	–	426
Depreciation and amortisation	(5,301)	(1,101)	(830)	(2)	–	(7,234)
Expected credit losses	(83)	–	(907)	(5)	–	(995)
Impairment loss of goodwill	–	–	(6,395)	–	–	(6,395)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4. Financial information by operating segments (Continued)

4A. Information about reportable segment profit or loss, assets and liabilities (Continued)

	Mechanisms \$'000	Microshafts \$'000	Electric vehicle \$'000	Unallocated segment \$'000	Eliminations \$'000	Group \$'000
Continuing operations 2023						
Revenue by segment						
External customers	100,211	17,945	42	–	–	118,198
Intersegment revenues	16,966	2,171	104	180	(19,421)	–
	<u>117,177</u>	<u>20,116</u>	<u>146</u>	<u>180</u>	<u>(19,421)</u>	<u>118,198</u>
Results:						
Operating profit / (loss)	2,596	(234)	(3,081)	(1,167)	(4,496)	(6,382)
Interest income						123
Finance costs						(1,875)
Loss before tax from continuing operations						(8,134)
Income tax expense						(796)
Loss from continuing operations						<u>8,930</u>
Segment assets and liabilities						
Segment assets	68,157	20,862	14,975	122	–	104,116
Total assets						<u>104,116</u>
Segment liabilities	55,541	4,688	2,028	354	–	62,611
Total liabilities						<u>62,611</u>
Other segment information						
Addition to property, plant and equipment	568	256	986	–	–	1,810
Addition to intangible assets	4	–	1,943	–	–	1,947
Expected credit losses	(2,274)	–	–	–	–	(2,274)
Depreciation and amortisation	(5,321)	(1,215)	(419)	(2)	–	(6,957)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4. Financial information by operating segments (Continued)

4B. Geographical information

Segments	Mechanisms		Microshafts		Electric vehicle		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Primary geographical markets								
Indonesia	67,299	79,467	816	651	-	1	68,115	80,119
Europe	-	-	-	1,093	-	-	-	1,093
China	33	2,112	7,185	6,733	-	30	7,218	8,875
Singapore	11,050	11,854	847	856	-	9	11,897	12,719
Italy	-	-	1,401	1,828	-	-	1,401	1,828
Germany	-	88	1,121	1,624	-	-	1,121	1,712
Malaysia	47	118	1,577	1,012	-	-	1,624	1,130
Japan	773	1,205	115	48	-	-	888	1,253
United State of America	-	10	-	925	-	-	-	935
Thailand	-	-	338	319	24	2	362	321
Romania	-	568	-	35	-	-	-	603
Hong Kong	-	2,461	-	10	-	-	-	2,471
Taiwan	-	1,638	-	-	-	-	-	1,638
Others	3,365	690	3,887	2,811	-	-	7,252	3,501
	82,567	100,211	17,287	17,945	24	42	99,878	118,198
Type of good or services								
Sale of goods	74,342	88,258	17,278	17,945	24	42	91,644	106,245
Services rendered	8,225	11,953	9	-	-	-	8,234	11,953
	82,567	100,211	17,287	17,945	24	42	99,878	118,198

Revenue is attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4. Financial information by operating segments (Continued)

4B. Geographical information (Continued)

	Non-current assets		Additions to non-current assets	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Primary geographical markets				
Singapore	13,264	15,092	127	4,160
Indonesia	18,272	18,778	1,869	514
China	5,286	5,668	262	256
Thailand	562	6,792	–	139
Other countries	–	58	–	–
	37,384	46,388	2,258	5,069

The non-current assets are analysed by the geographical area in which the assets are located.

4C. Information about major customers

	Group	
	2024	2023
	\$'000	\$'000
Top 1 customer in more than one segment	64,523	71,614
Top 2 customers in more than one segment	70,412	77,528
Top 3 customers in more than one segment	73,436	80,407

5. Revenue

	Group	
	2024	2023
	\$'000	\$'000
Sale of goods	91,644	106,245
Services	8,234	11,953
	99,878	118,198

The revenue from sale of goods is recognised based on point in time. The customers are retailers and wholesalers. A large portion of the goods is exported.

The contracts are less than 12 months.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

6. Other income and gains and (other losses)

	Group	
	2024	2023
	\$'000	\$'000
Expected credit loss allowance on trade receivables	(995)	(2,274)
Other non-financial assets written off	(534)	–
Foreign exchange translation gains / (losses)	33	(93)
Government grants	284	109
Interest income	128	123
Income from disposal of scrap materials	60	175
Sale of circuit boards	–	89
Cost recovery for freight claims with customers	–	175
Impairment loss of goodwill	(6,395)	–
Other gains	430	131
Net	(6,989)	(1,565)
Presented in profit or loss as:		
Other income and gains	935	802
Other losses	(7,924)	(2,367)
Net	(6,989)	(1,565)

7. Items in profit or loss

In addition to the profit and loss line items disclosed elsewhere in the Notes to the financial statements, this item includes the following expenses:

	Group	
	2024	2023
	\$'000	\$'000
Cost of sales includes the following:		
Costs of inventories expensed	65,522	75,789
Distribution costs include the following:		
Employee benefits expense (Note 9)	6,534	6,967

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

7. Items in profit or loss (Continued)

	Group	
	2024	2023
	\$'000	\$'000
Administrative expenses include the following:		
Employee benefits expense (Note 9)	2,253	2,074
Audit fees to the independent auditor of the company	219	218
Audit fees to the other independent auditors - network firms	60	60
Audit-related services (ARS) fees to the independent auditor of the company	–	10
Professional fees	390	483

8. Finance costs

	Group	
	2024	2023
	\$'000	\$'000
Interest expense	1,805	1,436
Interest on lease liabilities	239	439
Total finance costs	2,044	1,875

9. Employee benefits expense

	Group	
	2024	2023
	\$'000	\$'000
Short term employee benefits expense	20,165	20,928
Contributions to defined contribution plan	2,429	2,440
Defined benefit plan	250	201
Employee share options expense	13	74
Other benefits	525	800
Total employee benefits expense	23,382	24,443
Allocation of the employee benefits expense:		
Cost of sales	14,595	15,402
Distribution costs (Note 7)	6,534	6,967
Administrative expenses (Note 7)	2,253	2,074
Total	23,382	24,443

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

10. Income tax

10A. Components of tax expense recognised in profit or loss include:

	Group	
	2024	2023
	\$'000	\$'000
Current tax expense:		
Current tax expense	552	595
(Over) / Under adjustments in respect of prior periods	(31)	323
Sub-total	521	918
Deferred tax income:		
Deferred tax income	(109)	(122)
(Over) / Under adjustments in respect of prior periods	(104)	–
Subtotal	(213)	(122)
Total income tax expense	308	796

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2023: 17%) to loss before income tax as a result of the following differences:

	Group	
	2024	2023
	\$'000	\$'000
Loss before tax	(16,313)	(8,134)
Income tax income at the above rate	(2,773)	(1,383)
Not deductible items	2,575	850
Income not subject to tax	–	(1)
Effects of different tax rates in different countries	235	52
Withholding tax	49	70
Stepped income exemption	(35)	(10)
(Over) / Under adjustments to tax in respect of previous years	(135)	323
Deferred tax assets not recognised	678	462
Others	(286)	433
Total income tax expense	308	796

There are no income tax consequences of dividends to owners of the Company.

10B. Deferred tax expense / (income) recognised in profit or loss:

Movements in deferred tax liabilities are as follows:

	Group	
	2024	2023
	\$'000	\$'000
Balance at beginning of financial year	(284)	(322)
Deferred tax expense reversed/(charged) to profit or loss	21	38
Balance at end of financial year	(263)	(284)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

10. Income tax (Continued)

10B. Deferred tax expense / (income) recognised in profit or loss (Continued):

Movements in deferred tax assets are as follows:

	Group	
	2024	2023
	\$'000	\$'000
Balance at beginning of the year	699	563
Deferred tax income credit to profit or loss	88	160
Foreign exchange adjustments	5	(24)
Balance at end of the year	792	699

10C. Deferred tax balances in the statement of financial position

Deferred tax assets are attributable to the following temporary differences:

	Group	
	2024	2023
	\$'000	\$'000
Unutilised tax losses	792	699

Deferred tax assets are attributable to temporary differences arising from unutilised tax losses of approximately \$2,628,000 (2023: \$2,435,000) which are available for set-off against future taxable profits subject to the agreement by the tax authorities and provisions of tax legislations of the People's Republic of China (the "PRC"). The expiry date for tax losses arising in certain foreign tax jurisdiction is as follows:

Year incurred	Year of expiry	Group	
		2024	2023
		\$'000	\$'000
2018	2028	98	98
2019	2029	37	37
2022	2032	1,870	1,870
2023	2033	430	430
2024	2034	193	—
		2,628	2,435

As at 31 December 2024, total unremitted earnings of certain subsidiaries in the PRC and Indonesia amounted to approximately \$16,475,000 (2023: \$17,980,000). Management estimates that unremitted earnings of \$639,000 (2023: \$1,628,000) will be distributed as dividends in the foreseeable future. As at 31 December 2024, a deferred tax liability of approximately \$32,000 (2023: \$81,000) was recognised on the withholding tax that would be payable.

