TEE INTERNATIONAL LIMITED

TEE

ANNUAL REPORT 2023

CONTENTS

CORPORATE PROFILE

Listed in 2001, TEE International Limited ("**TEE**" or collectively with its subsidiaries and associated companies, "**TEE Group**") initially ventured into engineering and construction business, subsequently invested in real estate and infrastructure business. Within infrastructure segment, through its investments in the environmental services businesses, expanded into the waste management business in Singapore. With more than 20 years of experience in the waste management industry, TEE Environmental Pte. Ltd. ("**TEE Environmental**") is one of the leading industrial & commercial waste management companies in Singapore. As an essential service provider, TEE Environmental offers integrated waste management solutions complemented by its recycling and cleaning services.

TEE was also a leading regional engineering and construction group. TEE's core engineering business dated back to 1991 when it was first established as a general electrical contractor. Anchored on a strong track record of delivering quality and value-added integrated engineering solutions, TEE was recognised as a trusted partner in the engineering & construction industry. Nevertheless, the engineering & construction business was severely impacted by the unprecedented COVID-19 pandemic and consequently, the engineering & construction businesses is discontinued as part of the strategic meausres within the restructuring exercise which will be explained in more details in this report.

OUR VISION

We aim to be among the best and the preferred choice in the industry.

OUR MISSION

We strive to be a leading Infrastructure Group recognised for our quality and value- added services, as well as our cost competitiveness; resolutely backed by people with strong capabilities, a devotion to quality service delivery, and the tenacity to face challenges.

LETTER TO SHAREHOLDERS

Dear Shareholders,

On behalf of the Board of Directors (the "**Board**") of TEE International Limited ("**TEE**" and the "**Company**") and its subsidiaries (collectively, the "**Group**"), we are pleased to present to you our annual report for the financial year ended 30 September 2023 ("**FY2023**").

INFRASTRUCTURE BUSINESS

With the easing of the COVID-19 pandemic, the market outlook for the environmental business remains positive as the demand for service has largely recovered. The Group's suite of services: waste collection, recycling, cleaning and disinfection services have been spruced up to provide a seamless solution to its customers. The Government's continuous strong emphasis on improving the general cleanliness and hygiene of Singapore as well as the push towards a higher recycling rate will be beneficial to our environmental business.

However, the labour crunch and the inflationary pressures remains a challenge for the overall waste management industry. The National Environmental Agency ("**NEA**") has also announced that the refuse disposal fee will be revised upwards with effect from 1 January 2024. This will affect the business cost of companies which may subsequently affect the profit margins of the waste management service providers in Singapore. Hence, the Group is actively engaging and working on re-negotiating with its customers to revise the contract pricing.

Separately, the Group is now embarking on a factory relocation plan to consolidate all its operations under one roof to achieve better synergies and operational efficiencies before end of next year. Similarly, it will also continue to focus on niche areas with cost advantage and leverage on opportunistic projects to optimise profits. We remain hopeful in our environmental business in contributing positive results to the Group.

Concurrently, the Group will continue its efforts to selectively divest its investment in its overseas infrastructure assets.

GROUP RESTRUCTURING

RSM Corporate Advisory Pte. Ltd. ("**RSM**") was appointed as our financial consultant in June 2021, to, inter alia, undertake a review of the Group's businesses and assist to formulate restructuring plans to improve the financial position and/or performance of the Group.

In previous financial year ended 30 September 2022 ("**FY2022**"), to strengthen the financial position, the Group, together with RSM was in discussions with the various unrelated interested parties to raise equity funds. On 18 August 2022, the Company entered into a conditional subscription agreement ("**Subscription Agreement**") with Meta5 Pte. Ltd. (the "**Subscriber**") (the parties to the Subscription Agreement, collectively, as the "**Parties**") in relation to the following:

(a) Subscription by the Subscriber of $7.5 million in new ordinary shares in the Company; and

(b) Subscription by the Subscriber of $7.5 million in principal amount (the "**Option Amount**") of unlisted and non-transferable share options (the "**Options**"), with each Option carrying the right to subscribe for one (1) new ordinary share (the "**Option Share**") in the Company per Option.

Furthermore, the Company is also proposing a right issue to raise $3.5 million, bringing the total of equity fund to be raised to $18.5 million. The completion is subject to the fulfilment (or waiver) of the conditions precedent as defined in the Subscription Agreement.

During FY2023, the Company updated that it has on 6 October 2023, entered into a second supplemental agreement to the Subscription Agreement ("**Second Supplemental Agreement**") with the Subscriber to extend the Longstop Date to 31 March 2024 if the Company is still in the process of fulfilling the conditions precedents as defined in the Subscription Agreement. The Company will make further announcement(s) should there be any material developments.

LETTER TO SHAREHOLDERS

GROUP RESTRUCTURING (CONT'D)

Separately, as part of the group restructuring effort, the Company proposed a scheme of arrangement (the "**Scheme**") between the Company and its creditors for, *inter alia*, the restructuring of the Company's debts. The Company has also appointed RSM as the Scheme Manager and the Company has proposed a pre-packaged Scheme with its creditors on 24 February 2023. Further on 13 April 2023, the Scheme has been approved by the creditors and the Company filed an application to the General Division of the High Court of the Republic of Singapore (the "**Court**") for the Court's sanction of the Scheme (the "**Sanction Application**").

In this regard, the Sanction Application was fixed for hearing on 11 May 2023 and at the hearing, the Court granted the application and approved the Scheme. The copy of the Order of Court approving the Scheme was lodged with ACRA and accordingly, the said Order took effect on and from 16 May 2023.

The Company will continue to work with its financial and legal advisors on the restructuring plan which includes the completion of equity funds raising, restructuring of the debts as well as disposal of non-core assets.

APPRECIATION

The Board of Directors are grateful and thankful to have a team of management who have demonstrated commitment and dedication amid the challenges faced in the restructuring stage. To all our key stakeholders, especially our shareholders, customers, business partners, consultants and professionals, suppliers and associates, we truly appreciate your support and understanding throughout these trying times.

We continue to see this group restructuring as an opportunity for the Group to re-position itself to restart growth and value creation. We are confident that the Group will overcome these uncertain times and the Board views FY2024 as a transitional year for stabilisation, followed by growth. We will continue to do our best to complete the restructuring exercise and bring the Company into a new chapter.

Yours faithfully,

Mr. Yeo Kian Wee Andy
Independent Non-Executive Chairman

Mr. Phua Cher Chuan
Chief Executive Officer & Managing Director

BUSINESS SEGMENTS

INFRASTRUCTURE BUSINESS

With more than 20 years of experience in the waste management industry, TEE Environmental Pte. Ltd. ("**TEE Environmental**") is one of the leading industrial & commercial waste management companies in Singapore. TEE Environmental offers an integrated waste management solution that is supported by the recycling and cleaning services. This includes on-site and off-site waste management including the collection and transport of waste and the processing of recyclables like paper and plastics. We also provide top-of-the-line equipment that are customised to suit our clients' waste solutions, as well as prompt and efficient 24/7 customer service.

As an essential services provider, TEE Environmental has expanded its range of cleaning solutions and is one of the preferred disinfection service providers for hotels, retail and commercial premises to ensure these spaces are COVID-19 free.

Over the years, we have formed lasting relationships with clients for the betterment of the environment through our green outreach programs & activities and actively supporting socially responsible causes, programs & activities. Our major clients include multinational corporations, government organisations, education & medical institutions and retail malls owners.

Our Infrastructure Business has a 21.05% stake in PowerSource Philippines Distributed Power Holdings, Inc which owns, constructs and operates a 25-megawatt greenfield thermal hybrid power plant in the Philippines. The plant has been commissioned and operational since June 2018.

ENGINEERING AND CONSTRUCTION ("E&C") BUSINESS – DISCONTINUED OPERATIONS

First established in 1991 as a general electrical contractor, TEE has grown over the years into a leading integrated engineering and construction solutions provider. With our strong track record of delivering quality integrated engineering solutions, we treasure our reputation as a trusted partner in the engineering industry by offering a full suite of high-value engineering solutions based on international standards that are adopted for large-scale and complex commercial building projects.

Nevertheless, following the events that have taken place within the E&C segment in FY2022 and FY2023, such as the disposal of PBT Engineering Pte Ltd ("**PBT Engineering**", now known as "**Tracebuild Pte Ltd**"), Trans Equatorial Engineering Pte Ltd ("**Trans Equatorial**")'s creditors' voluntary liquidation, and winding up of TEE E&C (Malaysia) Sdn Bhd ("**TEE E&C (M)**"), the E&C segment is classified as discontinued operations.

OPERATION REVIEW

RESTRUCTURING EXERCISE

On 15 July 2021, TEE announced the appointment of RSM Corporate Advisory Pte. Ltd. ("**RSM**") as financial consultant in June 2021, to, *inter alia*, undertake a review of the Group's businesses and assist to formulate restructuring plans to improve the financial position and/or performance of the Group.

Following the completion of RSM's review and their proposed restructuring plan to TEE, on 7 August 2021, TEE announced that it intends to propose a scheme of arrangement between TEE and its creditors. TEE has accordingly filed an application in the General Division of the High Court of the Republic of Singapore for a moratorium under Section 64 of the Insolvency, Restructuring and Dissolution Act 2018 (the "**IRDA**") on 6 August 2021 ("**Application**"). In addition, TEE's wholly-owned subsidiaries TEE Infrastructure Private Limited ("**TEE Infra**") and former wholly-owned subsidiaries, namely PBT Engineering, Trans Equatorial, and TEE E&C (M), together with TEE, PBT Engineering, Trans Equatorial and TEE Infra, ("**Applicants**") have also filed applications under Section 65 of the IRDA on 6 August 2021 respectively in support of the proposed restructuring. The moratorium orders are being sought to preserve the assets of the Group pending the formulation of a holistic restructuring plan.

The significant events taken place during the restructuring exercise include the following:

Entry into Conditional Subscription Agreement ("Subscription Agreement") and loan agreement with Meta5 ("Subscriber")

On 18 August 2022, the Company entered into a Subscription Agreement with Meta5 in relation to the following:

(a) Subscription by the Subscriber of S$7.5 million in new ordinary shares in the Company; and

(b) Subscription by the Subscriber of S$7.5 million in principal amount (the "**Option Amount**") of unlisted and non-transferable share options (the "**Options**"), with each Option carrying the right to subscribe for one (1) new ordinary share (the "**Option Share**") in the Company per Option.

Based on the terms and conditions of the Subscription Agreement (the "**Proposed Subscriber Transactions**"), the completion is subject to the fulfilment (or waiver) of the conditions precedent as defined in the Subscription Agreement. Further on 20 January 2023, the Company entered into the following agreements with the Subscriber in relation of the following:

(a) A loan agreement (the "**Loan Agreement**") for a term loan of up to S$1.8 million (the "**Loan**") to mainly fund the costs and expenses incurred for the restructuring exercise of the Group as well as operating expenses of the Group; and

(b) A supplemental agreement to the Subscription Agreement to extend the Longstop Date to 18 August 2023 (where both parties may mutually agree to extend by another two (2) months, pending on the progress of the restructuring exercise.

On 6 October 2023, the Company entered into a second supplemental agreement to the Subscription Agreement (the "**Second Supplemental Agreement**") with the Subscriber to extend the Longstop Date to 31 March 2024 (whereby the Longstop Date shall be further extended by another six (6) months) if the Company is still in the process of fulfilling the conditions precedent as defined in the Subscription Agreement.

On 31 October 2023, the Company also entered into a supplemental loan agreement to the Loan Agreement (the "**Supplemental Loan Agreement**"). Pursuant to the Supplemental Loan Agreement, the Subscriber agreed to extend a further principal amount up to S$2.0 million to the Company (the "**Further Loan**'), amounting to the sum of up to S$3.8 million cumulatively.

Proposed Scheme of Arrangement by the Company

The Company proposed a scheme of arrangement (the "**Scheme**") between the Company and its creditors for, *inter alia*, the restructuring of the Company's debts. The Company has also appointed RSM as the Scheme Manager and the Company has proposed a pre-packaged Scheme with its creditors on 24 February 2023. Further on 13 April 2023, the Scheme has been approved by the creditors and the Company filed an application to the General Division of the High Court of the Republic of Singapore (the "**Court**") for the Court's sanction of the Scheme (the "**Sanction Application**").

In this regard, the Sanction Application was fixed for hearing on 11 May 2023 and at the hearing, the Court granted the application and approved the Scheme. The copy of the Order of Court approving the Scheme was lodged with ACRA and accordingly, the said Order took effect on and from 16 May 2023.

OPERATION REVIEW

RESTRUCTURING EXERCISE (CONT'D)

*Submission of trading resumption proposal ("**Resumption Proposal**") to Singapore Exchange Securities Trading Limited ("**SGX-ST**")*

Trading in the Company's shares has been suspended since 18 September 2021. Pursuant to Rules 1303(3) and 1304(1) of the Listing Manual of the SGX-ST, the Company is required to submit a Resumption Proposal with a view to resume trading in its securities.

On 31 March 2023, the Company announced that an application including its Resumption Proposal, was submitted to SGX-ST, for review and approval. As at the date of this announcement, the Company is working on a revised Resumption Proposal to be re-submitted to the SGX-ST to further provide information and details to demonstrate and to substantiate how the proposed business plan will be able to support the Group to operate as a going concern, upon the completion of its business and debt restructuring.

Announcements on material developments in this regard were made subsequently and further details of the restructuring exercise are disclosed in Note 1 of the Notes to Financial Statements in the Annual Report.

INFRASTRUCTURE BUSINESS

The environmental business has been contributing positive results to the Group. With the easing of the COVID-19 pandemic, the market outlook for the environmental business remains positive as the demand for service has largely recovered. However, the labour crunch and the inflationary cost pressures remains a challenge for the overall waste management industry. The National Environment Agency (NEA) has also announced that the refuse disposal fee will be revised upwards with effect from 1 January 2024. This will affect the business cost of companies which may subsequently affect the profit margins of the waste management service providers in Singapore. Hence, the Group is actively engaging and working on re-negotiation with its customers to revise the contract pricing.

Separately, the Group is now embarking on a factory relocation plan to consolidate all its operations under one roof to achieve better synergies and operational efficiencies before the end of next year. Similarly, it will also continue to focus on niche areas with cost advantage and leverage on opportunistic projects to optimise profits.

TEE Infrastructure continues to explore the sale of its 21.05% stake in Powersource Philippines Distributed Power Holdings Inc., where its 25-megawatt thermal hybrid power plant has been operational since 2018.

ENGINEERING AND CONSTRUCTION ("E&C") BUSINESS – DISCONTINUED OPERATIONS

During FY2022, the Company entered into a sale and purchase agreement ("**SPA**") with Chia Yoke Heng ("**Mr Chia**") and ADS Builders (1988) Pte. Ltd. ("**ADS**") (Mr Chia and ADS collectively, the "**Purchasers**"), to sell to the Purchasers 100% of the issued and paid-up share capital of PBT Engineering (the "**Disposal**"). The Disposal was completed on 20 February 2023.

In previous year, the Company commenced the winding-up process of Trans Equatorial by way of creditors' voluntary liquidation (the "**CVL**") and appointed RSM as provisional liquidator. On 13 January 2022, the Company further announced that Trans Equatorial has been officially placed in CVL pursuant to a special resolution passed at the Extraordinary General Meeting of Trans Equatorial and confirmation by the creditors of Trans Equatorial at a creditors meeting, both held on 12 January 2022. The Company has not been informed by the liquidator of any material development in relation to the CVL.

Following the winding-up of Trans Equatorial by way of the CVL, the Company had also announced that the High Court of Penang has made the orders on 16 June 2022 to wind up TEE E&C (M) under provisions of the Companies Act 2016 of Malaysia and the Receiving Officer/Director General of Insolvency to be appointed as the Liquidator for TEE E&C (M).

Following the completion of disposal of PBT Engineering, liquidations of Trans Equatorial and TEE E&C (M), the Group will have no E&C business.

Overall, TEE will continue to work with RSM and legal advisors on the restructuring plan. The Group will also continue to work on the continuing operations and any potential opportunities on new businesses will be reviewed from time-to-time.