No deferred tax liabilities have been recognised for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries, as the management does not expect the subsidiaries to distribute its earnings in the foreseeable future. Unremitted earnings of these subsidiaries totalled \$15,836,000 (2023: \$16,352,000) as at 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

10. Income tax (Continued)

10D. Unrecognised deferred tax assets

	Group	
	2024	2023
	\$'000	\$'000
At beginning of financial year	747	285
Deferred tax assets not recognised during the financial year	678	462
At end of financial year	1,425	747

Unrecognised deferred tax assets are attributable to:

	Group	
	2024	2023
	\$'000	\$'000
Unutilised tax losses	1,425	747

At the end of the financial year, the Group had unutilised tax losses of approximately \$8,210,000 (2023: \$5,501,000) which is available for set-off against future taxable profits. These deferred tax assets have not been recognised as there is no certainty that there will be sufficient future taxable profits to realise these future benefits. The realisation of the future income tax benefits from unutilised tax loss is available for an unlimited future period and subject to the conditions imposed by law including the retention of majority shareholders.

11. Earnings / (loss) per share

The following table illustrates the numerators and denominators used to calculate basic and diluted losses per share of no-par value:

	Group	
	2024	2023
	\$'000	\$'000
Loss for the year attributable to owners of the parent, net of tax	15,764	8,792

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

11. Earnings / (loss) per share (Continued)

	Number of shares	
	2024	2023
	'000	'000
Weighted average number of equity shares	817,781	817,781

The weighted average number of equity shares refers to shares in circulation during the reporting year, adjusted for the rights issuance disclosed in Note 25D. For the calculation of basic and diluted earnings per share, the number of ordinary shares and potential ordinary shares are adjusted retrospectively for all periods to reflect the bonus elements in the rights issue undertaken by the Group during the current year and completed after financial year end.

The diluted loss per share for the financial years ended 31 December 2024 and 2023 are the same as the basic loss per share as the potential ordinary shares as disclosed in Note 24 to the financial statements are anti-dilutive because the average market prices during the respective periods were below the respective exercise prices.

Basic loss per share is calculated by dividing loss for the year attributable to the owners of the parent, net of tax by the weighted average number of ordinary shares outstanding during each reporting year.

There is no dilutive effect from the share options as they are anti-dilutive because their conversion to ordinary shares would increase earnings per share or decrease loss per share from continuing operations.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

12. Property, plant and equipment

Group	Machinery, furniture and equipment \$'000	Leasehold buildings \$'000	Leasehold improvements \$'000	Motor vehicles \$'000	Construction in progress \$'000	Tooling in progress \$'000	Total \$'000
<u>Cost:</u>							
At 1 January 2023	49,100	4,285	6,518	570	13,601	720	74,794
Additions	824	-	382	78	-	526	1,810
Written off	(301)	-	(74)	-	-	-	(375)
Reclassifications	896	11,593	2,008	-	(13,601)	(896)	-
Foreign exchange adjustments	(438)	(174)	(103)	(11)	-	(17)	(743)
At 31 December 2023	50,081	15,704	8,731	637	-	333	75,486
Additions	498	-	1,659	5	-	96	2,258
Written off	(508)	-	(223)	-	-	(16)	(747)
Reclassifications	325	-	-	-	-	(325)	-
Reclassifications from ROU assets (Note 15)	872	-	-	-	-	-	872
Foreign exchange adjustments	1,294	436	336	21	-	-	2,087
At 31 December 2024	52,562	16,140	10,503	663	-	88	79,956
<u>Accumulated depreciation:</u>							
At 1 January 2023	43,463	1,178	5,789	539	-	-	50,969
Depreciation for the year	2,152	711	391	38	-	-	3,292
Written off	(301)	-	(74)	-	-	-	(375)
Foreign exchange adjustments	(830)	(62)	(99)	(23)	-	-	(1,014)
At 31 December 2023	44,484	1,827	6,007	554	-	-	52,872
Depreciation for the year	2,494	669	519	34	-	-	3,716
Written off	(502)	-	(216)	-	-	-	(718)
Foreign exchange adjustments	1,134	39	213	18	-	-	1,404
At 31 December 2024	47,610	2,535	6,523	606	-	-	57,274
<u>Carrying value:</u>							
At 1 January 2023	5,637	3,107	729	31	13,601	720	23,825
At 31 December 2023	5,597	13,877	2,724	83	-	333	22,614
At 31 December 2024	4,952	13,605	3,980	57	-	88	22,682

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

12. Property, plant and equipment (Continued)

The estimated useful life are as follows:

Machinery, furniture and equipment	– 3 to 10 years
Leasehold buildings	– 20 years
Leasehold improvements	– 5 to 10 years
Motor vehicles	– 4 years
Construction in progress	– Not depreciated until the asset is ready for intended use
Tooling in progress	– Not depreciated until the asset is ready for intended use

Allocation of the depreciation expense:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cost of sales	3,252	2,958	–	–
Administrative expenses	408	302	2	2
Marketing and distribution expenses	56	32	–	–
Total	3,716	3,292	2	2

Certain items are under finance lease agreements (see Note 20).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

13. Intangible assets

Group	Computer software \$'000	Development cost \$'000	Intellectual properties \$'000	Total \$'000
<u>Cost:</u>				
At 1 January 2023	471	104	1,125	1,700
Additions	4	1,929	14	1,947
Written off	(22)	–	–	(22)
Foreign exchange adjustments	(6)	(1)	2	(5)
At 31 December 2023	447	2,032	1,141	3,620
Additions	1	424	1	426
Written off	–	(6)	–	(6)
Foreign exchange adjustments	14	83	4	101
At 31 December 2024	462	2,533	1,146	4,141
<u>Accumulated depreciation:</u>				
At 1 January 2023	251	–	2	253
Amortisation for the year	28	–	192	220
Written off	(22)	–	–	(22)
Foreign exchange adjustments	(1)	–	1	–
At 31 December 2023	256	–	195	451
Amortisation for the year	30	136	114	280
Foreign exchange adjustments	8	4	2	14
At 31 December 2024	294	140	311	745
<u>Net book value:</u>				
At 1 January 2023	220	104	1,123	1,447
At 31 December 2023	191	2,032	946	3,169
At 31 December 2024	168	2,393	835	3,396

The amortisation is included in administrative expenses.

The estimated useful life are as follows:

Computer software	– 3 to 10 years
Intellectual properties	– 10 years
Development cost	– Not depreciated until the asset is ready for intended use

The development cost pertains to the design, research and development of electric vehicles and battery pack technologies.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

14. Land use rights

	Group	
	2024	2023
	\$'000	\$'000
<u>Cost</u>		
At beginning of the year	1,535	1,600
Foreign exchange adjustments	11	(65)
At end of the year	1,546	1,535
<u>Accumulated amortisation</u>		
At beginning of the year	426	391
Depreciation for the year	51	52
Foreign exchange adjustments	5	(17)
At end of the year	482	426
<u>Carrying value</u>		
At beginning of the year	1,109	1,209
At end of the year	1,064	1,109

The land use rights relate to a parcel of land located in the People's Republic of China and have remaining tenure of 40 years (2023: 41 years).

15. Right-of-use assets

The right-of-use assets in the statement of financial position are as follows:

Group	Leasehold lands, office premise and warehouse \$'000	Machinery \$'000	Total \$'000
<u>Carrying value</u>			
At 1 January 2023	3,192	11,512	14,704
Additions	1,306	–	1,306
Depreciation for the year	(1,125)	(2,268)	(3,393)
Foreign exchange adjustments	(187)	(140)	(327)
At 31 December 2023	3,186	9,104	12,290
Additions	510	21	531
Reclassified to property, plant and equipment (Note 12)	–	(872)	(872)
Depreciation for the year	(1,224)	(1,963)	(3,187)
Foreign exchange adjustments	102	279	381
At 31 December 2024	2,574	6,569	9,143

The estimated useful life are as follows:

Leasehold lands, office premises and warehouse	– 1 to 5 years
Machinery	– 6 years

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

15. Right-of-use assets (Continued)

Allocation of the amortisation expense:

	2024 \$'000	2023 \$'000
Cost of sales	1,969	2,313
Distribution costs	211	200
Administrative expenses	1,007	880
Total	3,187	3,393

16. Goodwill

	Group	
	2024 \$'000	2023 \$'000
Cost:		
Balance at beginning of the year	6,507	6,507
Impairment loss on goodwill	(6,395)	–
Balance at end of the year	112	6,507

Goodwill is allocated to cash-generating units (“CGU”) for the purpose of impairment testing. Each of those CGU represents the Group’s investment by each primary reporting segment as follows.

	2024 \$'000	2023 \$'000
Microshafts	112	112
Electric vehicle	–	6,395
Total	112	6,507

The Goodwill was tested for impairment at the end of the reporting year. On 30 March 2022, a wholly owned subsidiary, Giken Mobility Pte. Ltd., acquired 100% equity interest in Edison Motors Co., Ltd (“Edison Motors”) to design and develop electric motorcycles by using Edison Motors’s proprietary patented technologies.

Due to delay in market development and generating of revenue and profits for the Electric Vehicle Division (“EV”), there was sufficient evidence to consider for impairment allowance. The management has revised the cash flow forecast for the EV cash generating unit. The carrying amount of the EV cash generating unit has therefore been reduced to its recoverable amount through recognition of an impairment loss against the goodwill of \$6,395,000.

The value in use was measured by a firm of independent financial advisers. The key assumptions for the value in use calculations are as follows. The value in use is a recurring fair value measurement (Level 3). The quantitative information about the value in use measurement using significant unobservable inputs for the CGU are consistent with those used for the measurement last performed.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

16. Goodwill (Continued)

The key assumptions for the value in use calculations are as follows: -

	Group	
	2024	2023
<u>CGU – Electric vehicle Discounted cash flow method:</u>		
Estimated discount rates using pre-tax rates that reflect current market assessments at the risks specific to the CGUs.	50.00% to 60.00%	60.00%
Growth rates based on industry growth forecasts for revenue and not exceeding the average long-term growth rate for the relevant markets.	120%	110.32%
Cash flow forecasts derived from the most recent financial budgets and plans approved by management.	5 years	5 years
Terminal growth rate	1.9%	1.8%

The value in use is a recurring fair value measurement (Level 3). The quantitative information about the value in use measurement using significant unobservable inputs for the cash generating unit are consistent with those used for the measurement last performed.

17. Investments in subsidiaries

	Company	
	2024	2023
	\$'000	\$'000
Unquoted equity investment at cost		
At beginning of the year	16,340	16,340
Deemed investment in a subsidiary*	(3)	59
At the end of the year	16,337	16,399

* Relates to adjustment for share options granted to subsidiary's employees

Details of the subsidiary are listed below:

Name of subsidiary, principal activities, and country of business / incorporation	Cost in books of group		Proportion of ownership interest by Group	
	2024	2023	2024	2023
	\$'000	\$'000	%	%
<u>Held by the Company</u>				
Giken Sakata (S) Limited ⁽¹⁾	16,337	16,399	100	100
Manufacture and sale of microshafts and other precision parts and assembly of mechanisms used in computers and a range of electronic products (Singapore)				

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

17. Investments in subsidiaries (Continued)

Details of the subsidiaries held by Giken Sakata (S) Limited are listed below:

Name of subsidiary, principal activities, and country of business / incorporation	Proportion of ownership interest by Group	
	2024 %	2023 %
<u>Held by Giken Sakata (S) Limited</u>		
Changzhou Giken Precision Co., Ltd. ⁽³⁾ Manufacture and sale of microshafts and other precision parts (People's Republic of China)	100	100
Giken Precision Engineering (S) Pte. Ltd. ⁽¹⁾ Manufacture of basic precious and non-ferrous metal products (Singapore)	100	100
P.T. Giken Precision Indonesia ⁽²⁾ Assembly of mechanisms and manufacture of precision parts used in computers and a range of electronic products (Indonesia)	100	100
Turbo Charge Limited ⁽⁴⁾ Investment holding (British Virgin Island)	100	100
P.T. Giken Technology Indonesia ⁽⁴⁾ Dormant (Indonesia)	100	100
Giken Trading (S) Pte. Ltd. ⁽¹⁾ Sale and distribution of consumer electronics and other products (Singapore)	100	100
PT Gading Prima Indo ⁽⁴⁾ Sale and distribution of consumer electronics (Indonesia)	100	100
I-Motor Asia Limited ⁽⁴⁾ Manufacture and distribution of motorcycles (British Virgin Island)	51	51
Giken Mobility Pte. Ltd. ⁽¹⁾ Investment holding and manufacture and assembly of motorcycles and scooters (Singapore)	100	100
Giken Renewable Energy Solutions Pte. Ltd. ⁽¹⁾ Dormant (Singapore)	95	100
Gik-EM Pte. Ltd. ^{(1) (6)} Dormant (Singapore) (Incorporated on 6 March 2024)	50	–

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

17. Investments in subsidiaries (Continued)

Details of the subsidiary held by other subsidiary corporations within the group are listed below:

Name of subsidiary, principal activities, and country of business / incorporation	Proportion of ownership interest by Group	
	2024 %	2023 %
<u>Held by Changzhou Giken Precision Co., Ltd</u>		
Changzhou Giken Technology Co., Ltd. ⁽³⁾	100	100
Manufacture and sale of moulding parts and assembly of mechanisms used in computers and a range of electronic products (People's Republic of China)		
Changzhou Giken Import & Export Co., Ltd ⁽³⁾	100	100
Export Manufacture and sale of microshafts and other precision parts (People's Republic of China)		
<u>Held by Turbo Charge Limited</u>		
Avita-Giken Technology Pte. Ltd. ⁽¹⁾	100	100
Sale and distribution of computers and peripheral equipment (Singapore)		
<u>Held by I-Motor Asia Limited</u>		
I-Motor Korea Co., Ltd of ⁽⁴⁾	51	51
Manufacture and distribution of motor bike (Republic Korea)		
<u>Held by Giken Mobility Pte. Ltd.</u>		
Edison Motors Co., Ltd ⁽⁵⁾	100	100
Design, manufacture and distribution of electronic vehicles (EV), including spare parts and equipment (Thailand)		
Giken Motors Asia Pacific Pte. Ltd ⁽¹⁾	100	100
Dormant (Singapore)		
<u>Held by Gik-EM Pte. Ltd.</u>		
Changzhou GIK-EM Import & Export Co. Ltd. ^{(4) (6)}	50	–
Dormant (People's Republic of China) (Incorporated on 23 April 2024)		

(1) Audited by RSM SG Assurance LLP.

(2) Audited by RSM Indonesia, a member firm of RSM International network firm of which RSM SG Assurance LLP in Singapore is a member.

(3) Audited by SBA Stone Forest Shanghai Certified Public Accountants (Partnership), an affiliated firm of RSM SG Assurance LLP.

(4) Not audited, as it is not material.

(5) Audited by Union Consultant Audit Office Co, Ltd, Thailand.

(6) Management reviewed the terms of the shareholder's agreement and exercised judgement in determining whether the Group has the power to direct the relevant activities (i.e., the activities that significantly affect the investee's returns) of Gik-Em Pte. Ltd. ("Gik-Em"). The board of Gik-Em consists of 3 directors from the Group and 2 directors from the remaining 3 investors (out of which 1 investor does not have the right to appoint a representative as director of Gik-Em). Management has determined that the Group has the ability to control and the power to govern the financial and operating policies so as to obtain benefits from its activities (Note 2B).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

18. Investment in associates

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000

Movements in carrying value:

At beginning of the year and at end of the year	–	–	–	–
---	---	---	---	---

The associates are currently dormant, the listing and information on the associates are given below:

Name of associates, country of incorporation, place of operations, principal activities and independent auditors	Percentage of equity held by the Group	
	2024	2023
	%	%
<u>GSS Energy Trembul Limited</u> ⁽¹⁾	20	20
Investment holding (British Virgin Island)		
<u>Held by GSS Energy Trembul Limited</u>		
PT Sarana GSS Trembul ^{(1) (2)}	17.8	17.8
Operate in oil and gas exploration (Indonesia)		
<u>Held by Giken Sakata (S) Limited</u>	10	–
WiseGiken Elite Pte. Ltd. ^{(1) (2)}		
Other holding companies (Singapore) (Incorporated on 25 April 2024)		
<u>Held by Giken Motor Asia Pacific Pte Ltd</u>	–	19
Synergic Modern Sdn. Bhd. ^{(1) (2) (3)}		
Sales of other Motor Vehicles (Malaysia)		

(1) Not equity accounted as the entities are not material.

(2) Although the reporting entity does not own, directly or indirectly through subsidiaries, 20% or more of the voting or potential voting power of the investee, the investee is regarded as an associate because the reporting entity is able to exercise significant influence by virtue of an agreement with the other shareholders of the investee.

(3) On 17 January 2024, the Group disposed the associate, Synergic Modern Sdn. Bhd., representing 19% of the total issued and paid-up capital for an aggregate consideration of RM1.

The primary business of GSS Energy Trembul Limited (“GETL”) and its subsidiary, P.T. Sarana GSS Trembul (Indonesia) (“PTSGT”) is in oil and gas industry.

On 22 December 2022, PTS GT notified the Company that PTS GT received a letter from Indonesian state-owned entity (“PT Pertamina”) dated 26 September 2023 terminating the Co-operative Agreement (“KSO Agreement”) for the Trembul Operating Area with PTS GT, with immediate effect.

As at the reporting year end, PTS GT and the operating partner, Oakhurst Investments Pte Ltd, are still in the midst of appealing against this termination but were unable to successfully obtain an appeal as at date of this financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

19. Inventories

	Group	
	2024	2023
	\$'000	\$'000
Raw material, consumables and supplies	11,654	14,129
Work in progress	1,299	1,586
Finished goods	2,944	2,580
	15,897	18,295
Inventories are stated after allowance. Movements in allowance:		
At beginning of the year	237	350
Utilisation	(124)	(99)
Foreign exchange adjustments	(13)	(14)
At end of the year	100	237

During the year, there were inventories written off amounting to \$859,000 (2023: \$Nil) charged to profit or loss.

There are no inventories pledged as security for liabilities.

20. Lease liabilities

The leases are for office premise, warehouse and machinery. The lease contracts are usually for fixed periods of 5 to 36 years but may have extension options. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The lease liability above does not include the short-term leases and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liabilities.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

20. Lease liabilities (Continued)

Lease liabilities are presented in the statement of financial position as follows:

	Group	
	2024	2023
	\$'000	\$'000
Lease liabilities, current	2,668	3,322
Lease liabilities, non-current	3,378	5,363
	6,046	8,685

A summary of the maturity analysis of lease liabilities is disclosed in Note 29E. Total cash outflows from leases are shown in the statement of cash flows.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments.