FINANCIAL REVIEW

INCOME STATEMENT

Revenue decreased by S$1.3 million, a decrease of 4.1% mainly due to lower rental income as a result of the completion of the sale of an investment property located at 33 Changi North Crescent, Singapore ("**33CNC Property**") on 18 July 2022. Cost of sales, on the other hand, decreased marginally by 0.9%. As a result, the Group recorded a gross profit of S$4.5 million as compared to a gross profit of S$5.6 million in FY2022, both FY2023 and FY2022 recorded a gross profit margin of 15.6% and 18.3%, respectively. It was mainly contributed by the Group's environmental business.

Gain on de-recognition of a subsidiary upon loss of control amounted to S$5.7 million arising from liquidation of a subsidiary during the financial year. Other operating income increased marginally by S$0.1 million mainly due to higher interest income earned during the financial year .

Administrative expenses increased by S$1.2 million mainly due provision for professional fees incurred for the proposed restructuring exercise of the Company.

Other operating expenses in FY2023 mainly comprised the amount due from former subsidiaries written off of S$3.0 million resulted from liquidation, and impairment loss on property, plant and equipment of S$0.2 million. In FY2022, other operating expenses also mainly comprised of trade and other receivables written off of S$23.6 million, pertaining to amount due from former subsidiaries from E&C business. The outstanding receivables amounts were written off due to liquidation of the former subsidiaries.

Finance costs decreased by S$0.4 million mainly contributed by lower bank loans and borrowings due to repayment during the financial year.

Following the events taken place within E&C Segment since FY2022, the Group has classified E&C Segment as discontinued operations accordingly. The loss from discontinued operations amounted to S$1.4 million as compared to profit from discontinued operations amounted to S$68.8 million in FY2022. FY2023 loss from discontinued operations mainly resulted from the loss on disposal of PBT Engineering; whereas FY2022 profit from discontinued operations mainly contributed by the net gain on de-recognition of subsidiaries upon loss of control.

Overall, the Group reported loss after tax of S$1.7 million in FY2023, in which, loss after tax of S$0.3 million from continuing operations and a loss from discontinued operations of S$1.4 million. Attributable to the owners of the Company was a loss of S$2.6 million in FY2023 as compared to a profit of S$43.7 million in FY2022.

STATEMENT OF FINANCIAL POSITION

The total assets were S$47.9 million as at end of the financial year. There was a net decrease in total assets by S$14.2 million, mainly due to decrease in:

(a) Property, plant and equipment of S$1.7 million;

(b) Cash and bank balances of S$1.0 million; and

(c) Non-current assets held for sale of S$14.2 million due to completion of disposal of a subsidiary

Overall decrease was offset by increase in fixed deposits of S$1.9 million, higher trade receivables by S$0.5 million as well as higher carrying amount of investment in associate by S$0.3 million.

FINANCIAL REVIEW

STATEMENT OF FINANCIAL POSITION (CONT'D)

Total liabilities were S$186.7 million as at end of the financial year. There was an overall net decrease of S$12.5 million, due mainly to decrease in:

(a) Long-term borrowings of S$0.6 million;

(b) Lease liabilities of S$0.3 million;

(c) Income tax payable of S$0.1 million; and

(d) Liabilities associated with non-current assets held for sale of S$39.1 million due to completion of disposal of a subsidiary.

Overall decrease was offset by increase in other payables by S$24.7 million, mainly arising from the recognition of amount due to a former subsidiary upon the completion of disposal. The overall decrease also mitigated by higher financial guarantee liabilities of S$1.8 million, mainly pertaining to corporate guarantee issued to counterparties for performance bonds and claims made against certain former subsidiaries, and provision for restructuring costs made of S$1.1 million made during the financial year.

STATEMENT OF CASH FLOWS

Operating activities

Net cash generated from operating activities was S$0.8 million mainly contributed by cash generated from operations of S$1.1 million, offset with tax paid of S$0.3 million.

Investing activities

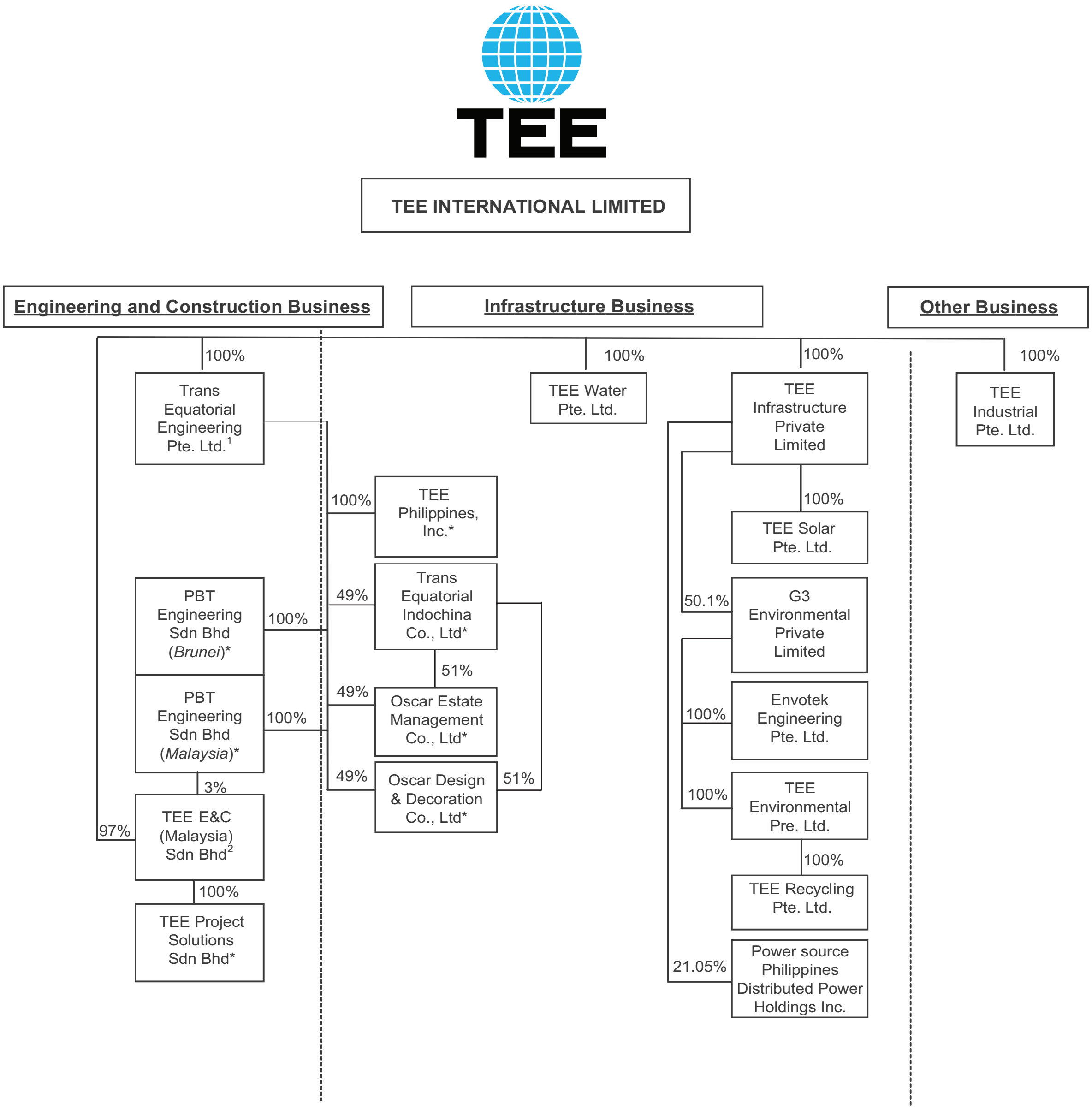
Net cash used in investing activities was S$2.4 million due mainly to net cash outflows of S$1.4 million from disposal of a subsidiary and placement of fixed deposits of S$0.5 million as well as purchase of property, plant and equipment of S$0.9 million, offset by proceeds from disposal of property, plant and equipment, dividend received from associate and interest received during the financial year amounted to S$0.4 million in aggregate.

Financing activities

Net cash generated from financing activities was S$0.5 million due mainly to loan from Subscriber of S$1.8 million, loan from a related party and third parties of S$0.3 million in total and decrease in amount due from former immediate holding company of a subsidiary of S$0.5 million, offset by the repayment of long-term borrowings and lease liabilities of S$1.0 million, interest paid of S$0.6 million in relation to the long-term borrowings as well as increase in fixed deposit pledged of S$0.5 million.

As a result, the Group recorded a net decrease in cash and cash equivalents of S$1.1 million.

CORPORATE STRUCTURE



Legend:

1 Placed under creditors' voluntary liquidation on 12 January 2022.
2 Wound up by Order from High Court of Penang (Malaysia) on 16 June 2022.
* The Group has lost control over these entities as the immediate holding companies of these entities are in the liquidation process.

BOARD OF DIRECTORS

MR. YEO KIAN WEE ANDY

Independent Non-Executive Chairman

Mr. Yeo Kian Wee Andy was appointed to the Board on 29 December 2020 as an Independent Director. He was appointed as an Independent Non-Executive Chairman and Nominating Committee Chairman on 21 January 2021.

Mr. Yeo is presently a Partner at Eldan Law LLP. He has over 20 years of experience in legal practice. He began his career as a trainee with the Legal Service Commission in March 1996, before becoming an assistant registrar of the Supreme Court in July 1996. He was appointed as a magistrate and a coroner in the State Courts from September 1997 to September 1998. In October 1998, he joined the Attorney-General's Chambers as a state counsel and deputy public prosecutor. He left Allen & Gledhill LLP after 18 years and is now practising with Eldan Law LLP.

Mr. Yeo graduated with a Bachelor of Laws from the National University of Singapore in 1996 and was admitted as an advocate and solicitor in Singapore in 2000. He is also a non-practising solicitor of England and Wales, having been admitted to the Roll of Solicitors of England and Wales in 2010. Mr. Yeo has been an accredited international mediator of the Thailand Arbitration Centre since 2016. He is also a very active volunteer in the Singapore disability sports scene.

Mr. Yeo's present directorships and principal commitments include The Necessary Stage Ltd, LY Corporation Limited, Nexty IO, Gossama IO, Eldan Law LLP, Fintex Pte. Ltd., Jadefx Pte. Ltd. and TEE International Limited. He does not have any past directorships in the last three years.

MR. PHUA CHER CHUAN

Chief Executive Officer & Managing Director

Mr. Phua was appointed as Interim Group Chief Executive & Managing Director on 24 June 2021, re-designated as Group Chief Executive & Managing Director on 1 September 2021.

Mr. Phua joined the Group in 2005 and leads the TEE Infrastructure businesses, which include the environmental business and overseas investments. In addition to the Group's infrastructure business, Mr. Phua also drives the Merger and Acquisition projects and other corporate exercises of the Group.

Mr. Phua started his career in August 1994 as an engineer with National Semiconductor Manufacturing Pte Ltd before he joined Infineon Technologies Asia Pacific Pte Ltd (formerly known as Siemens Components Pte Ltd) from March 1996 to December 2000 where he was involved in developing software for the testing of microchips as a senior engineer. In January 2001, Mr. Phua joined ST Assembly and Test Services Pte Ltd as an engineering section manager where he was in charge of testing microchips at its test development centre. He subsequently joined Flextronics International Ltd. in June 2002 as a manager at its test development department where he was a division head and responsible for testing of product designs for Singapore, Malaysia and China. Mr. Phua founded and was the Chief Executive Officer of Nexfrontier Solutions Pte. Ltd. from June 2005 to September 2012.

Mr. Phua was Executive Director and Chief Executive Officer of CMC INFOCOMM LIMITED ("CMCI", a subsidiary company of the Group) from March 2015 to May 2017. He led the team to a successful Initial Public Offering (IPO) of CMCI in Singapore Stock Exchange on 13 August 2015. Mr. Phua was responsible for the overall management of business and corporate development and he worked together with Non-Executive Chairman to formulate the business and corporate policies and strategies of CMCI.

Mr. Phua graduated from Nanyang Technological University with a Bachelor of Engineering degree in May 1994 and from the National University of Singapore with a Master of Science (Electrical Engineering) degree in July 1999.

Mr. Phua's present directorships and principal commitments comprise directorships in the Group's subsidiaries, PowerSource Philippines Distribution Power Holdings Inc (Philippines), Meridian Edge Pte Ltd and TEE International Limited. Mr. Phua's past directorships in the last three years include the Group's subsidiaries that have been struck off, CMTE Technology Sdn Bhd (Malaysia) (struck off on 2 September 2020) and Nexfrontier Solutions Pte Ltd (struck off 4 May 2021).

BOARD OF DIRECTORS

PROFESSOR SIOW YUEN KHONG ALEX

Independent Director

Professor Siow was appointed an Independent Director of the Company on 18 February 2020. He currently serves as member of the Audit Committee, member of the Nominating Committee and Chairman of the Remuneration Committee.

Professor Siow is currently Professor (Practice) in the School of Computing, National University of Singapore (NUS). Professor Siow started his career as a Structural Engineer in the HDB in 1981 and was appointed the Chief Information Officer in 1989. In 2003, Professor Siow joined the private sector and became the Senior Vice-President in StarHub Ltd. He held various portfolios including Head, Business Market, CIO and Head, Enterprise Risk Management. In 2013, he joined Accenture as Managing Director, Health and Public Service and in 2015, he joined NUS.

Professor Siow is a member of Temasek Polytechnic Board of Governors, a member of the Board of Trustees of Singapore University of Social Sciences and a board member of Thye Hua Kwan Ang Mo Kio Hospital. He is also the Chairman of the Board of Directors of Toffs Technologies Pte Ltd and Executive Chairman of DART Consulting and Training Pte Ltd. He is Managing Director of Alex Siow & Associates and director of 4P Consulting Pte Ltd.

Professor Siow graduated with a Bachelor of Engineering (Civil) degree from University of Applied Science, Stuttgart in July 1979 and a Master of Science (Engineering) (Construction Management) degree from the University of Birmingham in December 1986. He had also attended the Senior Management Programme at INSEAD, France in 1995.

Professor Siow's present directorships and principal commitments include Toffs Technologies Pte Ltd, Ang Mo Kio Thye Hua Kwan Hospital, Wesan Future Design Pte Ltd, Dart Consulting and Training Pte Ltd, Alex Siow & Associates, Red Alpha Cybersecurity Pte Ltd, CloudRoc Pte Ltd, KSC Consultants Pte Ltd, Findjobs Pte Ltd, Thye Hua Kwan Moral Charities Ltd and TEE International Limited. Professor Siow's past directorships in the last three years include Nexty Pte Ltd, Hashedlen Sdn Bhd, Temasek Polytechnic and Temasek Polytechnic School of Informatics and IT.

CHIN SEK PENG, MICHAEL

Independent Director

Mr. Chin was appointed as an Independent Director of the Company on 27 November 2023. He currently serves as Chairman of the Audit Committee, member of the Nominating Committee and member of the Remuneration Committee.

Mr. Chin is currently the Founder and consultant to PKF Singapore. He was formerly the Managing Partner of PKF-CAP group of entities including PKF-CAP LLP, a firm of chartered accountants based in Singapore from 2017 to 2020 and thereafter he was appointed Executive Chairman from 2021 to 2023. He was also the Head of risk consulting in PKF Singapore and was a Board member of PKF International Asia Pacific region and the Chairman of the ASEAN sub-region from 2019 to 2021.

Mr. Chin started his audit training in London. After qualifying as a UK chartered accountant, he joined legacy Price Waterhouse and worked in UK, Europe and Singapore from 1983 to 1994. In 1994, he joined the Institute of Singapore Chartered Accountants ("ISCA") as the first Practice Review Director, heading, running and regulating the compliance of work standards of all audit practices in Singapore. In 1999, Mr. Chin joined legacy Arthur Andersen as a partner in its Assurance and Business Advisory division and in 2002 he left the firm to set up his own audit and consultancy practices with other partners.

Mr. Chin holds a Bachelor of Arts (Honours) degree in Accounting and Finance from Lancaster University in the United Kingdom and is a Fellow Chartered Accountant of Singapore and a Fellow Member of the Institute of Chartered Accountants in England and Wales. He was formerly a Council member of ISCA from 2012 to 2018 as well as the Chairman of The Public Accounting Practice Committee from 2016 to 2018.