When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above.

The weighted average incremental borrowing rate applied to lease liabilities recognised is 1.6% to 4.5 % (2023: 1.6% to 4.5 %) per year.

Other disclosures on leases:

Apart from the disclosures made in other notes to the financial statements, amounts relating to leases include the following:

	Group	
	2024	2023
	\$'000	\$'000
Expense relating to short-term leases included in other expenses	26	28

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

21. Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Trade receivables:</u>				
Outside parties	22,428	23,620	–	–
Expected credit loss allowance	(3,048)	(2,378)	–	–
Related party	–	655	–	–
Net trade receivables – subtotal	19,380	21,897	–	–
<u>Other receivables:</u>				
Outside parties	6,220	291	5,747	8
Related party	–	274	–	–
Subsidiary	–	–	6,250	7,025
Associate	9,868	9,866	9,868	9,866
Expected credit loss allowance	(9,868)	(9,866)	(9,868)	(9,866)
Net other receivables – subtotal	6,220	565	11,997	7,033
Total trade and other receivables	25,600	22,462	11,997	7,033
 Movements in above allowance on trade receivables:				
At beginning of the year	(2,378)	(180)	–	–
Charge for trade receivables to profit or loss included in other losses	(995)	(2,274)	–	–
Foreign exchange adjustments	325	76	–	–
At end of the year	(3,048)	(2,378)	–	–
 Movements in above allowance on other receivables:				
At beginning of the year	(9,866)	(9,862)	(9,866)	(9,862)
Foreign exchange adjustments	(2)	(4)	(2)	(4)
At end of the year	(9,868)	(9,866)	(9,868)	(9,866)
 Presented as:				
Other receivables, non-current	–	–	6,250	6,250
Trade and other receivables, current	25,600	22,462	5,747	783
	25,600	22,462	11,997	7,033

The non-current amount due from a subsidiary is unsecured, non-interest bearing, has no fixed terms of repayment.

The expected credit losses (“ECL”) on the above trade receivables are based on the simplified approach to measuring expected credit losses which uses a lifetime ECL allowance approach for all trade receivables recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the ECL. The allowance matrix is based on the historical observed default rates (over a period of 36 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates including the impact of the current economic conditions. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

21. Trade and other receivables (Continued)

The ageing of the assets is as follows:

	Gross amount		Loss allowance	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Group</u>				
Trade and other receivables:				
Within due date	15,343	15,983	–	855
1 to 30 days past due	2,814	3,826	–	–
31 to 60 days past due	426	789	–	–
61 to 90 days past due	113	1,540	–	1,343
Over 90 days past due	3,732	2,137	3,048	180
Total	22,428	24,275	3,048	2,378

The loss allowance for trade receivables disclosed above totalling \$3,048,000 (2023: \$2,378,000) is based on individual accounts that are determined to be impaired at the end of the reporting year. There is no collateral held as security and other credit enhancements for the trade receivables.

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

Concentration of trade receivable customers as at the end of reporting year:

	Group	
	2024	2023
	\$'000	\$'000
Top 1 customer	10,573	13,244
Top 2 customers	11,732	14,642
Top 3 customers	11,955	15,811

The other receivables shown above are subject to the expected credit loss (ECL) allowance assessment under the financial reporting standard on financial instruments. The other receivables can be graded for credit risk individually. At inception they are recorded net of any expected 12 month expected credit losses. At the end of the reporting year a loss allowance is recognised if there has been a significant increase in credit risk since initial recognition. For any significant increase or decrease in credit risk an adjustment is made to the loss allowance. The credit risk grade assessed is based on predictive nature of the risk of loss (such as the use of internal and external ratings, management accounts and cash flow projections and available published information about debtors that is available without undue cost or effort) and applying experienced credit judgement.

Other receivables are normally with no fixed terms and therefore there is no fixed maturity date.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22. Other non-financial assets

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Prepayments	645	339	244	5
Advances to suppliers	1,352	1,236	–	–
Deposits to secure services	438	513	–	–
	2,435	2,088	244	5

23. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Not restricted in use	8,670	14,532	4	107
Cash pledged for bank facilities #a	364	351	–	–
Cash at end of the year	9,034	14,883	4	107

The interest earning balances are not significant.

#a. This is for amounts held by a bank to cover the bank facilities issued (see Note 26).

23A. Cash and cash equivalents in the statement of cash flows:

	Group	
	2024	2023
	\$'000	\$'000
Amount as shown above	9,034	14,883
Cash pledged for bank facilities	(364)	(351)
Cash and cash equivalents for statement of cash flows purposes at end of the year	8,670	14,532

23B. Reconciliation of movement of liabilities to cash flows arising from financing activities:

	2023	Cash flows	Non-cash changes	2024
Group	\$'000	\$'000	\$'000	\$'000
Lease liabilities	8,685	(3,627)	988 ^(a)	6,046
Loans and borrowings	25,990	(9,074)*	514	17,430
Total liabilities from financing activities	34,675	(12,701)	1,502	23,476

* Reflected in consolidated statement of cash flows as increase in loans and borrowings \$46,926,000 and loans and borrowings paid \$56,000,000.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

23. Cash and cash equivalents (Continued)

23B. Reconciliation of movement of liabilities to cash flows arising from financing activities: (Continued)

Group	2022 \$'000	Cash flows \$'000	Non-cash changes \$'000	2023 \$'000
Lease liabilities	11,206	(4,034)	1,513 ^(a)	8,685
Loans and borrowings	14,388	11,951*	(349)	25,990
Total liabilities from financing activities	25,594	7,917	1,164	34,675

* Reflected in consolidated statement of cash flows as increase in loans and borrowings \$94,016,000 and loans and borrowings paid \$82,065,000.

(a) Accretion of interest, additions and foreign exchange adjustments during the year.

24. Share capital

	Number of shares issued \$'000	Share capital \$'000
Group and Company		
Ordinary shares of no-par value:		
At beginning of the year 1 January 2023 and end of the year		
31 December 2023 and 31 December 2024	630,192	66,666

The ordinary shares of no-par value are fully paid, carry one vote each and have no right to fixed income.

The Group and the Company are subject to externally imposed capital requirements by the banks.

During the financial year, one of the Group's subsidiaries was not in compliance with the covenants set out in its banking facilities, namely falling to meet the minimum requirement of total equity and debt service coverage ratio (2023: there was no breach of bank covenants).

The Group and the Company have notified the relevant banks this situation, and the financial institution have agreed to continue providing support to the Group's subsidiary while monitoring its business and financial performance going forward. All borrowings associated with breach of covenants have been classified under current liabilities (Note 26).

Capital management:

The objectives when managing capital are to safeguard the Group's and the Company'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 reporting 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. Adjusted capital comprises all components of equity (that is, share capital and reserves).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

24. Share capital (Continued)

Capital management: (Continued)

In order to maintain its listing on the Singapore Stock Exchange it has to have share capital with a free float of at least 10% of the shares. The Company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt-to-adjusted capital (as shown below). Net debt is calculated as total borrowings, less cash and cash equivalents.

	Group	
	2024	2023
	\$'000	\$'000
Net debt:		
All current and non-current borrowings excluding lease liabilities	17,430	25,990
Less cash and cash equivalents	(9,034)	(14,883)
Net debt	8,396	11,107
Adjusted capital (less goodwill and intangible assets)	16,439	17,731
Debt-to-adjusted capital ratio	51.07%	62.64%

The reduction in the debt-to-adjusted capital ratio is primarily attributed to the Group's initiatives to lower its liabilities. These efforts include repayment of existing debts and raising additional capital through the issuance of new shares.

25. Other reserves

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Foreign currency translation reserve (Note 25A)	(1,090)	(1,637)	–	–
Statutory reserve (Note 25B)	1,478	1,473	–	–
Share options reserve (Note 25C)	74	135	74	135
Subscription of rights shares (Note 25D)	5,470	–	5,470	–
Other reserve	122	122	–	–
	6,054	93	5,544	135

All the reserves classified on the face of the statements of financial position as retained earnings represents past accumulated earnings and are distributable as cash dividends. The other reserves are not available for cash dividends unless realised.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

25. Other reserve (Continued)

25A. Foreign currency translation reserve

	Group	
	2024	2023
	\$'000	\$'000
At beginning of the year	(1,637)	(615)
Gain / (loss) on exchange differences on translating foreign operations	547	(1,022)
At end of the year	(1,090)	(1,637)

25B. Statutory reserve

	Group	
	2024	2023
	\$'000	\$'000
At beginning of the year and at end of the year	1,478	1,473

The subsidiaries in the People's Republic of China are required by local regulation to appropriate 10% of the profits each year to a non-distributable statutory reserve. Contribution to this reserve is no longer mandatory when the reserve reaches 50% of the registered share capital. The use of the funds in the non-distributable statutory reserve is subject to approval by the relevant authorities in the People's Republic of China.

25C. Share option reserve

	Group	
	2024	2023
	\$'000	\$'000
At beginning of the year	135	3,801
Share option expense	13	74
Expiry of share options, recycled to retained earnings	(74)	(3,740)
At end of the year	74	135

The share options reserve represents the value of service receive from employees of the Group and the Company relating to equity settled share-based payment transactions.