He serves as Independent Director mainly in the capacity as Audit Committee Chairman to two other public companies listed on the Singapore Exchange and is a member of the Institute of Internal Auditors, Singapore and a member of the Singapore Institute of Directors.

BOARD OF DIRECTORS

ZHENG LE

Deputy Chief Executive Officer and Executive Director

Mr.Zheng was appointed as Deputy Chief Executive Officer and Executive Director of the Company on 20 December 2023. Mr. Zheng is responsible for collaborating with the Chief Executive Officer and Management to formulate and execute strategic plans for the Group. Mr Zheng will play a key role in the Company's restructuring initiative, focusing on improving operational efficiency and optimising resource allocation. Additionally, Mr Zheng will take the lead in corporate development initiatives to identify and pursue new business opportunities for the Company.

In 2008, Mr. Zheng initiated his professional journey with the esteemed Far East Organization, a distinguished local property group in Singapore. Progressing through various roles, he excelled as a team leader and sales manager. Notably, in 2010, he was further recognized for his capabilities when he assumed the role of Investment Manager. In this capacity, he was entrusted with overseeing the group's operations in Shenzhen, China, showcasing his adeptness in managing multifaceted responsibilities.

In 2011, Mr. Zheng transitioned to 3V SourceOne Capital Pte. Ltd., a Singapore-based Registered Fund Management Company (RFMC). Initially joining as an Assistant Vice President, he managed a venture capital fund under Singapore's Global Investor Programme (GIP). Over the course of five years with the company, Mr. Zheng's capabilities were acknowledged, leading to his promotion to Vice President and Executive Director.

Notably, in 2015, Mr. Zheng co-founded Orientivity Capital Pte. Ltd., a local investment holding company specializing in investment activities. His entrepreneurial spirit continued to thrive, leading him to establish Impunity Esports Pte. Ltd. in 2019, a Singapore-based esports startup. Under his leadership, Impunity Esports has expanded its footprint in esports and talent management, actively engaging in Singapore's community esports initiatives, including programs for senior citizens.

Throughout his career as a fund manager, investor, and entrepreneur, Mr. Zheng has consistently demonstrated a keen interest in the media, entertainment, sports/esports, and technology sectors. As one of the earliest investors in Singapore's entertainment group MM2 Asia Limited, Mr. Zheng has played a pivotal role in its growth at various stages.

Mr. Zheng holds a Bachelor's Degree in Plant Pathology from China Agricultural University (2005) and a Master's Degree in Taxation from Bournemouth University in the UK (2008).

KEY MANAGEMENT

MR. LIM CHIN KHUANG

Managing Director, Environmental Business

Mr. Lim joined the Group in May 2019 and oversees the waste management business. Mr. Lim is responsible for formulating and executing the growth strategies of TEE Environmental. Prior to joining the Group, Mr. Lim held the position of Senior Vice President of SembWaste Pte Ltd and Sembcorp Environment Pte Ltd. Mr. Lim's career with Sembcorp Environment Pte Ltd spanned over 17 years and was overall in charge of its waste management business from 2011 to 2019. He also previously held management positions in Keppel Logistics Pte Ltd and The Westin Hotels Singapore.

Mr. Lim holds a Master of Management from Macquarie University.

MS. FONG MENG HUI

Group Financial Controller

Ms Fong joined the Group in August 2018 and oversees the full spectrum of accounts and finance related activities of the Group.

She has over 10 years of international broad-based external and internal audits, accounting and financial as well as management experience in various industries in Singapore and overseas.

Ms Fong is a Fellow Chartered Certified Accountant (FCCA, UK), Certified Internal Auditor (CIA) and Chartered Accountant of Singapore (CA Singapore). She also holds a First-Class Bachelor of Applied Accounting (Honours) from Oxford Brookes University, United Kingdom.

MR. SIMON ZHAO GANG

Senior Manager, Corporate Finance

Mr. Zhao joined the Group in January 2018, contributing his expertise to corporate development initiatives. With over 15 years of experience in Corporate Business Management for listed companies in Singapore, he has demonstrated proficiency in diverse domains, including business development, investment, project management, and corporate actions, among others.

Mr.Zhao holds a Bachelor of Applied Accounting (Honours) from Oxford Brookes University, United Kingdom.

SUSTAINABILITY REPORT

TEE

TEE International Limited

Sustainability Report
FY2023

Contents

SUSTAINABILITY REPORT

BOARD STATEMENT

This document represents TEE International Limited and its affiliates' sixth consecutive annual sustainability report. The Board is confident that the contents effectively articulate the company's plans for environmental, social, and governance ("**ESG**") performance. It elaborates on the strategies the Group employs to address significant ESG concerns, aiming to generate beneficial outcomes for our stakeholders.

The Board has reiterated its stance that management's performance will be assessed based on its effectiveness in implementing the strategic plan of the company, meeting the expectations of stakeholders and the Board, and maintaining flexibility to adapt to evolving conditions while honouring the pledges made in this report.

The oversight of the company's sustainability initiatives has been entrusted to the Sustainability Committee, led by the Group Chief Executive, Managing Director, and principal executives from various business units and segments. The Board engaged in a thorough examination and dialogue concerning this report's content prior to passing a formal resolution for its endorsement.

As TEE navigates the gradual resurgence from the COVID-19 pandemic, we are concurrently evaluating current global challenges, including the surge in energy prices and the anticipated rise in carbon tax for the coming year. Our approach includes innovating operational methods and upholding safety measures as recommended by health authorities. We remain vigilant in tracking the virus's progression and adhering to health guidelines to ensure the ongoing health and safety of our employees.

In these trying times, we are committed to optimally allocating our resources, ensuring the highest standard of protection and welfare for our staff, and upholding equitable employment practices. This commitment is vital to surmounting the ongoing and future challenges posed by the pandemic, thereby safeguarding the interests and welfare of our employees, customers, and all pertinent stakeholders.

The Group has advanced its reporting practices since conducting our initial materiality assessment and releasing our first sustainability report in 2018. In the current report, we maintain focus on issues of material significance, aligning them with our three principal Sustainability Focus Areas: Our Business, Our Environment, and Our People.

This report, including all key ESG material topics, has been reviewed and approved by the Board. It has also been discussed with our principal stakeholders and received their endorsement.

Guided by our core values and principles, we continue to strike a balance in considering economic, environmental, and social factors.

SUSTAINABILITY REPORT

SUPPORT THE GLOBAL GOALS

The United Nations Sustainable Development Goals ("**UN SDGs**") serve as a collective blueprint for governmental bodies, businesses, and non-governmental organisations to tackle pressing environmental and societal challenges of our era. These goals are committed to eradicating poverty, safeguarding the environment, and promoting peace and prosperity for everyone by the year 2030.

Source: Image from United Nations (https://sdgs.un.org/goals)

At TEE, we are committed to playing our part in supporting 17 global goals. In FY2023, we mapped the 17 goals over our material topics and decided to focus on the following goals in our sustainable business strategy.

SUSTAINABILITY REPORT

ABOUT THIS REPORT

TEE International Limited ("**TEE**" or the "**Company**" and together with our subsidiaries, the "**Group**") is proud to present our sixth annual Sustainability Report for FY2023. It encompasses data for the financial year performance spanning 1 October 2022 to 30 September 2023, hereafter referred to as "**FY2023**."

This Report delineates the Group's strategic management of salient environmental, social, and governance ("**ESG**") topics deemed substantive to our operations. It is our intention that shareholders, suppliers, customers, employees, and other key stakeholders gain a more profound understanding of our dedicated strategies and commitments within the sphere of sustainability.

REPORTING FRAMEWORK

This Report has been meticulously compiled in conformity with the SGX-ST Listing Rules 711A and 711B, as well as the pertinent SGX Practice Notes encompassing the Sustainability Reporting Guide.

In the preparation of this Report, we have referred to the Global Reporting Initiatives ("**GRI**") Standards, specifically the 2021 Revision. The Group has chosen the GRI Standards as its framework for sustainability reporting, recognising these guidelines' international acclaim and widespread adoption by organisations globally.

The Group's climate-related disclosures adhere to the principles set forth by the Task Force on Climate-related Financial Disclosures ("**TCFD**").

The present reporting cycle does not reflect any significant alterations in the list of material sustainability issues and their respective scopes as compared to the preceding period.

REPORTING SCOPE AND PERIOD

This Report is the Group's sixth sustainability report, which covers the Group's sustainability performance for the financial year ended 30 September 2023.

The scope of the Group's sustainability report includes the headquarters TEE, reported as:

- TEE International Limited ("**TEE**");

As well as the following infrastructure segment entities:

- TEE Infrastructure Private Limited ("**TEE Infra**");
    - TEE Environmental Pte. Ltd. ("**TEE Environmental**");
    - TEE Recycling Pte. Ltd. ("**TEE Recycling**"); and
    - Envotek Engineering Pte. Ltd. ("**Envotek**")

Together with our engineering and construction segment (discontinued operations) entity:

- PBT Engineering Pte. Ltd.

In this financial year, as of 20 February 2023, Tracebuild Pte. Ltd. previously known as PBT Engineering Pte. Ltd. ("**PBT Engineering**").

This report's data scope primarily encompasses operations within Singapore.

FEEDBACK

Our Sustainability Report provides us with a valuable opportunity to engage our stakeholders and respond to issues that matter most to them and our business. Feedback from the Company's stakeholders is imperative to our Group's continued improvement and growth.

We value your interest in our report and welcome questions, comments and suggestions at IR@TEEintl.com.

REPORT REVIEW AND ASSURANCE

The information presented in this report is derived from data that has been internally monitored and validated, and has not undergone verification by an independent external entity. The Company employs rigorous internal verification protocols to confirm the dependability and exactitude of the data and information contained herein. As such, this report has not received independent external validation. To ensure the integrity and currentness of the data, the Group's internal management team has conducted a comprehensive internal review of this report.

SUSTAINABILITY REPORT

CORPORATE PROFILE

Our Core Business

Listed in 2001, TEE International Limited ("**TEE**" or the "**Company**", together with its subsidiaries and associate companies, "**TEE Group**") through its investments in the environmental services businesses, expanded into the waste management business in Singapore. TEE's wholly-owned subsidiary, TEE Infrastructure Private Limited ("**TEE Infrastructure**") was established to offer comprehensive sustainable solutions to meet demands for integrated infrastructure, utilities and environmental services throughout the Asia Pacific region. TEE Infrastructure actively seeks to build up its capabilities in the environmental, power and water segments, through investing in assets and developing greenfield projects in the Asia Pacific.

TEE Infrastructure has a 50.1% stake in G3 Environmental Private Limited ("**G3 Environmental**" or together with its subsidiaries, "**G3 Group**"), which owns TEE Environmental Pte. Ltd. ("**TEE Environmental**") - which in turn owns TEE Recycling Pte. Ltd. ("**TEE Recycling**") – and Envotek Engineering Pte. Ltd. ("**Envotek**"). With more than 20 years of experience in the waste management industry, TEE Environmental is one of the leading industrial & commercial waste management companies in Singapore. As an essential service provider, TEE Environmental offers integrated waste management solutions supported by its recycling and cleaning services. TEE has also invested in assets in the Water, Power and Environmental-related segments through its Infrastructure business.

TEE was also a leading regional engineering group with business interests in real estate and infrastructure that spans across Singapore, Thailand, Malaysia and Hong Kong. Its core engineering business dates back to 1991 when it was first established as a general electrical contractor. Anchored on a strong track record in delivering quality and value-added integrated engineering solutions, TEE was now recognised as a trusted partner in the engineering industry. Nevertheless, the engineering & construction business was severely impacted by the unprecedented COVID-19 pandemic and consequently, the engineering & construction segment is discontinued as part of the strategic measures within the restructuring exercise.

Our Business Value Chain

TEE's value chain translated into a series activity that the Company engages to deliver value to its clients, while creating a competitive advantage in our sector. Here is the value chain articulated for TEE:

1. Engineering Solutions: The Company's foundational business, dating back to its establishment in 1991 as a general electrical contractor, lies at the beginning of its value chain. By delivering quality and value-added integrated engineering solutions, TEE establishes the bedrock of its service offering.

2. Investment in Infrastructure: Building on its engineering expertise, TEE Group expands into infrastructure, leveraging its experience in large-scale projects. This includes investing in and managing infrastructure-related projects, which complement its core engineering services.

3. Sustainable Infrastructure Solutions: Through TEE Infrastructure, the Company extends its value chain to offering sustainable infrastructure solutions across the Asia Pacific region. This involves building capabilities and investing in environmental and power assets, as well as developing greenfield projects.

4. Environmental Services: TEE's value chain culminates in the environmental services provided by its Infrastructure segment through Environmental business. Holding a majority stake in G3 Group, the Company positions itself as a top player in industrial and commercial waste management. This includes on-site and off-site waste management, collection and transport of waste, and the processing of recyclables.

5. Waste Collection and Recycling: As a key component of its value chain, waste collection and recycling activities not only provide direct services but also contribute to the company's sustainability goals and its reputation as an environmentally responsible entity.

By integrating these elements, TEE creates a synergistic and comprehensive value chain that not only caters to the engineering and infrastructure sectors but also emphasises environmental sustainability and waste management, reflecting a commitment to corporate social responsibility and the generation of long-term stakeholder value.

Our Business Location

Our HQ Address
25 Bukit Batok Street 22, Tee Building Singapore 659591
Our Subsidiaries Location
25 Bukit Batok Street 22, Tee Building Singapore 659591 41 Defu Lane 1, Singapore 539494 20 Defu Lane 9, Singapore 539261

SUSTAINABILITY REPORT

OUR BRAND

Vision

We aim to be among the best and the preferred choice in the industry.

Mission

We strive to be a leading Infrastructure Group recognised for our quality and value-added services, as well as our cost competitiveness; resolutely backed by people with strong capabilities, a devotion to quality service delivery, and the tenacity to face challenges.

Core Values & Guiding Principles

To be passionate in everything we do to hold firmly to our purpose or undertakings despite obstacles or setbacks.

Professionalism	Operate with a “Can Do” attitude and take ownership of our actions and everything we do.
Achieve	To achieve excellence through continuous learning and encourage personal development for every individual.
Service	Offering the best service to our clients, suppliers, colleagues, partners, and communities.
Safety	Ensuring the safety of the people and to promote safety, health, environmental, and legal awareness.
Integrity	Being reliable, trustworthy and honourable in what we say and do.
Openness	To operate in the spirit of mutual trust and openness, giving due respect to self and others to maintain teamwork and growth.
Nurture	To empower individuals, create opportunities for all to grow and excel and promote a happy, healthy and balanced work-life.

SUSTAINABILITY REPORT

BUSINESS MEMBERSHIP AND CERTIFICATION

Membership Association

Associations	Award Date/Expire Date
Environmental Management Association of Singapore (EMAS)	May 2023 / April 2024
Waste Management & Recycling Association of Singapore (WMRAS)	June 2023 / May 2024

* **The above membership information only covers Tee Environmental Pte. Ltd.**

Relevant Certifications

Name of the Certification	Award Date/Expire Date	Awarded Business Sector
ISO 9001: 2015 Quality Management System	21 December 2021 / 20 December 2024	Infrastructure
ISO 14001:2015 Environmental Management System	21 December 2021 / 20 December 2024	Infrastructure
ISO 45001: 2018 Health & Safety Management System	21 December 2021 / 20 December 2024	Infrastructure
Fire Safety Certificate	17 November 2011 / No expire date	Infrastructure

SUSTAINABLE DEVELOPMENT STRATEGY POLICY

At TEE, we are committed to conducting, our business in a manner that promotes sustainable development, minimising, environmental impact, and contributing positively to the communities in which we operate. Our Sustainable Development Policy serves as a guiding framework, reflecting our dedication to responsible business practices and ethical considerations.

We are committed to minimising our environmental footprint by adopting practices that reduce resource consumption, waste generation, and emissions. Our operations will adhere to applicable environmental laws and regulations, and we will strive to exceed compliance standards wherever possible. Continuous improvement initiatives will be implemented to enhance energy efficiency, promote recycling, and reduce our overall environmental impact. In our wood waste collection services, we strive to responsibly manage wood and horticultural waste. We encourage innovation in our processes and services to continually find new and more sustainable solutions. We are trying our best to integrate automation into our process in order to help us enhance our productivity and reduce the ESG related risks. Our waste-to-energy plants are utilised to generate electricity for our operations, contributing to a sustainable energy mix.

Employee is our most valuable assets. We are committed to fostering, a workplace that values diversity, promoting fair labour practices, and ensuring the health and safety of our employees.

SUSTAINABILITY REPORT

POLICY COMMITMENT

TEE has implemented comprehensive policies encompassing environmental management, human resource management, and an Occupational Health and Safety Management system, aligning with our ISO management and certification process. We are dedicated to upholding these policies, which include:

- Adhering to the highest standards of business ethics;
- Ensuring fair employment practices;
- Protecting the environment;
- Providing the highest level of Occupational Health and Safety Management for our employees and contractors.

In our commitment to being a responsible corporate citizen, we prioritise our stakeholders' interests as a collective. For detailed information on our policies and management approach, please refer to the material topic sections.

We take the responsibility of communicating these policies seriously, ensuring that they are effectively shared with all employees within the Group, as well as with our suppliers, contractors, and key stakeholders. This transparent communication underscores our dedication to maintaining the highest standards across our business operations.

REMEDIATE NEGATIVE IMPACTS FROM OUR OPERATION ACTIVITIES

As we strive for business development and growth, it is acknowledged that certain adverse effects, including environmental impacts, may arise during our operations. Nevertheless, the Group has established specific policies to systematically identify and manage all foreseeable negative impacts and associated risks.

In order to maintain a sustainable long-term business strategy, we are committed to actively seeking input and advice from our stakeholders. Our approach involves transparent and effective communication with all parties involved, and we actively gather feedback to ensure the incorporation of diverse perspectives. This ongoing process reinforces our dedication to inclusivity and continuous improvement.

TEE is committed to minimising our environmental footprint and reducing the negative impact of our operations. This policy outlines our dedication to sustainable business practices:

- We adhere to all regulatory laws and regulations, including employee management, environmental laws and regulations, we aiming to exceed compliance standards wherever possible.
- Our operations prioritise resource efficiency, waste reduction, and responsible waste management to minimise negative impacts on the environment.
- We regularly assess and update our practices to incorporate the latest technologies and methods that reduce our environmental impact.
- We commit to transparently reporting our environmental performance and initiatives to stakeholders and the public.

At TEE, our business conduct policies are integral to our commitment to ethical, sustainable, and responsible business practices. All employees, partners, and stakeholders are expected to align with these policies, fostering a culture of integrity and environmental stewardship.

SUSTAINABILITY REPORT

OUR REPORTING APPROACH

According to GRI 2021-Foundation, we follow the 8 reporting principle in preparing our Sustainability Report.

Accuracy	**Balance**	**Clarity**	**Comparability**
Completeness	**Sustainability Context**	**Timeliness**	**Verifiability**

Principle	Explanation
Accuracy	The information disclosed in this Report is correct and sufficiently detailed to assess the Company's business impacts towards Governance, Environment, and Social perspective.
Balance	The information is disclosed in an unbiased way and provides a fair representation of the Company's negative and positive impacts.
Clarity	The information presented in this Report is accessible and understandable.
Comparability	The Company endeavours to select and compile the report information consistently to enable an analysis of changes in the Company's impacts over time.
Completeness	The Company tries its best to provide sufficient information to enable the transparency of its efforts in ESG topics.
Sustainability Context	The Company ensures that the information it discloses in this Report is about its business impacts within the context of sustainable development.
Timeliness	The Company reviews its ESG material topics on a regular basis to ensure that all the information declared in this Report is updated.
Verifiability	This Report is not internal audited, however, our Sustainability Consultant has guided us to ensure the utmost data accuracy.

SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT

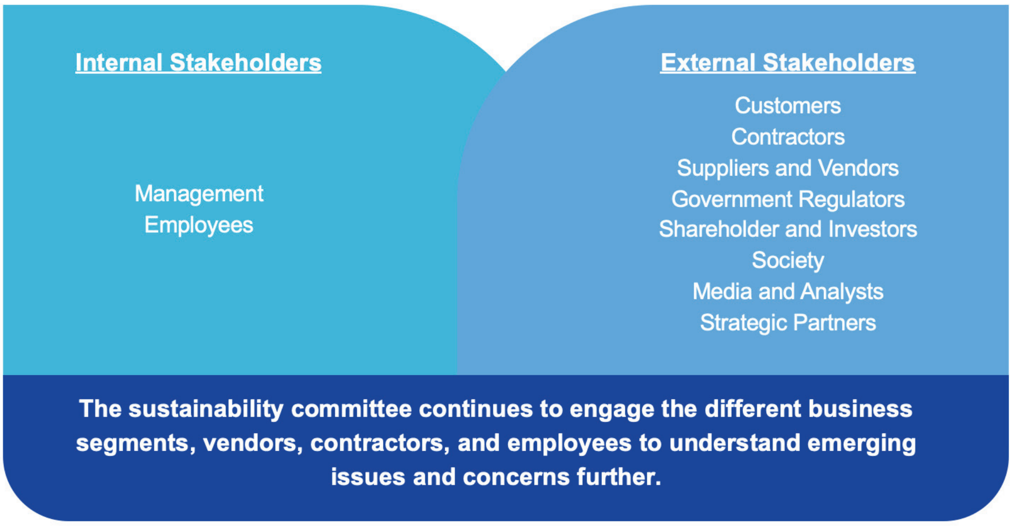
Our stakeholders are people or entities directly or indirectly influenced by our business operations and outcomes, who can significantly impact our businesses.

At TEE, we regularly engage our stakeholders to collect their feedback. We believe that their voices are important to our strategic and business planning. It is a valuable insight for the Company to continue growing with sustainable improving performance.

Feedback from our key stakeholders forms a crucial part of our strategic and business planning. It is considered a valuable insight for the Company to improve its sustainability performance continuously. Our key stakeholder groups are identified across the entire value chain through internal discussions and review.

Stakeholder Identification

According to our business activities, supply chain and scope of operations, we have identified our stakeholders into the following groups:



Key Stakeholders	Significance to TEE Group	Topics of Interest	Engagement Channels
EMPLOYEES	Our people are one of our most valuable assets. The well-being and capabilities of our employees ensure their continual contributions to the success of all aspects of our businesses.	• Internal and external training • Staff appraisal • Onboarding and orientation • Ongoing sharing sessions and dialogues • Management feedback sessions	• Benefits and remuneration • Career progression • Training and development • Employee well-being and welfare
CUSTOMERS (Engineering and Construction Business)	The Engineering and Construction business delivers a full suite of high-value engineering solutions on a timely basis without compromising on quality. Fulfilling customers' requirements while adhering to various regulatory requirements is of utmost importance.	• Ongoing dialogues and meetings • Feedback form for analysis of performance	• Project management • Ability to meet requirements • Timeline and execution • Work Quality

SUSTAINABILITY REPORT

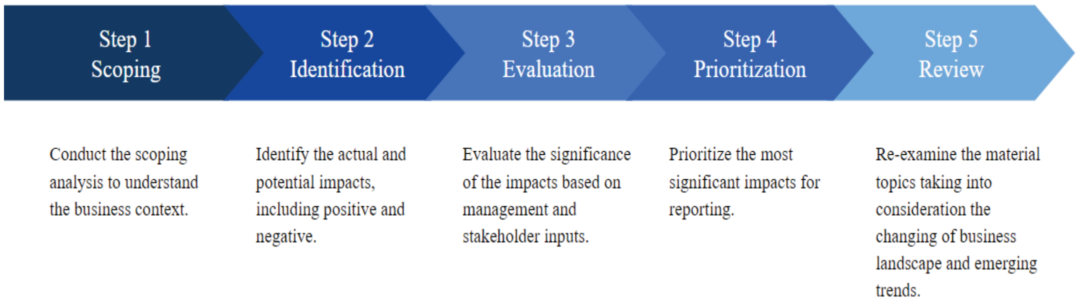
Key Stakeholders	Significance to TEE Group	Topics of Interest	Engagement Channels
CUSTOMERS (Infrastructure Business)	TEE Infrastructure's environmental division offers a full suite of waste management solutions by customers' requirements. We do so while striving to be more environmentally friendly.	• Customer service hotline • Ongoing engagement with clients	• Service management • Ability to meet requirements • Execution and quality of service
SUPPLIERS & VENDORS	In line with our goal of delivering quality products and services to our customers, we work with reliable contractors with good track records to ensure our projects are delivered promptly without compromising on quality.	• Regular project progress updates • Project meetings	• Company financial strength • Payment terms
GOVERNMENT & REGULATORS	Being a Mainboard listed company on the SGX-ST, we are required to comply with the requirements of the listing rules of SGX-ST as well as the Securities and Futures Act. Relevant permits and licences are obtained from the relevant authorities such as the Building and Construction Authority ("BCA"), Ministry of Manpower ("MOM") and National Environment Agency ("NEA").	• Announcements via SGXNet • Ongoing engagement with clients • Annual Report • Sustainability Report • Attending seminars and training conducted by regulatory bodies • Direct engagement with authorities • Newsletter updates	• Compliance with laws and regulations as mandated by the relevant authorities • Anti-corruption and bribery
SHAREHOLDERS & INVESTORS	We view our shareholders as our utmost supporters as we continue to grow the Group. We fully understand the need to address their concerns and share timely and accurate information about TEE Group with our shareholders to enable a transparent assessment of TEE Group's financial performance and state of affairs. This is in accordance to our Investor Relations policy.	• General Meetings • Announcements via SGXNet • Annual Report • Investor Relations team • Company website • Media releases	• Group business strategy and developments • Financial performance • Dividend policy • Risk management • Operational efficiency • Regulatory compliance • Corporate Governance
SOCIETY	The Group strives to have a positive impact on the community. We are dedicated to being model corporate citizen who positively contributes to the community and encourages the spirit of volunteerism.	• Corporate Social Responsibility (CSR) programme • Community service events	• Charitable contribution • Volunteering activities
MEDIA & ANALYST	In line with our proactive investor and media relations approach, TEE Group regularly engages the media and analysts to keep them updated on our various corporate activities while gaining different perspectives on our business performance.	• Interviews • Press releases • Face-to-face meetings	• Company performance • Valuation and stock performance • Corporate Governance
STRATEGIC PARTNERS	Our strategic partners help complement our capabilities to provide our customers with the best services and products.	• Ongoing meetings and dialogues • Business reviews	• Financial performance • Track records and reputation

SUSTAINABILITY REPORT

ESG MATERIAL TOPICS IDENTIFICATION

At TEE Group, sustainability is embedded in our business model. We place a strong emphasis on high standards of corporate governance and stringent risk management practices. We are integrating sustainability best practices in our business to guide us in formulating our business strategy and how it impacts our people, environment and communities.

We follow the following four steps in determining our material topics.



We conduct the scoping analysis through analysis of the market trends and latest regulatory requirement to ensure that we understand the business context and regulatory requirements well.

Through the identification process, a list of ESG matters was identified through discussion with management.

We evaluate the ESG topics through their significant impacts based on management and stakeholder inputs. The highest-rated material matters were then selected for reporting and approved by the Board.

We prioritise the key ESG material topics for reporting. These ESG matters were then rated anonymously by representatives from various departments, who were able to bring internal and external stakeholders' perspectives to this exercise.

Through the review process, it is to ensure continued relevance to our business operations. These matters will be reviewed in each reporting year.

The Management will conduct the annual review of the Group's material topics and monitor the performance as part of the Group's Sustainability Strategy.

SUSTAINABILITY REPORT

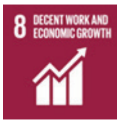
Material Topics

The Group conducted our first materiality analysis and published our inaugural sustainability report in 2018. In FY2023, we have reviewed our material topics to ensure that we are responding appropriately to emerging concerns or legislation and to identify improvement opportunities. There are no changes to the Group's material topics and Sustainability Focus Areas for FY2023. We continue to use GRI standards as a reference to report on our selected material topics. We have provided further insight into our emissions use by including data on emission intensity this year.

Sustainability Focus Areas	Relevant GRI Indicators	Material Topics	Relevant UN SDGs
Our Business	GRI 201-1	Economic Performance	
	GRI 204-1	Procurement Practices	
	GRI 205-1,2,3	Anti-Corruption	
Our Environment	GRI 303-5	Water	
	GRI 306-2	Waste	
	GRI 302-1	Energy	
	GRI 305-1,2,5	Emission	
Our People	GRI 401-1,2,3	Employment	
	GRI 405-1	Diversity & Equal Opportunity	
	GRI 404-1,3	Training & Education	
	GRI 403-1-10	Occupational Health & Safety	

SUSTAINABILITY REPORT

OUR BUSINESS

Key Material Topics		UN SDGs
GRI 201-1 GRI 204-1 GRI 205-1,2,3	Economic Performance Procurement Practices Anti-Corruption	

Economic Performance

Why this is important

Catalysing economic growth is a fundamental objective for our group and its leadership, as it stimulates the demand for our products and services, which can precipitate expansion and bolster our market presence. Such growth strengthens consumer confidence, culminating in elevated expenditure and revenue. Furthermore, a robust economic environment is conducive to attracting investments, improving our access to capital and advantageous financing conditions. It also energizes the employment landscape, offering our employees substantial advancement prospects, while simultaneously delivering superior returns to our shareholders and augmenting the performance of our stock.

Management Approach

The Group is steadfast in its dedication to embedding sustainability within the core of its business strategy to fuel enduring growth. Upholding rigorous ethical standards and fostering a supportive, secure workplace environment are central to our efforts, enhancing employee productivity and well-being, which in turn elevates the calibre of service provided to our customers. Our sustainability initiatives are intricately woven into our business strategies, ensuring the creation and preservation of value for our stakeholders. Furthermore, we prioritise the professional growth of our team and contribute positively to the communities we serve. TEE is resolute in augmenting the economic returns for our shareholders, while simultaneously making significant investments in the welfare of our workforce and the wider community.

FY2023 Performance

In FY2023, we have generated an economic value[1] of S$40.3 million and distributed S$44.3 million in the form of operating costs[2], employee wages and benefits, payments to providers of capital, taxes and community investments from both continuing and discontinued operations.

1 *Revenue*

2 *Comprises operating costs, employee wages and benefits, payments to providers of capital, payments to taxes and community investments*

FY2024 Target

The Group is undergoing a restructuring exercise (the details of the restructuring exercise are explained in other sections of the Annual Report) and in FY2024, the Company will continue to work with its financial and legal advisors on the restructuring plan which includes the completion of equity funds raising and restructuring of the debts. On top of that, the Group will also continue to focus on the continuing operations and any potential opportunities on new businesses will be reviewed from time-to-time.

SUSTAINABILITY REPORT

Procurement Practices

Why this is important

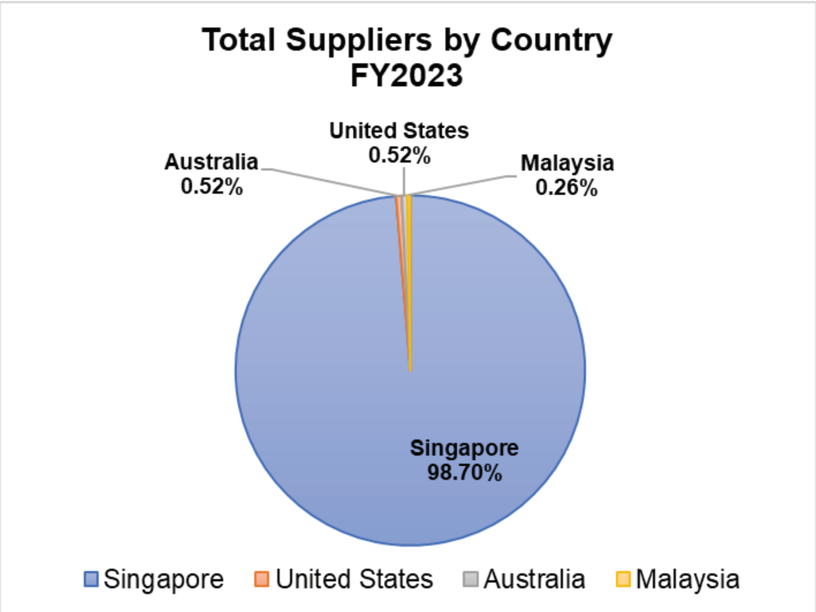
Effective procurement practices are indispensable for the Group's operation as they directly enhance financial performance by optimizing costs and improving the bottom line. Such practices also embody transparency and accountability, crucial for maintaining investor confidence and regulatory compliance. A solid procurement policy contributes to exemplary corporate governance, bolstering a company's reputation and supporting its commitments to sustainability.