If the options, after the vesting period, remain unexercised before the expiry date, the options expire. The options will lapse or forfeited if the individual leaves before the options vest.

25D. Subscription of rights shares

The Group and the Company raised net proceeds amount to approximately \$5.47 million (the "Net Proceeds") from the issue of 436,670,762 Right Shares, pursuant to a rights issue exercise completed on 8 January 2025 (the "Rights Issue"). The total number of issued Shares of the Company increased from 630,191,957 to 1,066,862,719 Shares (excluding nil treasury shares).

Subsequent after year end, the Group and the Company has applied and set off the amount of \$1,115,402 against part of the outstanding amount under the Shareholder's loan and repaid the outstanding balance of the loan including interest of \$726,835.56 on 13 January 2025 (Note 3C).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

26. Loans and borrowings

	Group	
	2024	2023
	\$'000	\$'000
<u>Non-current:</u>		
<u>Financial instruments with fixed interest rates:</u>		
Bank loan (secured) (Note 26A)	2,669	4,729
Total non-current portion	2,669	4,729
<u>Current portion:</u>		
<u>Financial instruments with fixed interest rates:</u>		
Trust receipts and bills payable to bank (Note 26B)	8,336	14,130
Bank loan (secured) (Note 26A)	6,425	7,131
Total current portion	14,761	21,261
Total non-current and current	17,430	25,990

The non-current portion is repayable as follows:

	Group	
	2024	2023
	\$'000	\$'000
Due within 2 to 5 years	2,669	4,729

The range of fixed interest rates paid was as follows:

	Group	
	2024	2023
Invoice financing and trust receipts	5.05% to 7.45%	5.40% to 7.40%
Bank loans	3.00% to 8.24%	2.07% to 7.10%

26A. Bank loans (secured)

The bank agreements for certain of the bank loans and other credit facilities provide among other matters for the following:

1. Corporate guarantee from the Company.
2. Subject to certain financial covenants.
3. The bank loans comprise of:
 - a. Short term borrowings with a maturity period of 1 to 6 months and are settled at the end of maturity period.
 - b. Term loans which are repayable monthly over 48 to 60 months.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

26. Loans and borrowings (Continued)

26B. Invoice financing and trust receipts

The bank agreements for certain of the bank loans and other credit facilities provide among other matters for the following:

1. Corporate guarantee from the Company.
2. The trust receipts are repayable within a period of 1 to 6 months.

27. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Trade payables:</u>				
Outside parties and accrued liabilities	23,792	22,410	–	–
Net trade payables – subtotal	23,792	22,410	–	–
<u>Other payables:</u>				
Director (Note 3C)	1,839	–	1,839	–
Outside parties	5,943	1,276	499	387
Subsidiary	–	–	2,528	3,243
Advance received	1,699	1,654	–	–
Deferred grant income	12	71	–	–
Net other payables – subtotal	9,493	3,001	4,866	3,630
Total trade and other payables	33,285	25,411	4,866	3,630
<u>Presented as:</u>				
Other payables, non-current	12	26	–	–
Trade and other payables, current	33,273	25,385	4,866	3,630
	33,285	25,411	4,866	3,630

28. Retirement benefit obligations

	Group	
	2024	2023
	\$'000	\$'000
Retirement gratuities	220	218
Employee service entitlement benefits	2,159	1,983
	2,379	2,201

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

28. Retirement benefit obligations (Continued)

Retirement gratuities

Retirement gratuities are calculated based on employment scheme according to Japanese Expatriates Termination Handbook.

	Group	
	2024	2023
	\$'000	\$'000
At beginning of the year	218	216
Foreign exchange adjustments	2	2
At end of the year	220	218

Employee service entitlement benefits

The Group has defined benefit plan (the "Plan") and made provision for employee benefits for all its permanent employees of a subsidiary in Indonesia as required under the Government Regulation No.35 of 2021 concerning Job Creation. The number of employees entitled to the benefits as at 31 December 2024 is 242 (2023: 247).

The Plan is funded by P.T. Giken Precision Indonesia ("GPI") contribute a certain percentage of employee salaries to P.T. Asuransi Jiwa Manulife Indonesia ("Manulife"). The fund is administered by Manulife.

The principal actuarial assumptions used for the purpose of the actuarial valuation at the end of the reporting year were as follows:

	Group	
	2024	2023
Discount rate	7.09%	6.66%
Expected rate of salary increases	5.0%	5.0%
Average longevity at retirement age for current and future pensioners	TM IV 2019	TM IV 2019
Normal retirement age	55 years	55 years

The assumptions relating to longevity used to compute the defined benefit obligation liabilities are based on best estimate of the mortality of plan members both during and after employment based on the published mortality tables commonly used by the actuarial profession in each territory concerned.

The amounts recognised in the profit or loss are allocated to administrative expenses.

	Group	
	2024	2023
	\$'000	\$'000
Included in administrative expenses	250	240
Total expenses allocated.	250	240

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

28. Retirement benefit obligations (Continued)

For each of the above significant actuarial assumptions, a sensitivity analysis on the defined benefit obligation has been determined based on reasonably possible changes of the assumption occurring at the end of the reporting year, while holding all other assumptions constant:

	Group	
	Increase \$'000	Decrease \$'000
If the discount rate is 1 % higher (lower)	1,927	2,168
If the expected rate of salary growth increases (decreases) by 1 %	2,169	1,924
If the average life expectancy increases (decreases) by one year	2,041	2,041

For the above sensitivity analysis, the present value of the defined benefit obligation has been determined using the projected unit credit method at the end of the reporting year. Such sensitivity analysis might not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another.

The following table analyses the movements in plan liabilities:

	Group	
	2024 \$'000	2023 \$'000
Present value of defined benefit obligations (wholly or partly funded):		
At beginning of the year	2,049	1,907
Current service cost	110	114
Net interest expense	138	125
Actuarial loss / (gain) arising from experience adjustments	2	(87)
Effects of movement in exchange rates	66	24
Benefits paid	(83)	(34)
At end of the year	2,282	2,049

The following table analyses the movements in plan assets:

	Group	
	2024 \$'000	2023 \$'000
Fair value of plan assets:		
At beginning of the year	(66)	(83)
Net interest expense	2	1
Return on plan assets (excluding amounts included in net interest expense)	4	(3)
Employer contributions	(83)	(48)
Exchange differences on foreign plans	(3)	16
Benefits paid	23	51
At end of the year	(123)	(66)
Presented as:		
Present value of retirement benefit obligation	2,282	2,049
Fair value of plan assets	(123)	(66)
Net liabilities	2,159	1,983

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

29. Financial instruments: information on financial risks

29A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Financial assets:				
Financial assets at amortised cost	34,634	37,345	5,751	890
At end of the year	34,634	37,345	5,751	890
Financial liabilities:				
Financial liabilities at amortised cost	56,761	60,086	4,866	3,630
At end of the year	56,761	60,086	4,866	3,630

Further quantitative disclosures are included throughout these financial statements.

29B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain procedures for the management of financial risks. The guidelines set up the short and long-term objectives and action to be taken in order to manage the financial risks. The guidelines include the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior staff.
4. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

29C. Fair values of financial instruments

See Note 2A on accounting policy. The analyses of financial instruments that are measured subsequent to initial recognition at fair value, Grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The carrying values of non-current financial instruments is measured using prevailing market rate. The changes in fair value of non-current financial instruments are not material.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

29. Financial instruments: information on financial risks (Continued)**29D. Credit risk on financial assets**

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks and receivables. The general approach in the financial reporting standard on financial instruments is applied to measure expected credit losses (ECL) allowance on financial assets the ECL allowance. On initial recognition, a day-1 loss is recorded equal to the 12-month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 23 discloses the cash and cash equivalents. There was no identified impairment loss.

29E. Liquidity risk – financial liabilities maturity analysis

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual undiscounted cash flows):

Group	Less than 1 year \$'000	1 – 3 years \$'000	Total \$'000
Non-derivative financial liabilities:			
<u>2024:</u>			
Gross borrowings commitments	15,193	2,850	18,043
Gross finance lease obligations	2,882	3,510	6,392
Trade and other payables	33,273	12	33,285
At end of the year	51,348	6,372	57,720
<u>2023:</u>			
Gross borrowings commitments	21,883	5,049	26,932
Gross finance lease obligations	3,661	5,665	9,326
Trade and other payables	25,385	26	25,411
At end of the year	50,929	10,740	61,669
Company	Less than 1 year \$'000	1 – 3 years \$'000	Total \$'000
Non-derivative financial liabilities:			
<u>2024:</u>			
Trade and other payables	4,866	–	4,866
At end of the year	4,866	–	4,866
<u>2023:</u>			
Trade and other payables	3,630	–	3,630
At end of the year	3,630	–	3,630

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

29. Financial instruments: information on financial risks (Continued)

29E. Liquidity risk – financial liabilities maturity analysis (Continued)

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle current trade payables is about 30 to 90 days (2023: 30 to 90 days). The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

For issued financial guarantee contracts the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called, i.e. within 1 year. During the year, the Company provided financial guarantees to various banks in connection with the bank loans and other banking facilities granted to its subsidiaries. At the end of the reporting year no claims on the financial guarantees are expected to be payable.