Management Approach

TEE engages in collaborations with a diverse range of vendors, contractors, and suppliers to deliver services that are not only of high quality but also bring additional value. It is imperative for us to cultivate and sustain robust relationships with these partners. Our selection criteria are rigorous, favouring vendors that demonstrate outstanding health and safety practices, strict adherence to local regulations, and requisite certifications. We prioritise partners that offer high service efficiency while upholding stringent health, safety, and environmental standards. Whenever feasible, TEE prefers to partner with local vendors to support and contribute to the communities where our projects are based.

FY2023 Performance

TEE has a predominantly local supply chain: Among our approximately 400 suppliers providing products and services, 98.70 percent are from the local market. Examples of products procured are equipment, hardware, rental of equipment, fabrication work; while services procured refer to supply and installation services, consultancy services, testing and commissioning services, and calibration services etc.

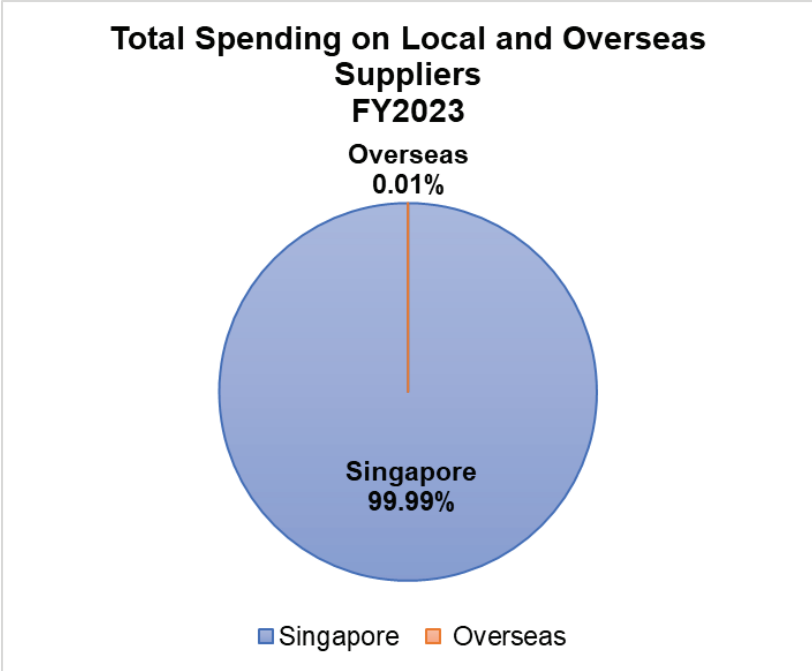


Procurement by Location

In FY2023, 99.99 percent of our procurement budget is spent in Singapore, with only 0.01 percent spent overseas.

Category	Amount (SGD)	Percentage
Total Amount Spend in Singapore	25,317,048.83	99.99%
Total Amount Spend Overseas	3,662.18	0.01%
Total Spending	**25,320,711.01**	

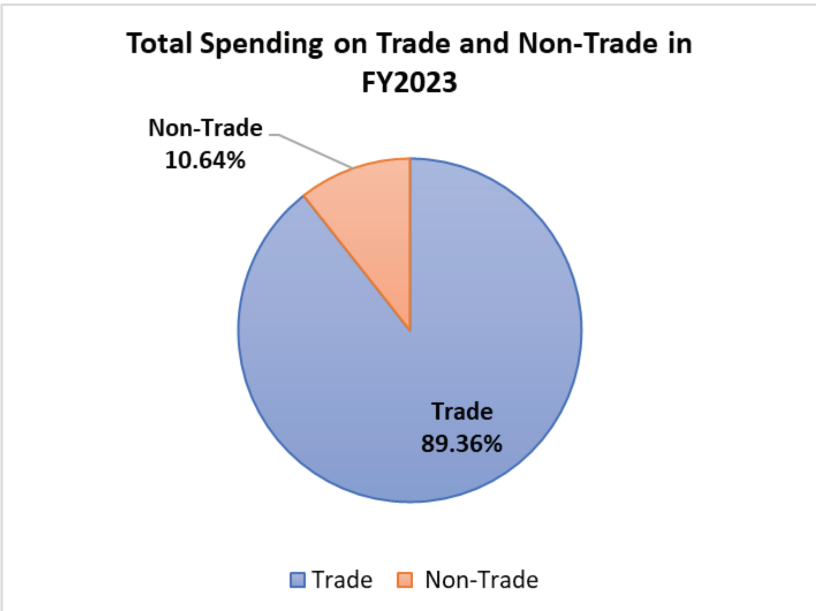
SUSTAINABILITY REPORT



Procurement based on Trading and Non-Trade

In FY2023, 89.36 percent of our spending is for trade purpose and 10.64 percent is for non-trade purpose.

Category	Amount (SGD)	Percentage
Trade	22,627,651.19	89.36%
Non-Trade	2,693,059.82	10.64%



FY2024 Target

In FY2024, the Group remains committed to partnering with local suppliers, while simultaneously broadening our supplier base to guarantee the timely delivery of essential items for our operations, thereby minimising potential disruptions.

SUSTAINABILITY REPORT

Business Conduct

At TEE, we are committed to upholding the highest standards pf business ethics and integrity, we believe sound business conduct is a cornerstone of Group's sustainability and success in the competitive global marketplace. Ethical business conduct is of paramount importance for the Group because it underpins our reputation, investor confidence, and legal standing. Ethical conduct guides the Group in dealings, ensuring compliance with laws and regulations set by financial authorities and stock exchanges. This adherence to high ethical standards builds trust with shareholders, customers, and the public, which is essential for maintaining a company's share value and market position.

We are implementing the following policies in our daily business operation.

Anti-Corruption

The Group believes good governance is crucial as it helps guide our businesses to be conducted fairly and ethically, governed by internal controls and risk management practices. We take a strong stand towards issues like bribery and corruption and prohibit any form of bribery.

We have zero tolerance for any form of corruption, and engaging in such activities is grounds for immediate disciplinary action, including termination.

All employees must comply with anti-corruption laws and regulations applicable in the regions where we operate.

Any gifts, entertainment, or hospitality offered or received must be modest, legal, and transparent. They should not influence, or be perceived to influence, business decisions.

FY2023 Performance

There was no incident of corruption across our Group in FY2023.

FY2024 Target

In FY2024, we strive to maintain our clean record to ensure that there is no corruption cases across our group.

Conflict of Interest Policy

A 'Conflict of Interest' is defined as a situation where an individual has competing interests with the Group, which could be actual, potential, or perceived by stakeholders or the public. This includes personal benefits that might inappropriately influence one's judgment or decision-making for the Group.

The Conflict of Interest policy of the TEE Group of Companies is aimed at managing and resolving discrepancies that may arise when an employee's personal or family interests conflict with those of the Group. This policy is applicable to all employees, including independent contractors and those acting on behalf of the Group, and is influenced by the importance of probity, transparency, and objectivity, as well as the need to comply with legal requirements and ensure fair treatment in business dealings.

The identification of conflicts of interest is crucial, and the Group has established procurement policies, periodic communication, and a transparent culture to manage such conflicts. Employees are required to declare any conflicts upon hiring and annually. The Human Resources (HR) department maintains a register of all self-declared conflicts of interest and any gifts or personal benefits as per the Group's policy.

Compliance with the policy is mandatory for all employees, with rigorous management of conflict of interest risks and appropriate handling of any issues. Employees who withhold information about conflicts of interest may face disciplinary action, including termination. Background checks may be conducted if a potential conflict is identified.

The policy is governed by the Board, with the Audit Committee responsible for its review and effectiveness. Any necessary revisions to the policy are recommended by the Audit Committee to the Board for approval.

SUSTAINABILITY REPORT

FY2023 Performance

There was no conflict of interest incident being reported across our Group in FY2023.

FY2024 Target

In FY2024, we strive to maintain our clean record to ensure that there is no conflict of interest cases across our group.

Whistle-Blowing Policy

TEE has a whistleblowing policy in place which encourages employees and vendors to report malpractices and misconduct in the workplace. TEE will protect employees and vendors who have acted in good faith from victimisation by their colleagues or employees of TEE. TEE will treat all information received confidentially and protect all whistle-blowers' identities and interests. Anonymous disclosures will be accepted and anonymity honoured.

The policy allows a single, confidential line to report concerns about possible improprieties to the Audit Committee (AC) in good faith and confidence. The policy defines the processes clearly to ensure independent investigation of such matters and appropriate follow-up action and provides assurance that staff will be protected from reprisals.

Reports can be lodged in writing via any of the following:

- By mail for the attention to the Audit Committee of the Company at the following address: 25 Bukit Batok Street 22, TEE Building, Singapore 659591.

Communication of Critical Concerns

At TEE, we value clear and transparent communications with both its internal and external stakeholders, whereby all staff members are aware of TEE's objectives and strategies for achieving the objectives.

We are committed to providing timely, accurate, consistent and complete disclosure of information using appropriate language. This includes electronic communication and personal/one-to-one communications; and ensuring communications are complete, fair, accurate, timely and comprehensive.

All stakeholders have the rights to report critical concerns involving major misconduct, conflict of interest, breach of code practices, etc. Concerns are then evaluated and brought up to the management where necessary. All company policies are made available to all employees. New employees are trained to understand the various policies during the onboarding process.

In addition, our whistleblowing policy allows suspected breaches of conduct or conflicts of interest to be reported seamlessly and anonymously. More information on our internal controls systems and whistleblowing policy are respectively set out in Provisions 9.1, 9.2 and 10.1 of the Corporate Governance Report. All new employees at the Group undergo a briefing to encourage them to be familiarised with the Group's code of conduct.

FY2023 Performance

In FY2023, we strived to establish and implement policies that would ensure the transparency of our business governance. We did not receive any complaints indicating that the concerns of our key stakeholders could not be effectively communicated.

FY2024 Target

For FY2024, we are dedicated to establishing a more robust governance policy, with a particular focus on sustainability. We aim to enhance our management system's disclosure and transparency significantly.

SUSTAINABILITY REPORT

Regulatory and Legal Compliance

In TEE, we committed ourselves to complying with the laws and regulations we operate in. Our Management will ensure that there is compliance with the other relevant regulations, notices, circulars, and guidelines that may be issued by the NEA, MOM and other government regulatory bodies. Our compliance guidelines and policy requirements are aligned with industry standards and requirements. Also, we focus on our community responsibilities as corporate citizens. We take these responsibilities in a serious way, including paying our fair share of taxes, corporate income taxes, and social contributions. Our commitment to these responsibilities is also embodied in our corporate culture. Tax payments to the relevant authorities are in accordance with applicable anti-corruption laws and regulations. Besides establishing whistleblowing and anti-corruption policies, we also have a legal policy that states the Group's commitment to conduct business with integrity, fairness, impartiality, ethically and adequately. We monitor our existing customers and vendors periodically.

Our compliance guidelines and policy requirements are aligned with industry standards and requirements. Also, we focus on our community responsibilities as corporate citizens. We take these responsibilities very seriously, including paying our fair share of corporate income taxes and social contributions. Our commitment to these responsibilities is also embodied in our corporate culture. Tax payments to the relevant authorities are in accordance with applicable anti-corruption laws and regulations, rules and regulations.

FY2023 Performance

We are pleased to report that there was no reported incidence of non-compliance with the local anti-corruption laws, rules and regulations across the Group in FY2023.

FY2024 Target

We aim to maintain zero violation of the laws, rules and regulations for FY2024 and beyond.

Governance Structure

The Board provides leadership, determines and sets the Group's corporate strategies and objectives, and ensures that the necessary financial and human resources are in place for the Company to meet its objectives.

It also monitors and evaluates the Group's operations and financial performance, establishes targets for the management of the Company and monitors the achievement of these targets.

The Board has overall responsibility for establishing and maintaining a framework of good corporate governance in the Group, including the risk management systems and internal control to safeguard shareholders' interests and the Group's assets.

Here is the detail of our Board of Directors ("Board"):

NAME	GENDER	AGE	BOARD OF DIRECTORS
Yeo Kian Wee Andy	Male	52	Independent Non-Executive Chairman, Chairman of Nominating Committee, member of Audit Committee and Remuneration Committee
Phua Cher Chuan	Male	54	Chief Executive Officer Managing Director
Chin Sek Peng	Male	67	Independent Director Chairman of Audit Committee, member of Nominating Committee and Remuneration Committee
Siow Yuen Khong	Male	69	Independent Director Chairman of Remuneration Committee, member of Audit Committee and Nominating Committee
Zheng Le	Male	40	Deputy Chief Executive Officer Executive Director

SUSTAINABILITY REPORT

The Board has assigned the responsibility for monitoring and overseeing the Company's sustainability efforts to the Sustainability Committee, which is chaired by the Chief Executive Officer and Managing Director and key executives across business functions and business segments in the Group.

Board Director Sustainability Training

All Directors have completed at least one of the approved sustainability training courses as required by SGX.

Collective Knowledge of Governance Body

The current Board composition provides a diversity of background, knowledge and experience to enable the Board to make decisions in the best interests of the Company with the following core competencies:

- Business Management;
- Economic and Financial Planning;
- Accounting and Finance;
- Legal and Corporate Governance; and
- Computer Science.

More details about our Corporate Governance Statement are provided in our Annual Report.

Sustainability Governance Structure

The following diagram shows the Sustainability and Climate Risk Committee in Tee:

TEE's sustainability efforts are guided by our Board. The Board ensures that sustainability and ESG are integrated into the Group's strategies and provides direction for the formulation of policies and best practices.

Steering Committee is to ensure that priority is given to the ESG matters that are most relevant to the Group. Management also helps the organisation develops and oversees the sustainability strategy, framework and policy before implementations.

Heads of departments are in charge in providing relevant information or data and implements the action plans of the sustainability strategy.

The management also work together with Board Directors to oversee the climate risks to ensure that all climate-related risks are being properly identified, monitored and managed.

The Board reviews The group's ESG strategy at least once a year.

SUSTAINABILITY REPORT

OUR ENVIRONMENT

Key Material Topics	Relevant UN SDGs
GRI 303-1 Water GRI 306-2 Waste GRI 302-1 Energy GRI 305-1, 2 , 5 Emission	

Water

Management Approach

Water is essential for the Group's day-to-day operations in the offices and other site locations. As some of our business operations use substantial amounts of water, management of water usage is a priority for the Company. In addition to the use of water-efficient taps installed at the office premises, we are also looking at ways to optimize the use of water for the environmental business held under TEE Infrastructure, which contributes to the bulk of the Group's overall water consumption.

FY2023 Performance

In FY2023, the Group consumed a total of 6,367 m^3 of water. This is significantly lower by 77.0% than what was consumed in FY2022. (This did not include the leased facility within TEE International, with a 517.57 m^3 annual water consumption.)

Water Consumption for the Group (m^3)

Business Entity	FY2023	FY2022
TEE International	354	249
TEE Infrastructure	5,547	5,233
PBT Engineering	466	22,239
Total	**6,367**	**27,721**

* *PBT Engineering was disposed by the Group during the financial year. Its data is only captured until 20 February 2023.*

FY2024 Target

We will strive to reduce our water consumption in FY2024 and beyond.

Waste Management

Management Approach

Pollution prevention and resource conservation are essential towards sustainable development. The Group has implemented several "green" initiatives from paper recycling, circulating "Go Green" awareness emails to conserving energy and minimising electrical wastage by equipping our office with light sensors.

TEE Environmental is in the waste management and recycling business. As such, the reporting of this section focuses primarily on what TEE has recycled from the Company's business activities.

FY2023 Performance

As part of our environmental business operations in Singapore, we have recycled approximately 3,895 tonnes of wood, plastic, metal, and paper waste and incinerated 14,219 tonnes of National Environmental Agency Incineration Plant (NEA IP).

SUSTAINABILITY REPORT

Waste Collected in the Group's Operation for the Group (m³)

Waste Type	FY2023		FY2022	
	Method of Disposal	**TOTAL (tonnes)**	**Method of Disposal**	**TOTAL (tonnes)**
NEA IP*	Incineration	**14,219**	Incineration	**13,899**
Wood	Recovery	**3,165**	Recovery	**2,731**
Plastics	Recovery	**297**	Recovery	**152**
Metals	Recovery	**367**	Recovery	**194**
Paper	Recovery	**66**	Recovery	**83**

* NEA IP: General waste is mainly sent to NEA IP.

FY2024 Target

We will make efforts to increase our waste recovery rate for FY2024 and beyond.

Our Response to Climate Change ("TCFD")

Climate change poses an enormous threat to our community's safety and well-being and the global economy. In the FY2021 National budget, Singapore government has announced that the carbon tax price will be increased from current S\$5/tCO^2e to \$25/tCO^2e in 2024 and 2025, and \$45/tCO^2e in 2026 and 2027, with a view to reaching \$50-80/tCO^2e by 2030 in order to achieve the climate ambition (1).

In January 2022, the Singapore Exchange mandated climate reporting for selected sectors to follow the Task Force on Climate-related Financial Disclosure guidelines. At Tee, although we are not under the prioritised industry sector nor the energy-intensive industry, with increasing energy prices and global supply chain challenges, we must prepare ourselves for a sustainable future. At the same time, we have an obligation to be a responsible corporate citizen to play our part in response to climate change.

Therefore, in line with the TCFD Reporting guidelines, the Group is preparing ourselves to evaluate our performance and disclosure with the following four aspects:

Source: Taskforce Climate-Related Disclosure, 2017

Note: (1) NEA, Carbon Tax, www.nea.gov.sg/our-services/climate-change-energy-efficiency/climate-change/carbon-tax

SUSTAINABILITY REPORT

Governance

The Group has established a Sustainability and Climate Risk Committee entrusted with the oversight of sustainability practices and climate-related risks. The Committee's formation aligns with our commitment to environmental stewardship and prudent risk management.

The Board bears the responsibility of comprehensive awareness regarding the climate risks pertinent to the Group's operations. They are charged with the governance of all climate-related risks inherent in the Group's activities and are pivotal in the decision-making process that shapes the organisation's future. A critical aspect of their mandate is to ensure that climate risk considerations are intricately integrated into the organisation's strategic planning.

Furthermore, the Board is accountable for ratifying the Group's climate-related objectives, ensuring compliance with relevant climate-related regulatory frameworks and standards, and devising a forward-looking strategy. This strategy is intended to direct the Group on a path of proactive climate action, signifying a forward-thinking approach to environmental responsibility and sustainable development.

Strategy

Our management also take the steering leadership in oversight our climate strategies. To proactively address climate change, the organisation will formulate and execute a climate transition plan, weaving climate-related considerations into its strategic approach. This will involve conducting climate-related scenario analysis to understand potential impacts and inform decision-making. Additionally, the organisation will establish corporate targets related to climate to guide its progress and ensure alignment with broader environmental objectives.

Risk Management

The Group has evaluated its key operational activities, with the consideration of including the following two risk categories into our Risk Management in the future.

Physical Risk

Physical risks are associated with the physical impacts of climate change arising from extreme weather events due to changes in climate patterns.

Within TEE's Operations, the following operational activities might be affected by physical risk:

Risk		Risk Description	Potential Impact
Physical Risk	Acute Risk	Adverse weather, such as flooding	• Supply chain disruption; • Increased maintenance fees waste collection point; • Delayed waste collection;
	Chronic Risk	Temperature Changes	• Higher temperatures can accelerate the decomposition of waste, potentially leading to increased emissions of greenhouse gases, odours, and leakage of harmful substances, which can affect local ecosystems and communities. • Increased temperatures and flooding can lead to the proliferation of disease vectors, such as rodents or insects, which can affect the health of waste management employees and the broader community.
		Water Scarcity	• Drought conditions can affect the operational capacity of waste management, particularly for processes that require significant water use, such as waste processing or sanitation.
		Sea level rise	• Change of investment direction of business under the threat of climate change; • Increased maintenance fees for waste collection centre;

SUSTAINABILITY REPORT

Transitional Risk

Transitional Risk means transitioning to a lower-carbon economy, which may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, and focus of these changes, transition risks may pose varying financial and reputational risk levels to organisations.

Within TEE's operational activities, the following transitional risks might be faced by the organisation during our short and long-term operations:

Risk	Risk Description	Potential Impact
Transitional Risk	Increasing emission requirements by local laws	• Increased maintenance fees; • Higher operating costs;
	Carbon Tax	• Higher operating costs;
	Higher fuel cost	• Higher operating costs;
	Market Shifts- As the economy transitions towards sustainability, there may be a shift in consumer preferences towards companies with lower environmental impacts	• Decrease in service demands due to market shift into lower impacts;
	Technological Advancement	• The emergence of new waste management technology could render existing waste management methods obsolete.
	Reputational Impact	• As public awareness of environmental issues grows, companies not perceived as doing enough to reduce their carbon footprint may suffer reputational damage.

Energy Consumption

Management Approach

Our asset managers monitor consumption and set energy improvement targets at businesses and sites where we have operational control. We recognise the energy usage levels used at our sites, which are mainly contributed by the environmental business, TEE Environmental, which is held under the infrastructure business. Our subsidiaries, TEE Environmental are ISO 14001:2015 certified. The purpose of ISO 14001 aims to provide organisations with a framework to protect the environment and respond to changing environmental conditions. It will enable us to improve our environmental management continually.

FY2023 Performance

In FY2023, we have seen a 7.4% decrease in the overall amount of energy consumed compared with energy consumed in FY2022. Our total energy consumed in FY2023 was 48.2TJ compared to 52.1TJ in FY2022.

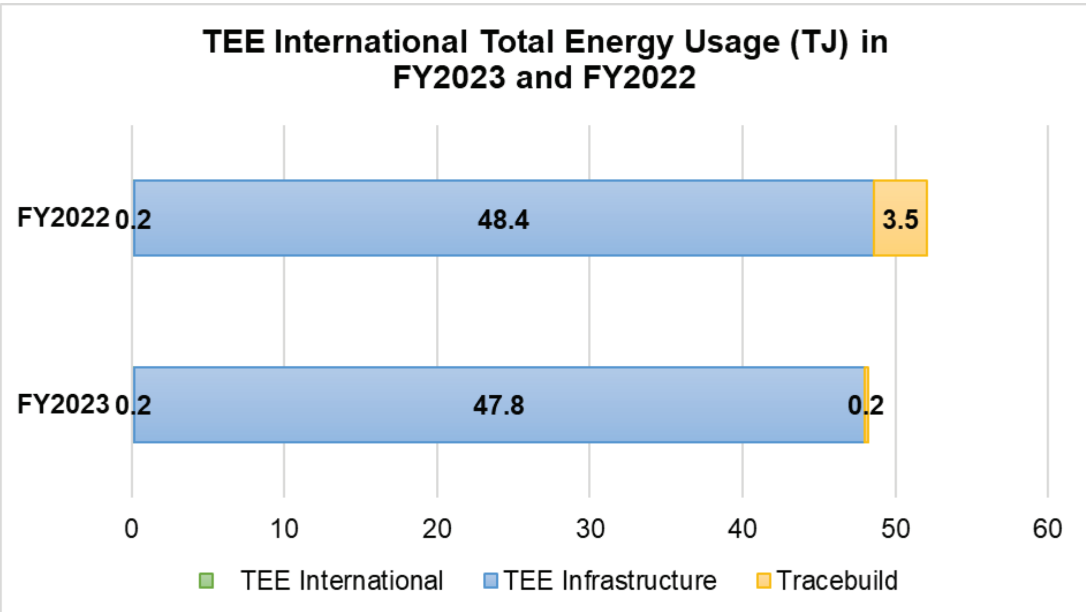
SUSTAINABILITY REPORT

Energy Consumption

Business Entity	FY2023 Fuel (TJ)	FY2023 Electricity (TJ)	FY2023 Total (TJ)	FY2022 Fuel (TJ)	FY2022 Electricity (TJ)	FY2022 Total (TJ)
TEE International	–	0.23	0.23	–	0.19	0.19
TEE Infrastructure	46.9	0.87	47.77	47.33	1.02	48.35
PBT Engineering*	–	0.20	0.20	1.26	2.25	3.51
Total	**46.9**	**1.30**	**48.20**	**48.59**	**3.46**	**52.05**

* *PBT Engineering was disposed by the Group during the financial year. Its data is only captured until 20 February 2023.*

	TEE International	TEE Infrastructure	PBT Engineering	Total
FY2023	0.23	47.77	0.20	**48.20**
FY2022	0.19	48.35	3.51	**52.05**



FY2024 Target

In FY2024 and beyond, the Group will continue to reduce our energy consumption.

SUSTAINABILITY REPORT

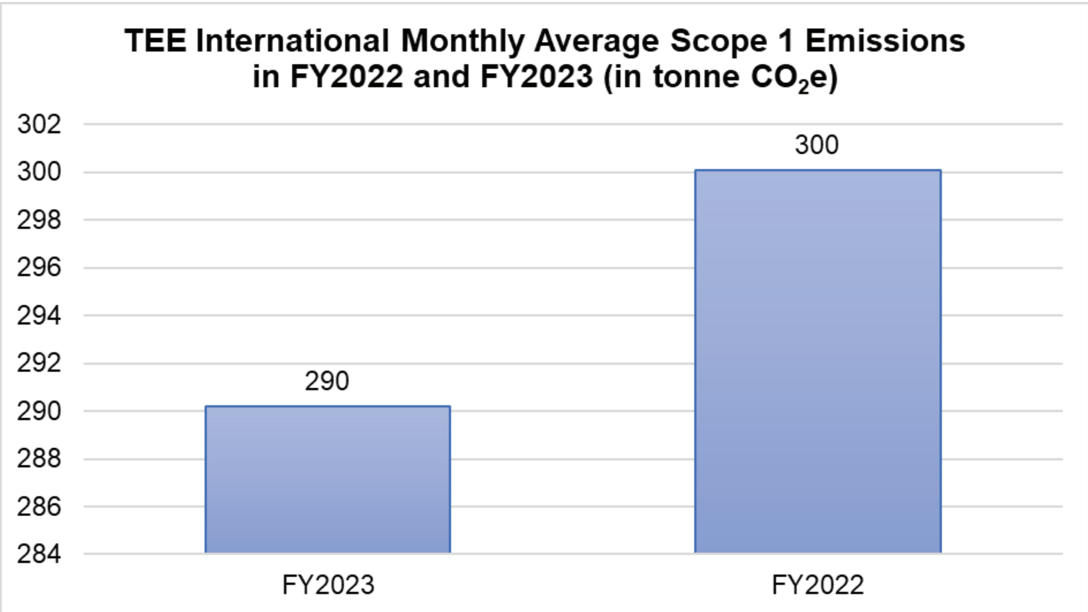
Emission

FY2023 Performance

Similarly, our overall Scope 1 and Scope 2 carbon emissions for the Group has also decreased from 3,929 tonne CO_2e in FY2022 to 3,633 tonne CO_2e in FY2023.

SCOPE 1 (tonne CO_2e)

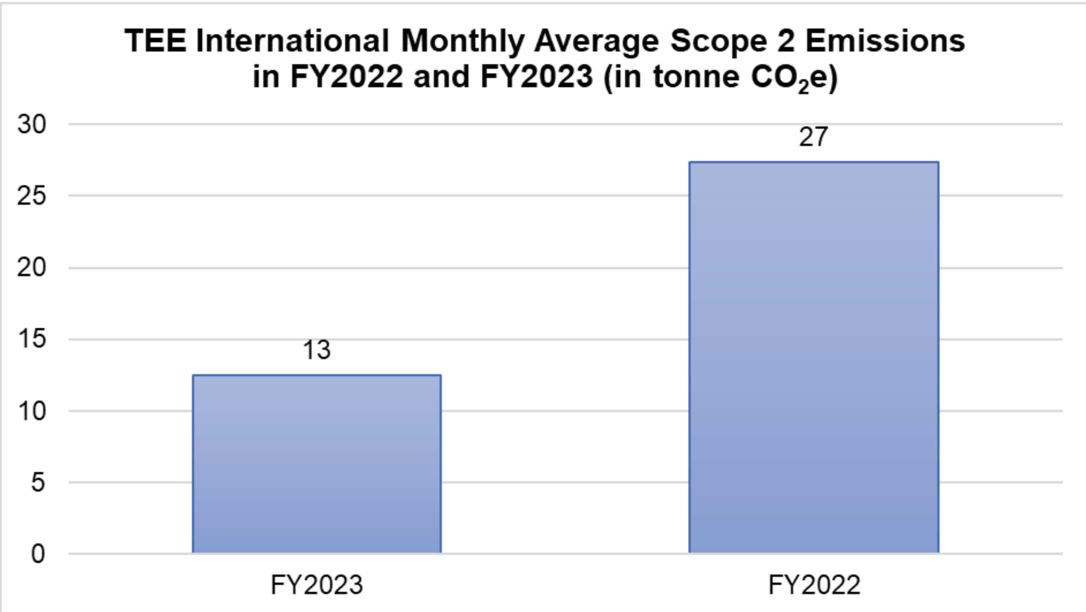
Business Entity	FY2023	FY2022
TEE International	–	–
TEE Infrastructure	3,482	3,507
PBT Engineering	–	94
Total	**3,482**	**3,601**



SUSTAINABILITY REPORT

SCOPE 2 (tonne CO_2e)

Business Entity	FY2023	FY2022
TEE International	27	22
TEE Infrastructure	23	53
PBT Engineering	101	253
Total	**151**	**328**



Total Emissions for the Group (tonne CO_2e)

Category	FY2023	FY2022
SCOPE 1	3,482	3,601
SCOPE 2	151	328
Total	**3,633**	**3,929**

FY2024 Target

We will continue to reduce our carbon emissions in FY2024 and beyond.

SUSTAINABILITY REPORT

OUR PEOPLE

Key Material Topics		UN SDGs
GRI 401-1,2,3	Employment	
GRI 405	Diversity and Equal Opportunity	
GRI 404-1,3	Training and Education	
GRI 403-1-10	Workplace Health and Safety	

Employee Management

Why this is important

At TEE, we recognise our human capital as an invaluable asset. The dedication and effort of our employees in their contributions to our workplace are highly esteemed. Adhering to the most stringent standards, we consider it our principal duty to protect their welfare and benefits. Our Employment Policies serve as a clear indication of our commitment to fostering a workforce that is diverse, inclusive, and supportive for all members.

We hold the conviction that equitable employment practices, coupled with comprehensive benefits, are essential in maintaining a dedicated core team. These measures are instrumental in enhancing the sense of responsibility and ownership our employees feel towards the company, thereby ensuring the delivery of exceptional service to our stakeholders.

The policies outlined below undergo regular evaluations and modifications, underscoring our steadfast pledge to these principles.

Management Approach

Our workforce is the cornerstone of the Group's enduring prosperity. Fostering a supportive, inclusive, and secure work setting, coupled with professional growth opportunities, is essential to maintaining a highly engaged team.

We highly regard our people's expertise, experiences and capabilities as they are crucial to our long-term growth. The Group continues to keep our employees engaged by boosting employee morale and reducing our turnover rate. The Group is committed to fair employment practices and only hires based on merit without unfair biasness. We are guided by our Code of Business Conduct, which promotes equal opportunity.

Our employees are our biggest asset and are crucial for the long-term success of the Group. Boosting a nurturing all-inclusive and safe working environment with opportunities for development all play a part in keeping our employees engaged. As the nature of the work at TEE's different business segments involves manual work in high-risk areas, upholding a stringent health and safety working culture is the priority.

TEE engages our employees through the following management approach.