	Company	
	2024 \$'000	2023 \$'000
Corporate guarantee in favour of subsidiaries	12,220	18,898
At end of the year	12,220	18,898
Bank facilities:		
	Group	
	2024 \$'000	2023 \$'000
Undrawn borrowings and trade lines	12,885	27,588
Total undrawn borrowing facilities	12,885	27,588

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A schedule showing the maturity of financial liabilities and unused bank facilities is provided regularly to management to assist in monitoring the liquidity risk.

29F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The interest from financial assets is not material. Interest rate risk arises on interest-bearing financial instruments. The following table analyses the breakdown of the material financial instruments by type of interest rate:

	2024 \$'000	2023 \$'000
Financial liabilities with interest:		
Fixed rates	25,276	34,765
Total at end of the year	25,276	34,765

Sensitivity analysis: The effect on pre-tax loss is not material.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

29. Financial instruments: information on financial risks (Continued)

29G. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency that is a currency other than the functional currency in which they are measured. Currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency as defined in the financial reporting standard on financial instruments.

Analysis of amounts denominated in non-functional currency.

Group	Singapore Dollar	Indonesia Rupiah	Total
2024	\$'000	\$'000	\$'000
<u>Financial assets:</u>			
Cash	1,070	336	1,406
Trade and other receivables	360	59	419
Total financial assets	1,430	395	1,825
<u>Financial liabilities:</u>			
Loans and borrowings	(3,000)	–	(3,000)
Trade and other payables	(1,746)	(1,058)	(2,804)
Total financial liabilities	(4,746)	(1,058)	(5,804)
Net financial liabilities at end of the year	(3,316)	(663)	(3,979)
<u>2023</u>			
<u>Financial assets:</u>			
Cash	1,564	130	1,694
Trade and other receivables	995	165	1,160
Total financial assets	2,559	295	2,854
<u>Financial liabilities:</u>			
Loans and borrowings	(3,448)	–	(3,448)
Trade and other payables	(3,412)	(1,086)	(4,498)
Total financial liabilities	(6,860)	(1,086)	(7,946)
Net financial liabilities at end of the year	(4,301)	(791)	(5,092)

There is exposure to foreign currency risk as part of normal business.

Sensitivity analysis: The effect on post tax loss is not significant.

30. Contingent liabilities

During the reporting year, a subsidiary of the Group received claims for payment of supplies by certain suppliers, amounting to about S\$5.51 million. The Group refuted these claims on grounds of breach of contractual obligations by these suppliers. The Group has sought legal advice on the matter and is confident that it has favourable grounds in challenging these claims. No provision has been made against these claims.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

31. Changes and adoption of financial reporting standards

For the current reporting year, the ASC issued certain new or revised financial reporting standards. Those applicable to the reporting entity are listed below.

SFRS (I) No.	Title
SFRS(I) 1-1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current
SFRS(I) 1- 1	Presentation of Financial Statements- amendment relating to Non-current Liabilities with Covenants

32. New or amended standards in issue but not yet effective

For the future reporting years, the ASC issued certain new or revised financial reporting standards. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any material modification of the measurement methods or the presentation in the financial statements for the following reporting year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application. Those applicable to the reporting entity for future reporting years are listed below.

SFRS (I) No.	Title	Effective date for periods beginning on or after
SFRS(I) 9 and 7	Classification and Measurement of Financial Instruments – Amendments	1 Jan 2026
SFRS(I) 18	Presentation and disclosures in financial statements	1 Jan 2027
SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 Jan 2027
SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture	To be determined

STATISTICS OF SHAREHOLDINGS

As at 27 March 2025

SHARE CAPITAL

Issued and fully paid-up capital	S\$72,794,381.83
Number of issued shares	1,066,862,719
Class of shares	Ordinary shares
Voting rights	One vote per ordinary share
Treasury shares	Nil
Subsidiary holdings	Nil
Percentage of treasury shares and subsidiary holdings	Nil

DISTRIBUTION OF SHAREHOLDINGS

RANGE OF SHAREHOLDINGS	NUMBER OF SHAREHOLDERS	%	NUMBER OF SHARES	%
1 – 99	7	0.26	196	0.00
100 – 1,000	302	11.18	269,648	0.03
1,001 – 10,000	925	34.23	4,901,150	0.46
10,001 – 1,000,000	1,375	50.89	213,124,609	19.97
1,000,001 AND ABOVE	93	3.44	848,567,116	79.54
TOTAL	2,702	100.00	1,066,862,719	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NUMBER OF SHARES	%
1	KGI SECURITIES (SINGAPORE) PTE. LTD	224,980,797	21.09
2	PHILLIP SECURITIES PTE LTD	153,319,330	14.37
3	CGS INTL SECURITIES SINGAPORE PTE. LTD	66,339,550	6.22
4	OCBC SECURITIES PRIVATE LTD	43,562,580	4.08
5	CITIBANK NOMS SPORE PTE LTD	28,768,091	2.70
6	DBS NOMINEES PTE LTD	28,348,150	2.66
7	RAFFLES NOMINEES(PTE) LIMITED	22,024,330	2.06
8	XIAO YINAN	19,711,582	1.85
9	MAYBANK SECURITIES PTE. LTD.	18,443,433	1.73
10	TAN ENG CHUA EDWIN	17,356,100	1.63
11	ROMIEN CHANDRASEGARAN	10,506,000	0.98
12	UOB KAY HIAN PTE LTD	10,283,940	0.96
13	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	10,022,690	0.94
14	QUEK HAN BOON	8,289,700	0.78
15	NG CHIN SIAU	7,700,000	0.72
16	GOH GUAN SIONG (WU YUANXIANG)	6,001,000	0.56
17	TAN YONG SENG	5,109,000	0.48
18	LIN GUODONG	5,000,000	0.47
19	DBS VICKERS SECURITIES (S) PTE LTD	4,959,400	0.46
20	SAJU JOHN	4,900,431	0.46
	TOTAL	695,626,104	65.20

STATISTICS OF SHAREHOLDINGS

As at 27 March 2025

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on the information available to the Company as at 27 March 2025, approximately 64.46% of the Company's shares are held in the hands of the public as defined in the Listing Manual Section B: Rules of Catalist (the "Catalist Rules") of the Singapore Exchange Securities Trading Limited ("SGX-ST"). Accordingly, the Company has complied with Catalist Rule 723 of the Catalist Rules of the SGX-ST.

SUBSTANTIAL SHAREHOLDERS

(as recorded in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
	Number of Shares% ⁽¹⁾		Number of Shares% ⁽¹⁾	
Substantial Shareholders				
Sundan Pacific Limited	72,700,000	6.81%	–	–
Glenn Fung Kau Lee ⁽²⁾	–	–	72,700,000	6.81%
Yeung Kin Bond Sydney ⁽³⁾	245,627,494	23.02%	2,660,001	0.25%

WARRANT HOLDERS

(as recorded in the Register of Warrant Holdings)

	Direct Interest		Deemed Interest	
	Number of Shares% ⁽¹⁾		Number of Shares% ⁽¹⁾	
Warrants				
Noside Holding Pte. Ltd.	55,150,605	5.17%	–	–
Phuripong Mangkornkanok ⁽⁴⁾	–	–	55,150,605	5.17%
Nataphat Lertviriyasawat ⁽⁴⁾	–	–	55,150,605	5.17%
Vikram Ahuja ⁽⁴⁾	–	–	55,150,605	5.17%

Notes:

- (1) Based on 1,066,862,719 Shares in issue (excluding treasury shares) as at 27 March 2025.
- (2) Glenn Fung Kau Lee is deemed to have an interest in Sundan Pacific Limited's shareholding of 72,700,000 of shares in the Company by the virtue of his direct interest in issued capital of Sundan Pacific Limited.
- (3) Yeung Kin Bond, Sydney is deemed to have an interest in Roots Capital Asia Limited's shareholding of 2,660,001 of shares in the Company by the virtue of his direct interest in issued capital of Roots Capital Asia Limited.
- (4) Phuripong Mangkornkanok, Nataphat Lertviriyasawat and Vikram Ahuja are each deemed to have an interest in Noside Holding Pte. Ltd.'s interest in the 55,150,605 of warrants in the Company by the virtue of their respective direct interest in the issued capital of Noside Holding Pte. Ltd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Tenth Annual General Meeting (“**AGM**”) of GSS Energy Limited will be held at Block 4012 Ang Mo Kio Avenue 10, #05-01 Techplace 1, Singapore 569628 on Tuesday, 29 April 2025, at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Independent Auditor’s Report thereon. **(Resolution 1)**
2. To approve the payment of Directors’ Fees of S\$116,000 (FY2024: S\$116,000) for the financial year ending 31 December 2025. **(Resolution 2)**
3. To re-elect the following Directors of the Company retiring pursuant to Regulation 89 of the Constitution of the Company and Rule 720(4) of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”):
 - (a) Mr Yeung Kin Bond, Sydney (see Explanatory Note 1) **(Resolution 3a)**
 - (b) Mr Fung Kau Lee, Glenn (see Explanatory Note 2) **(Resolution 3b)**
4. To elect Dr Lei Chien as a Director pursuant to Regulation 88 of the Constitution of the Company. (see Explanatory Note 3) **(Resolution 4)**
5. To re-appoint RSM SG Assurance LLP as the Auditor of the Company and to authorise the Directors of the Company to fix its remuneration. **(Resolution 5)**
6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

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

7. Authority to allot and issue shares

That pursuant to Section 161 of the Companies Act and Rule 806 of Catalist Rules of the SGX-ST, the Directors of the Company be authorised and empowered to allot and issue shares and convertible securities in the capital of the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of the shares to be allotted and issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution, of which the aggregate of shares and convertible securities to be issued other than on a pro-rata basis to all shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) and that such authority shall, unless revoked or varied by the Company in general meeting, continue in force (i) until the conclusion of the Company’s next annual general meeting or the date by which the next annual general meeting of the Company is required by the law to be held, whichever is earlier; or (ii) in the case of shares to be issued in accordance with the terms of convertible securities issued, made or granted pursuant to this Ordinary Resolution 6, until the issuance of such shares in accordance with the terms of such convertible securities.