<u>Organisation Environment & Culture</u>

We believe our success today is built upon a cohesive work environment and a culture committed to developing human capital. The basis of a cohesive environment starts with upholding fair employment practices across TEE Group.

<u>Aligning our People towards Business Performance, Productivity</u>

Continual development and aligning our people towards performance and productivity are key in building the foundation for our business success. We adopt a comprehensive approach to making consistent operational reviews, ongoing workforce training and adopting best practices.

<u>Talent Management & Succession Planning</u>

To lay the foundations for long-term growth, it is critical that leadership renewal and succession planning are built into the development of human capital as a whole. This involves defining key leadership positions and requirements, identifying high-potential candidates, assessing each candidate's readiness for new leadership roles and providing training and development.

SUSTAINABILITY REPORT

Engaging our People

Communication is an essential activity of conveying information and exchanging ideas. Staff interactions are constantly encouraged and enhanced for effective two-way communication between management and staff and to build a conducive working environment.

Benefits & Wellness for our People

The well-being of the employees and emphasis on healthy lifestyle and work-life harmony are underpinned by team spirit, physical health and energy of each individual. With happier and healthier employees, the Company believes that productivity will increase eventually, improving the business profits.

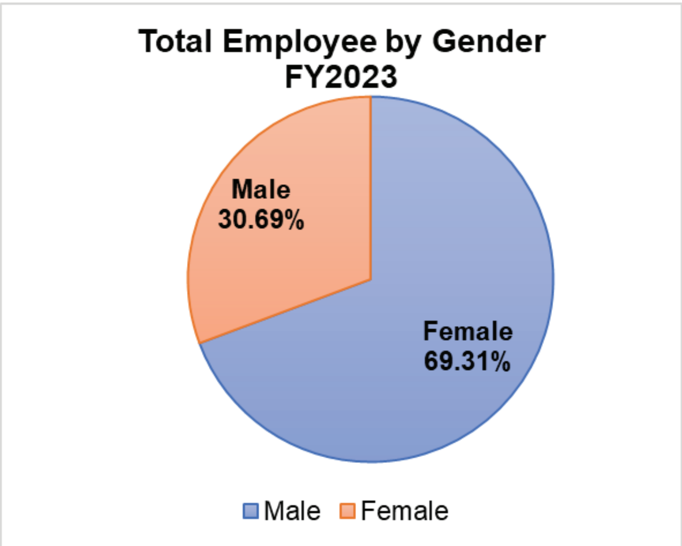
FY2023 Performance

Total Workforce

During FY2023, our company underwent a significant restructuring process. PBT Engineering Pte. Ltd. was divested on February 20, 2023. Prior to the divestiture, our workforce numbered 307 employees. Of these, PBT Engineering Pte. Ltd. comprised 105 employees, with a gender distribution of 94 male and 11 female employees.

By the end of FY2023, our employee headcount stood at 202, following the exclusion of PBT Engineering Pte. Ltd. from our operations in upon completion of the disposal. The entire staff is based in Singapore, consisting of 140 male and 62 female employees.

Gender	TEE International	TEE Infrastructure			Total
		TEE Environmental	Envotek Engineering	TEE Recycling	
Male	2	100	23	15	**140**
Female	5	49	2	6	**62**
Total	**7**	**149**	**25**	**21**	**202**



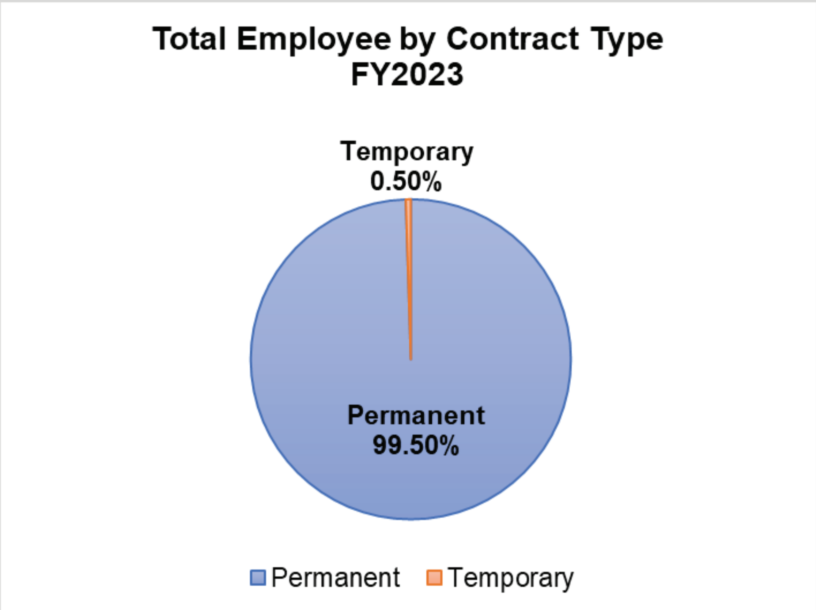
SUSTAINABILITY REPORT

Total Employee by Contract Type

In FY2023, 201 of our employees are with permanent contract with 1 temporary employee. PBT Engineering Pte. Ltd. had 103 long-term employees and 2 employees with temporary contract until February 2023.

Contract Type	TEE International	TEE Infrastructure			Total
		TEE Environmental	Envotek Engineering	TEE Recycling	
Permanent	6	149	25	21	**201**
Temporary	1	0	0	0	**1**
Total	**7**	**149**	**25**	**21**	**202**

* This table reflects the staff composition as of September 30, 2023, after taking into consideration the completion of the divestment of PBT Engineering Pte. Ltd.



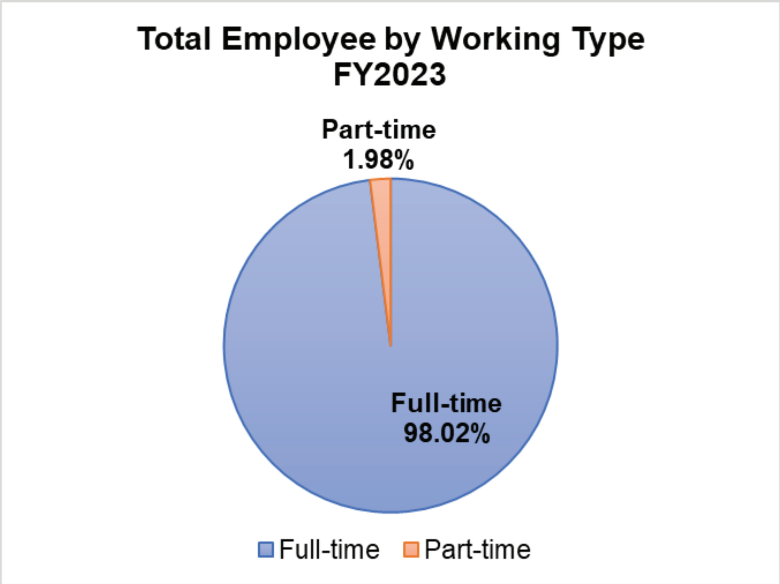
Total Employee by Working Type

In FY2023, we have 198 full-time employees and 4 part-time employees until February 2023.

Contract Type	TEE International	TEE Infrastructure			Total
		TEE Environmental	Envotek Engineering	TEE Recycling	
Full-time	6	146	25	21	**198**
Part-time	1	3	0	0	**4**
Total	**7**	**149**	**25**	**21**	**202**

* This table reflects the staff composition as of September 30, 2023, after taking into consideration the divestment of PBT Engineering Pte. Ltd. Up until February 2023, PBT Engineering Pte. Ltd. employed a workforce consisting of 104 full-time members and 1 part-time member.

SUSTAINABILITY REPORT

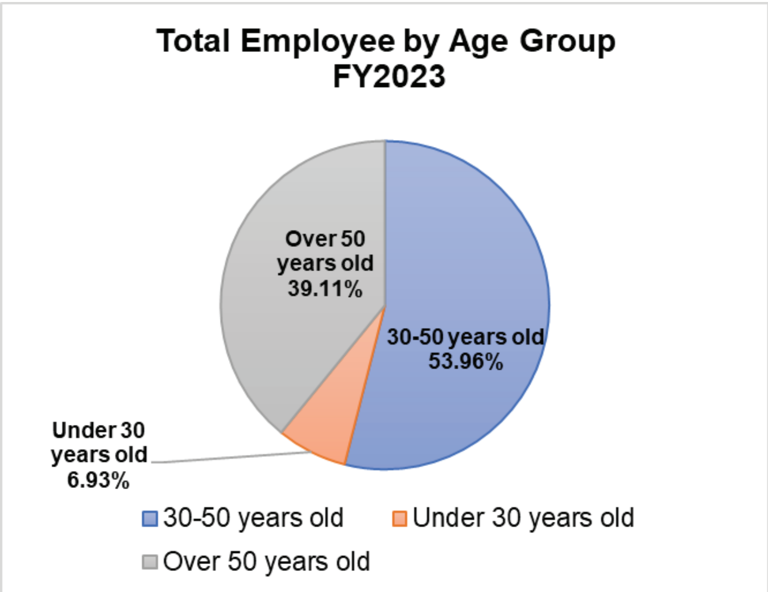


Total Employee by Age Group

In FY2023, we have 14 employees under 30 years old, 109 employees between 30 and 50 years old, and 79 employees over 50 years old.

Age Group	Male	Female	Total
Under 30 years old	11	3	**14**
30-50 years old	83	26	**109**
Over 50 years old	46	33	**79**
Total	**140**	**62**	**202**

* This table reflects the staff composition as of September 30, 2023, after taking into consideration the divestment of PBT Engineering Pte. Ltd. Up until February 2023, PBT Engineering Pte. Ltd. had 34 employees under 30 years old, 65 employees between 30 and 50 years old, and 6 employees over 50 years old.



SUSTAINABILITY REPORT

New Hires

New Hires By Gender

In FY2023, our 69 new hires consist of 42 males and 27 females.

Gender	No. of New Hires
Male	42
Female	27
Total	**69**

* This table reflects the staff composition as of September 30, 2023, after taking into consideration the divestment of PBT Engineering Pte. Ltd. PBT Engineering Pte. Ltd. had 24 new hires consisting of 20 males and 4 females until February 2023.

New Hire by Age Group

In FY2023, we hired 5 employees under 30 years old, 39 employees between 30 and 50 years old, and 25 employees above 50 years old.

	No. of New Hires
Under 30 years old	5
30-50 years old	39
Over 50 years old	25
Total	**69**

* This table reflects the staff composition as of September 30, 2023, after taking into consideration the divestment of PBT Engineering Pte. Ltd. PBT Engineering Pte. Ltd. hired 16 employees under 30 years old and 8 employees between 30 and 50 years old until February 2023.

Employee Turnover Rate

During the financial year of 2023, TEE Infrastructure witnessed commendable employee retention across its various business units, each unit demonstrating a favourable record of low turnover. On the other hand, TEE International experienced a marginal rise in employee turnover, attributable in part to ongoing organisational restructuring. Despite this, the Company is dedicated to exerting all possible efforts to ensure the stability and contentment of our workforce.

	TEE International	TEE Infrastructure		
		TEE Environmental	Envotek Engineering	TEE Recycling
FY2023	13.16%	7.91%	0.98%	6.98%
FY2022	12.22%	23.92%	1.11%	8.82%

* The above table does not include PBT Engineering Pte. Ltd.'s headcount for the turnover rate calculation.

Employee Parental Leave

We also entitle our employees with parental leave, with 100% return to work and retention rate in FY2023.

FY2024 Target

In FY2024, our goal is to uphold a workplace environment where fairness is paramount, aiming to record zero complaints from both employees and stakeholders regarding any unfair treatment at workplace.

SUSTAINABILITY REPORT

Equality and Diversity

Why this is important

The Group encourages an inclusive working environment that supports diversity in all aspects. We hire based on merit and do not tolerate discrimination or biasness. We believe employees will flourish in a nurturing, open and diverse environment where their perspectives and ideas can be inter-exchanged. We ensure fair opportunities provide long-term career development, embracing diversity and valuing all cultures.

Management Approach

Our 202 employees comprise 5 different nationalities. At TEE, we recognise the importance to respect cultural diversity as part of our inclusive approach to promoting employee involvement. We are hiring our employee based on their skillset, not based on their age, race and gender. We provide equal promotion and training opportunities to all our workforce based on the job needs. We also provide health-related support to help employees increase their productivity, thus reducing absenteeism rates, and promoting a diverse and inclusive workplace culture.

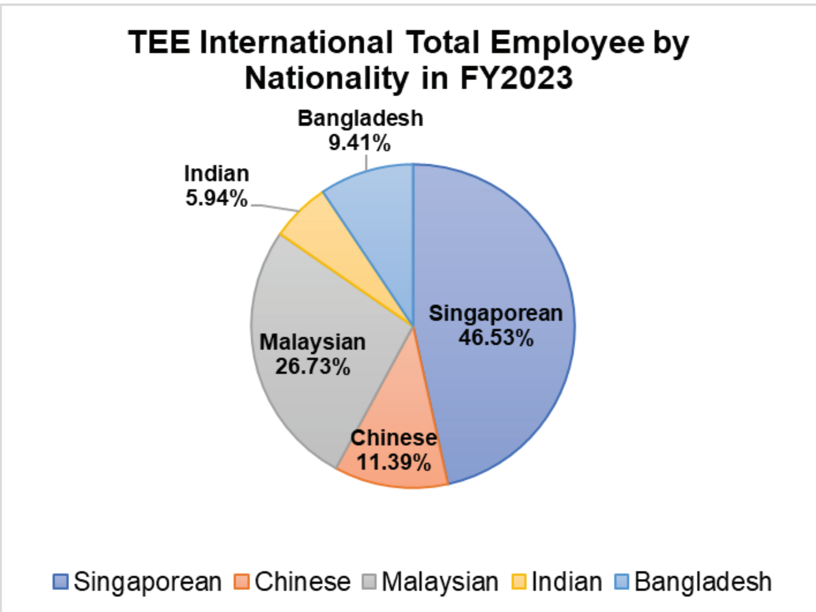
FY2023 Performance

Total Employee by Employment Contract and Nationality

In FY2023, nearly half of our workforce, accounting for 46.53%, were Singaporean nationals. Malaysians made up 26.73% of our employees, followed by Chinese nationals at 11.39%. Bangladeshi employees constituted 9.41% of our staff, while Indians comprised 5.94%.

Nationality	Permanent	Term Contract	Total
Singaporean	93	1	**94**
Malaysian	54	0	**54**
Indian	12	0	**12**
Bangladeshi	19	0	**19**
Chinese	23	0	**23**
Total	**201**	**1**	**202**

* Until February 2023, PBT Engineering Pte. Ltd. had 53 Indian, 21 Malaysian, 14 Bangladeshi, 9 Singaporean, 6 Myanmar, and 2 Filipino.



SUSTAINABILITY REPORT

Total Employee by Employee Category

Employee Category	Male	Female	Total
Management [(1)]	7	4	**11**
Managerial [(2)]	3	4	**7**
Executive	9	19	**28**
Non-Executive	6	5	**11**
Direct Labour	115	30	**145**
Total	**140**	**62**	**202**

* Until February 2023, PBT Engineering Pte. Ltd had 4 management, 9 managerial, 15 executive, 2 non-executive, 11 site operation, and 64 direct labour.

(1) A "Management Title" refers to roles that hold decision-making authority within the Group's operations. Individuals with such titles are empowered to shape strategies and policies.

(2) A "Managerial Title" indicates a position with responsibilities for overseeing company functions and staff. However, this role does not include the authority to make overarching management decisions.

FY2024 Target

In FY2024, our objective is to achieve a record of zero complaints from both our employees and contractors regarding any unfair practices in workforce management, with a specific focus on upholding diversity and inclusion standards.

Training and Skill Development

Why this is important

At TEE, we believe that training and skill development are critical to a company's success as they empower employees with the latest knowledge and competencies needed to excel in their roles. Such initiatives lead to a more proficient and agile workforce, capable of navigating the rapidly changing business landscape. Investing in employee growth fosters innovation, boosts morale, and enhances productivity, directly contributing to the company's competitive edge. Furthermore, a strong focus on professional development aids in attracting and retaining top talent, ensuring a robust pipeline for future leadership. It also demonstrates the company's commitment to its employees' careers, which can significantly uplift employee engagement and satisfaction. Ultimately, a well-trained team is better equipped to meet organisational goals and deliver superior customer service, driving the company's overall growth and success.