(See Explanatory Note 4)

(Resolution 6)

NOTICE OF ANNUAL GENERAL MEETING

8. Authority to grant share options, allot and issue shares under GSS Energy Limited 2018 Executives' Share Option Scheme

That the Directors of the Company be and are hereby authorised, pursuant to Section 161 of the Companies Act 1967 of Singapore, to offer and grant options ("**Options**") in accordance with the GSS Energy Limited 2018 Executives' Share Option Scheme (the "**GEL 2018 Scheme**"), and to allot and issue from time to time such number of shares as may be required to be issued pursuant to the exercise of the options granted or to be granted under the GEL 2018 Scheme and to do all such acts and things as may be necessary or expedient to carry the same into effect, provided always that:

- (a) the aggregate number of shares over which Options may be granted on any date (when added to the number of shares issued and/or are issuable upon the exercise of all Options and the number of shares issued and/or issuable in respect of all shares, options or awards granted under any other share option or share scheme of the Company then in force (if any)) shall not exceed fifteen per cent (15%) of the total number of the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) of the Company on the day preceding that date; and
- (b) the aggregate number of shares to be offered to certain participants collectively and individually during the duration of the GEL 2018 Scheme (subject to adjustments, if any, made under the GEL 2018 Scheme) shall not exceed such limits or (as the case may be) sub-limits as may be prescribed in the GEL 2018 Scheme.

(See Explanatory Note 5)

(Resolution 7)

9. The proposed renewal of the Share Buy-Back Mandate

That:

- (a) pursuant to Section 76C and 76E of the Companies Act, and Part XI of Chapter 8 of the Catalist Rules of the SGX-ST, the Directors of the Company be authorised and empowered to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (i) on-market purchases ("**Market Purchase**"), transacted on the SGX-ST through the ready market or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
 - (ii) off-market purchases ("**Off-Market Purchase**") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and Catalist Rules;

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST, as may for the time be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy-Back Mandate**");

- (b) a Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share in accordance with the Companies Act. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares;

NOTICE OF ANNUAL GENERAL MEETING

- (c) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the proposed renewal of the Share Buy-Back Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the passing of this Ordinary Resolution 8 and expiring on the earliest of:
- (i) the date on which the next annual general meeting of the Company is held or required by law to be held;
 - (ii) the date on which the authority contained in the Share Buy-Back Mandate is varied or revoked by the Shareholders in a general meeting; or
 - (iii) the date on which the Share Buy-Back is carried out to the full extent mandated;
- (d) In this Resolution:

“Maximum Limit” means the number of Shares representing ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Ordinary Resolution 8 unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act at any time during the Relevant Period (as defined hereinafter), in which event the issued share capital of the Company shall be taken to be the amount of the issued share capital of the Company as altered (excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time);

“Maximum Price” in relation to a Share to be purchased, means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price of the Shares,

where:

“Relevant Period” means the period commencing from the date on which this Resolution is passed and expiring on the date the next annual general meeting of the Company is held or is required by law to be held, whichever is earlier, or until it is varied or revoked by the Company in a general meeting, after the date of the passing of this Ordinary Resolution 8;

“Average Closing Price” means the average of the closing market prices of the Shares over the last five (5) Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant (5) five-Market Day period and the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase;

“day of the making of the offer” means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

NOTICE OF ANNUAL GENERAL MEETING

- (e) The Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Ordinary Resolution 8.

(See Explanatory Note 6)

(Resolution 8)

BY ORDER OF THE BOARD

GSS Energy Limited

Dr Lei Chien
Chairperson

14 April 2025

Explanatory Notes:

1. Mr Yeung Kin Bond, Sydney will, upon passing the Ordinary Resolution 3(a) in item 3 above, remain as a member of the Nominating Committee and the Investment Committee respectively.
2. Mr Fung Kau Lee, Glenn will, upon passing Ordinary Resolution 3(b) in item 3 above, will remain as the Chairperson of the Investment Committee, and a member of the Audit Committee and the Remuneration Committee respectively, and will be considered non-independent for the purpose of Rule 704(7) of the Catalyst Rules of the SGX-ST.
3. Dr Lei Chien will, upon passing the Ordinary Resolution 4 in item 4 above, remains Chairperson of the Remuneration Committee and the Nominating Committee, and a member of the Audit Committee and the Investment Committee respectively, and will be considered independent for the purpose of Rule 704(7) of the Catalyst Rules of the SGX-ST.
4. The Ordinary Resolution 6 in item 7 above, if passed, will empower the Directors from the date of this meeting until the date of the next annual general meeting or the date by which the next annual general meeting is required by law to be held or when varied or revoked by the Company in general meeting, whichever is the earlier, to allot and issue shares and convertible securities in the Company. The number of shares and convertible securities that the Directors may allot and issue under this Ordinary Resolution 6 would not exceed one hundred per centum (100%) of the total number of issued shares of the Company at the time of passing this Ordinary Resolution 6. For issue of shares and convertible securities other than on a pro-rata basis to all shareholders, the aggregate number of shares and convertible securities to be issued shall not exceed fifty per centum (50%) of the total number of issued shares of the Company.

For the purpose of Ordinary Resolution 6, the percentage of issued shares is based on the total number of issued shares at the time Ordinary Resolution 6 is passed after adjusting for (a) new shares arising from the conversion or exercise of convertible securities; (b) new shares arising from the exercise of share options or the vesting of share awards outstanding or subsisting at the time when Ordinary Resolution 6 is passed, provided the options and awards were granted in compliance with Part VIII of Chapter 8 of the Catalyst Rules; and (c) any subsequent bonus issue, consideration or subdivision of shares.

5. The Ordinary Resolution 7 in item 8 above, if passed, will empower the Directors of the Company, to grant options and to allot and issue shares upon the exercise of such options granted or to be granted in accordance with the GEL 2018 Scheme provided that the number of shares which the Directors may allot and issue under this Ordinary Resolution 7, together with any shares issued and issuable in respect of all options granted or to be granted under the GEL 2018 Scheme as well as any shares, options or awards granted under any other share option or share scheme of the Company then in force (if any), shall not, in aggregate, exceed fifteen per centum (15%) of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company on the day preceding that date.
6. The Ordinary Resolution 8 in item 9 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 required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to purchase or otherwise acquire issued ordinary Shares of the Company by way of Market Purchases or Off-Market Purchases of up to the Maximum Limit at the Maximum Price in accordance with the terms and conditions set out in the Appendix to this Notice of AGM, the Companies Act and the Catalyst Rules. Please refer to Appendix to this Notice of AGM for more details on the proposed renewal of the Share Buy-Back Mandate.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

Format of Meeting

1. The members of the Company are invited to **attend the AGM physically in person**. There will be no option for members to participate the AGM virtually. This Notice of AGM, the Proxy Form, and the Annual Report 2024 accompanied by the Appendix to this Notice of AGM will be made available to members by electronic means via publication on the Company's corporate website at the URL <https://gssenergy.com.sg/agm/> and is also made available on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>. The Notice of AGM will also be published in the print edition of the Business Times on 14 April 2025. Printed copies of this Notice of AGM and the accompanying Proxy Form will be sent to members via post. Printed copies of the Annual Report 2024 and the Appendix to this Notice of AGM will not be sent to members. A member who wishes to obtain a printed copy of the Annual Report 2024 and/or the Appendix to this Notice of AGM should complete the Request Form accompanying this Notice of AGM and return the completed Request Form by mail to the Company at Block 4012 Ang Mo Kio Avenue 10, #05-01 Techplace 1, Singapore 569628 or email to arrequest@gssenergy.com.sg no later than 22 April 2025. The printed copy will be mailed to you within fourteen (14) working days upon receiving your request.

Attendance at the AGM

2. Members, including Central Provident Fund Investment Scheme investors (the "**CPF Investors**") and Supplementary Retirement Scheme investors (the "**SRS Investors**") can attend the AGM in person.

Please bring along your NRIC/passport to enable the Company to verify your identity at the registration counter(s) outside the AGM venue on the day of the event. The Company reserves the right to refuse admittance to the AGM if the attendee's identity cannot be verified accurately.

For investors who hold shares through relevant intermediaries (including CPF Investors/SRS Investors) (as defined in Section 181 of the Companies Act) (the "**Relevant Intermediaries**"), please refer to note (5) below for the procedures to vote at the AGM.

Submission of Questions

3. Members (including CPF Investors and SRS Investors) who have questions in relation to any agenda items in this Notice of AGM can ask questions during the AGM physically or can submit their questions to the Company in advance ("**Advanced Questions**"), by **10.00 a.m. on 21 April 2025**, through any of the following means:

- (a) by email to gssagm2025@gssenergy.com.sg or
- (b) by post, to be deposited with the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. ("**BCAS**"), at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632.

Members (including CPF Investors and SRS investors) must identify themselves when posting questions through email or mail by providing the following details for verification purposes:

- (i) full name;
- (ii) address;
- (iii) number of shares held; and
- (iv) the manner in which the member holds shares (e.g., via CDP, CPF, SRS and/or script).

To ensure that questions received by the Company within the stipulated deadline, members (including CPF Investors/SRS Investors) are strongly encouraged to submit questions via email.

The Company will endeavour to address all substantial and relevant Advanced Questions through announcement on the Company's corporate website at the URL <https://gssenergy.com.sg/agm/> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> before **10.00 a.m. on 24 April 2025**. This is to allow members to have sufficient time and opportunity to consider the Company's response before the deadline for the submission of proxy forms.

Any subsequent clarifications sought, or follow up questions, or substantial and relevant questions received after the cut-off at **10.00 a.m. on 21 April 2025** will be consolidated and addressed either before the AGM via an announcement on SGXNet and the Company's corporate website or at the AGM. Where there are substantially similar questions, the Company will consolidate such questions and consequently not all questions may be individually addressed.

NOTICE OF ANNUAL GENERAL MEETING

The Company will publish the minutes of the AGM, which will include responses from the Board and Management of the Company on the substantial and relevant questions received from Shareholders and Investors via an announcement on SGXNet and the Company's corporate website within one (1) month after the AGM.

Investors holding shares through Relevant Intermediaries (other than CPF Investors/SRS Investors) will not be able to submit questions relating to the business of the AGM via the above means. Instead, they should approach their Relevant Intermediaries as soon as possible in order for the Relevant Intermediaries to make the necessary arrangements for them to submit questions in advance of the AGM.

Voting at the AGM by Members and Proxy(ies)

4. Members will be able to vote at the AGM in person, or by appointing proxy(ies) to vote on their behalf.

Duly completed proxy forms must be submitted to the Company in the following manner:

- (a) if submitted by post, be deposited with the Company's Share Registrar, BCAS, at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07 Singapore 098632; or
- (b) if submitted electronically, be sent via email to the Company's Share Registrar, BCAS, at srs.proxy@boardroomlimited.com,

in either case, must be lodged or received (as the case may be), by **10.00 a.m. on 26 April 2025**, being seventy-two (72) hours before the time appointed for holding the AGM.

Please refer to the detailed instructions for appointment of proxy(ies) set out in the Proxy Form.

Voting at the AGM by Relevant Intermediaries (including CPF Investors/SRS Investors)

5. Investors holding shares through Relevant Intermediaries (other than CPF Investors/SRS Investors) who wish to appoint proxy(ies) should approach their Relevant Intermediaries as soon as possible to specify their voting instructions or make necessary arrangement to be appointed as proxy.

CPF Investors/SRS investors who wish to appoint the Chairman of the AGM as their proxy to vote at the AGM, they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on 16 April 2025, being at least seven (7) working days before the AGM, in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the proxy(ies) to vote on their behalf. CPF Investors/SRS investors are requested to contact their respective CPF agent banks and/or SRS operators for any queries they may have with regard to the appointment of proxies for the AGM.

Personal data privacy:

"Personal data" has the same meaning ascribed to it in the Personal Data Protection Act 2012 of Singapore, which includes name, address, NRIC/passport number of a member and proxy(ies) and/or representative(s) of a member.

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM of the Company and/or any adjournment thereof, or submitting any question prior to the AGM in accordance with the Notice of AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents, or service providers) for the purposes of (a) processing and administration and analysis by the Company (or its agents, or service providers) of Proxy Forms/instruments appointing proxy(ies) and/or representative(s) for the AGM of the Company (including any adjournment thereof); (b) addressing substantial and relevant questions received from members relating to the resolutions set out in the Notice of AGM before the AGM and if necessary, following up with the relevant members in relation to such questions; (c) preparation and compilation of the attendance lists, proxy lists, minutes (including questions and answers) and other documents relating to the AGM (including any adjournment thereof); and (d) in order for the Company (or its agents, or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines by the relevant authorities (collectively, the "Purposes"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees to indemnify the Company in respect of any penalties, liabilities, claims, losses and damages as a result of the member's breach of warranty.

NOTICE OF ANNUAL GENERAL MEETING

Photographic, sound and/or video recordings at the AGM of the Company may be made by the Company for record keeping to ensure the accuracy of the minutes prepared of the AGM of the Company. Accordingly, the personal data of a member may be recorded by the Company (or its agents or service providers) for such Purposes. In the case of a member who is a Relevant Intermediary, by submitting the consolidated list of participants, such member represents and warrants that it has obtained the prior consent of the individuals for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such individuals by the Company (or its agents or service providers) for any of the Purposes.

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

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

PROXY FORM
(Please see notes overleaf before
completing this Proxy Form)

IMPORTANT:

1. A relevant intermediary may appoint more than two (2) proxies to attend the Annual General Meeting (the "AGM") and vote (please see note 4 for the definition of "relevant intermediary").
2. For an investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable), 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 such investor. CPF Investors/SRS Investors should contact their respective CPF Agent Banks/SRS Operators to submit their votes by 10.00 a.m. on **16 April 2025**, being at least seven (7) working days before the AGM and if they have any queries regarding their appointment as proxies.
3. By submitting an instrument appointing a proxy(ies), the member accepts and agrees to the personal data privacy terms as set out in the Notice of AGM dated 14 April 2025.
4. Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies) at the AGM.

I/We, _____ (Name) _____ (NRIC/Passport/Company Registration number)
of _____ (Address)
being a member/members of GSS ENERGY LIMITED (the "Company") hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairperson of the AGM as my/our* proxy/proxies* to vote for me/us* on my/our* behalf at the AGM of the Company to be held at Block 4012 Ang Mo Kio Avenue 10, #05-01 Techplace 1, Singapore 569628 on Tuesday, 29 April 2025, at 10.00 a.m. and at any adjournment thereof.

I/We direct my/our* proxy/proxies* to vote for or against, or abstain from voting on, the Resolutions proposed at the AGM as indicated hereunder by way of poll. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, my/our* proxy/proxies* will vote or abstain from voting at his/her/their* discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

If you wish to exercise all your votes "For", "Against" or "Abstain", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

No.	Ordinary Resolutions relating to:	For*	Against*	Abstain*
1	Receipt and adoption of the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2024 together with the Independent Auditors' Report			
2	Approval of Directors' Fees of S\$116,000 for the financial year ending 31 December 2025, payable quarterly in arrears			
3a	Re-election of Mr Yeung Kin Bond, Sydney as a Director pursuant to Regulation 89 of the Constitution of the Company and Rule 720 (4) of the Listing Manual Section B: Rule of Catalist (the "Catalist Rules") of Singapore Exchange Securities Trading ("SGX-ST")			
3b	Re-election of Mr Fang Kau Lee, Glenn as a Director pursuant to Regulation 89 of the Constitution of the Company and Rule 720 (4) of the Catalist Rules of SGX-ST			
4	Re-election of Dr Lei Chien as a Director pursuant to Regulation 88 of the Constitution of the Company			
5	Re-appointment of RSM SG Assurance LLP as the Auditors of the Company			
6	Authority to allot and issue shares			
7	Authority to grant share options, allot and issue shares under GSS Energy Limited 2018 Executives' Share Option Scheme			
8	Proposed renewal of the Share Buy-Back Mandate			

Dated this _____ day of _____ 2025

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

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

*Delete where inapplicable

IMPORTANT: Please read notes on the reverse



Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his/her/its stead. A proxy need not be a member of the Company.
3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she/it specifies the proportion of his/her/its shareholding (expressed as a percentage of the whole) be represented by each proxy.
4. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two (2) proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by each member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

“Relevant intermediary” means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending, speaking and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.
 6. The instrument appointing a proxy or proxies, duly executed, must be submitted to the Company in the following manner:
 - (a) if submitted by post, be deposited with the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd (“**BCAS**”) at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or
 - (b) if submitted electronically, be sent via email to the Company’s Share Registrar, BCAS at srs.proxy@boardroomlimited.com.

in either case, must be lodged or received (as the case may be), by **10.00 a.m. on 26 April 2025**, being seventy-two (72) hours before the time appointed for holding the AGM.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

Members are strongly encouraged to submit completed proxy forms electronically via email.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her/its attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
8. An investor who holds his/her/its Shares via a securities sub-account with a Depository Agent (“**DA**”) and wishes to appoint the Chairperson of the AGM as proxy to vote on his/her/its behalf at the AGM, should contact his/her/its DA as soon as possible in order of the necessary arrangements to be made by his/her/its DA for such appointment.
9. A member can appoint the Chairperson of the AGM as his/her/its proxy but this is not mandatory. A proxy need not be a member of the Company.
10. The Company shall be entitled to reject the instrument appointing a 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 a proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
11. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend and vote at the AGM of the Company and/or any adjournment thereof, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 April 2025.



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