Management Approach

In line with our people-centred approach, our training programmes are essential to our investment strategy. This will promote the alignment between business goals and people-related objectives by focusing on key areas such as people development, learning programmes and internal mobility.

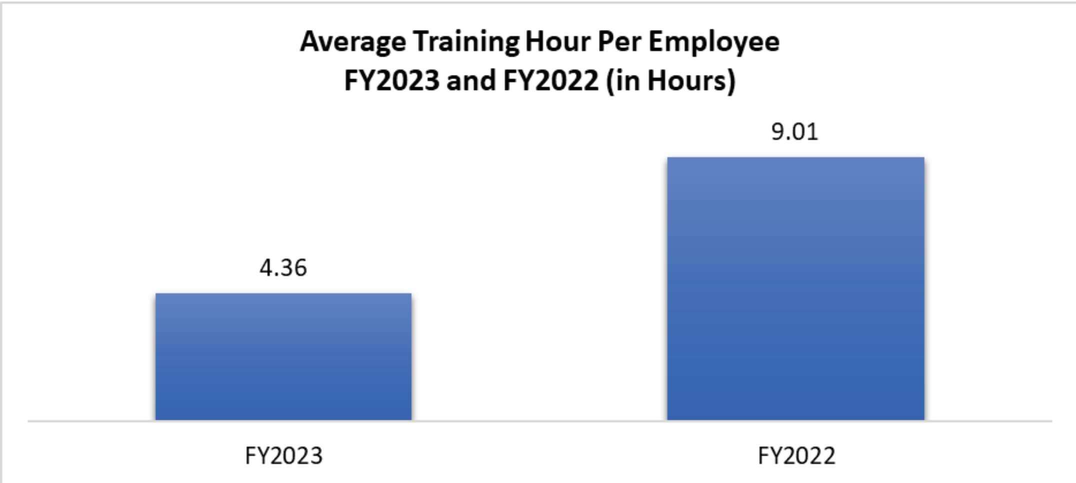
FY2023 Performance

Our employees have achieved in total 881 training hours in FY2023, which is an average of 4.36 hours per person, which is 1,866 hours less than FY2022, which is an average of 9.01 hours per person. The drop is mainly attributed to the disposal of PBT Engineering Pte. Ltd. in February 2023. Calculations of average employee training hours and performance review are exclusive of PBT Engineering Pte. Ltd..

SUSTAINABILITY REPORT

Training Hours

	FY2023	FY2022
Total Training Hour	**881**	**2747**
Total Number of Employee	**202**	**305**
Average Training Hour	**4.36**	**9.01**



Average hours of training per year per employee, by category

In FY2023, the employees within managerial category completed the most extensive training, averaging 9.14 hours per individual. This was succeeded by direct laborers and executive employees who received above-average training durations. Senior managers were provided with an average of 3.50 hours of training, while non-executive staff members participated in the least amount of training, averaging 1.43 hours.

Employee Category	FY2023 Hour/Employee	FY2022 Hour/Employee
Management	3.50	6.28
Managerial	9.14	2.08
Executive	5.69	3.73
Non-Executive	1.43	0.57
Direct Labour	5.86	12.05
Average	**4.36**	**9.01**

Average hours of training per year per employee, by gender

Employee Gender	FY2023 Hour/Employee	FY2022 Hour/Employee
Male	5.95	9.21
Female	0.51	8.40
Average	**4.36**	**9.01**

SUSTAINABILITY REPORT

Employee Performance Review

Employees in the Group receive regular performance review, which illustrates our resolve to manage and develop our human capital skills. After the review process, employees undergo training courses pertaining to their job requirements to ensure greater efficiency and effectiveness in their performance. As part of the Group's leadership renewal process, TEE identifies and appraises high-potential candidates by assessing each candidate's readiness for new leadership roles to take on.

Business Entity	Total No. of employees	No. of Performance Review Conducted	Percentage
TEE International	7	7	100%
TEE Infrastructure	195	187	95.90%
Total	**202**	**194**	**96.03%**

FY2024 Target

In FY2024, we are committed to enhancing our training programs by pinpointing essential training for our employees, placing special emphasis on increasing training opportunities for our female employees.

Occupational Health and Safety

Why this is important

Occupational safety within the Group and the value chain is a top priority at TEE. It safeguards employee well-being and prevents workplace incidents, aligning with both moral obligations and legal requirements. Effective OHS practices lead to direct cost savings by minimising accidents, which in turn reduces medical, legal, and compensation expenses. Additionally, a secure work environment bolsters employee morale and productivity, enhancing job satisfaction and efficiency. A good safety record can also elevate a company's reputation among customers, investors, and prospective talent. Furthermore, OHS is integral to risk management, as it involves identifying and mitigating workplace hazards, reflecting the company's dedication to corporate responsibility and the welfare of its community.

As our operations grow in different markets, the safety of our employees is also becoming increasingly important for us to manage. We remain focused on our long-term objective of "zero accidents." To achieve this, we are continuously improving our workplace safety by providing awareness, training and investing in enhancing technical safety.

Management Approach

TEE operates within a Quality, Environmental, Health and Safety Management ("**QEH&S**") framework. TEE also achieved the bizSAFE Star award as a recognition for our efforts in improving workplace safety and health through implementing workplace safety practices and conducting health programmes. We also adopt a comprehensive approach to the education and inculcation of the right mindset in safety culture, starting from the top management and extending it to all levels of our workforce. This way, we seek to motivate more employee involvement and commitment to ensure a safe and healthy working environment.

OHS Policy

The Group has established the Quality, Environmental, Health and Safety (QEH&S) Policy which state that:

(a) includes a commitment to provide safe and healthy working conditions for the prevention of work-related injury and ill health and is appropriate to the purpose, size and context of the organisation and to the specific nature of its QEH&S opportunities;

(b) provides a framework for setting the QEH&S objectives;

(c) includes a commitment to fulfil compliance obligations, legal requirements and other requirements;

(d) includes a commitment to eliminate hazards and reduce QEH&S risks;

(e) includes a commitment to continual improvement of the QEH&S management system;

(f) includes a commitment to consultation and participation of workers, and, where they exist, workers' representatives.

SUSTAINABILITY REPORT

The QEH&S policy is available as documented information, which is communicated within the organisation to all levels of our employees and contractors. It is also available to interested parties, as appropriate and relevant.

OHS Management System

TEE has effectively developed and operationalized a dynamic QEH&S management system, ensuring its alignment with the stipulated standards. The company embraces a process-oriented approach, identifying and managing numerous interrelated processes to enhance the system's effectiveness. Key steps include specifying process inputs and expected outputs, organizing the processes in a coherent flow, and establishing performance metrics for effective operation and control. TEE also secures the necessary resources for these processes, delineates roles and responsibilities, and proactively manages potential risks and opportunities. Continuous evaluation and refinement of these processes are carried out to achieve and maintain the desired outcomes, thereby driving improvements in both the processes themselves and the overall QEH&S management system.

Our QEH&S Management System applies to all our employees, contractors and subcontractors. All contractors working within TEE premises shall comply with our QEH&S Management System.

Leadership and Commitment

Our senior leadership is committed to exemplifying and driving the QEH&S management system through a series of strategic actions. These include taking responsibility for preventing environmental damage and work-related injuries, ensuring safe work conditions, and aligning the QEH&S policy with the organisation's strategic goals. They will integrate QEH&S into business processes, provide necessary resources, and communicate the significance of effective QEH&S management, ensuring the system's effectiveness and its intended outcomes. Moreover, management will encourage a culture of process-oriented and risk-aware thinking, continual improvement, and will safeguard employees against retaliation for reporting incidents. They will also actively involve workers in QEH&S processes and support health and safety committees, upholding their leadership across all areas of responsibility.

Hazard identification and Risk Assessment

TEE is dedicated to implementing and maintaining a dynamic process for the proactive and ongoing identification of hazards. This comprehensive approach encompasses various aspects such as organisational culture, routine and non-routine activities, the physical workplace environment, human factors, and previous incidents. It also considers potential emergencies and the impacts of the organisation's activities on all individuals in and around the workplace, including changes in the organisation or processes that could introduce new hazards.

Moreover, the organisation commits to a rigorous process for assessing QEH&S risks, considering the effectiveness of existing controls, and addressing additional risks associated with the QEH&S management system. The methodologies for risk assessment are to be proactive, systematic, and well-documented, ensuring maintenance of relevant records.

Nonconformities and Incident Investigation

In managing incidents and nonconformities, the organisation has processes in place for reporting, investigating, and taking necessary actions, which include immediate reaction to control and correct the situation, mitigating adverse impacts, and involving workers and relevant parties in evaluating corrective action needs. These processes also encompass reviewing risk assessments, determining and implementing required actions according to established control hierarchies, and managing any changes. The effectiveness of these actions is regularly reviewed, and the QEH&S management system is updated as needed. The organisation ensures that all actions, and their effectiveness, are documented, communicated appropriately, and that the information is retained for accountability and continuous improvement.

SUSTAINABILITY REPORT

Worker Participation, Consultation, and Communication on OHS

At TEE, we are committed to establishing and maintaining processes for the active consultation and participation of workers at all levels in the operation and improvement of the QEH&S management system. This will involve providing the necessary mechanisms, time, training, and resources, as well as ensuring all workers have timely access to pertinent information about the system. Efforts will be made to identify and remove, or at least minimise, any barriers to participation, with a special focus on engaging non-managerial staff in various aspects, from setting objectives to identifying hazards and assessing risks. Additionally, we pledge to foster internal communication across different levels and functions, promoting an inclusive dialogue that encourages continual improvement. This includes reporting non-conformities, utilising data analysis, conducting various types of meetings, and involving everyone in discussions about the management system to ensure its effectiveness. Top management is particularly responsible for facilitating these communication processes.

Promotion of Worker's Health

At TEE, we diligently evaluate operational risks and pinpoint potential hazards to uphold the highest standards in safeguarding our employees' health — a fundamental aspect of our Health and Safety Management System. Should any employee experience discomfort due to workplace hazards, they are encouraged to report their concerns at any moment via our established feedback channels.

Worker Training on Occupational Health and Safety

At TEE, we ensure that all staff whose work influences the Quality, Environmental, Health, and Safety (QEHS) performance are competent based on their education, training, skills, and experience. It is committed to determining the necessary competencies for these roles, guaranteeing competency through suitable education and training, and taking measures to maintain and update these competencies, while also evaluating their effectiveness. Documented proof of such competencies is retained.

Additionally, personnel are informed about the significance of their roles and how they contribute to achieving quality objectives. Workers are made aware of the QEHS policy, their role in enhancing the QEHS management system's effectiveness, and the positive impact of improved QEHS performance. They are also educated about the consequences of non-compliance with QEHS system requirements, the results of relevant incident investigations, and any related hazards, risks, and mitigative actions. Furthermore, they have the right to withdraw from situations posing imminent and serious risk to their health or the environment without fear of negative repercussions.

OHS Impact Directly Linked by Business Relationships

At TEE, we prioritise collaboration with contractors to ensure that Occupational Health and Safety (OHS) hazards and risk assessments are thoroughly identified, submitted, and reviewed, adhering to client specifications and agreements. It maintains a robust process to align the procurement of products and services with its QEH&S management system, ensuring compliance with environmental considerations.

The procurement process is designed to work in tandem with contractors to identify and manage QEH&S risks that may arise from the contractors' operations affecting the organisation, the organisation's operations affecting contractors, and any impact on other interested parties. Contractors and their workers are required to meet the organisation's QEH&S standards, with specific health and safety criteria set for their selection.

Moreover, the organisation exerts control over outsourced functions and processes, ensuring they comply with legal and other requirements and are in line with the objectives of the QEH&S management system. The QEH&S system clearly defines the extent and type of control applied to outsourced functions and processes to maintain integrity and compliance.

FY2023 Performance

Across the Group, there were 3 reportable cases from our employees in FY2023. We did not engage any contractors in this financial year, so we have no work-related cases from contractors. We will continuously work towards our goal of zero accidents through careful root cause analysis of the accidents and implementing the appropriate corrective actions.

SUSTAINABILITY REPORT

<u>Work-related Injuries</u>

Our Employees

Work-related injuries – Employees	Total Work Hour		Number of Occurrence		Rate (per 1,000,000 hours worked)	
	FY2023	FY2022	**FY2023**	FY2022	**FY2023**	FY2022
Fatalities as a result of work-related injury			**0**	0	**0**	0
High-consequence work-related injuries (major injury) (excluding fatalities)	**545,059**	46,400	**2**	0	**3.67**	0
Recordable work-related injuries			**1**	0	**5.50**	0

Recordable Work-related injuries – Employees – FY2023				
Business Entity	**Type of Work-related injury**	**Number of occurrences**	**Hazard**	**Mechanism of injury**
Envotek Engineering	Metal bars slipped and landed on his left feet	1	Struck by moving/ falling object	Left foot multiple metatarsal shaft fracture
TEE Environmental	Lost balance and fell while alighting from the truck	1	Fall from height	Open fracture dislocation of left wrist
	Motor accident	1	Motor accident	Mesenteric hematoma

Our Contractor

In FY2023, we did not engage any contractors to be involved in our operation activities, hence there is no workplace incident reported by our contractors.

<u>Work-related Ill Health</u>

In FY2023, none of our operating site reported work-related ill health issues.

FY2024 Target

In FY2024, we strive to achieve zero fatalities and high-consequence work-related injuries in our workplace.

SUSTAINABILITY REPORT

GLOBAL REPORTING INITIATIVE INDEX

Statement of Use TEE International Limited has reported the information cited in this GRI content index for the period from 1 July 2022-30 June 2023 with reference to the GRI standards.
GRI 1 used GRI 1: Foundation 2021

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GRI 2: General Disclosures 2021	
2-1 Organisational details	Pg.20
2-2 Entities included in the organisation's sustainability reporting	Pg.19
2-3 Reporting period, frequency and contact point	Pg.19
2-4 Restatements of information	N.A
2-5 External assurance	N.A
2-6 Activities, value chain and other business relationships	Pg.20
2-7 Employees	Pg.45
2-8 Workers who are not employees	N.A
2-9 Governance structure and composition	Pg.34-35
2-10 Nomination and selection of the highest governance body	Annual Report
2-11 Chair of the highest governance body	Pg.34-35
2-12 Role of the highest governance body in overseeing the management of impacts	Pg.34-35
2-13 Delegation of responsibility for managing impacts	Pg.34-35
2-14 Role of the highest governance body in sustainability reporting	Pg.34-35
2-15 Conflicts of interest	Pg.32
2-16 Communication of critical concerns	Pg.33
2-17 Collective knowledge of the highest governance body	Pg.35
2-18 Evaluation of the performance of the highest governance body	Annual Report
2-19 Remuneration policies	Annual Report
2-20 Process to determine remuneration	Annual Report
2-21 Annual total compensation ratio	Annual Report
2-22 Statement on sustainable development strategy	Pg.17 and 21
2-23 Policy commitments	Pg.23
2-24 Embedding policy commitments	Pg.23
2-25 Processes to remediate negative impacts	Pg.23
2-26 Mechanisms for seeking advice and raising concerns	Pg.33
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2-28 Membership associations	Pg.22
2-29 Approach to stakeholder engagement	Pg.25-26
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GRI 3: Material Topics	
3-1 Process to determine material topics	Pg.27
3-2 List of material topics	Pg.28
3-3 Management of material topics	Pg.29-54

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GRI 204 Procurement Practice	
204-1 Proportion of spending on local suppliers	Pg.30
GRI 205 Anti-Corruption	
205-1 Operations assessed for risks related to corruption	Pg.32
205-2 Communication and training about anti-corruption policies and procedures	Pg.32
205-3 Confirmed incidents of corruption and actions taken	Pg.32
GRI 302 Energy	
302-1 Energy consumption within the organisation	Pg.40
GRI 303 Water and Effluents	
303-5 Water Consumption	Pg.36
GRI 306 Waste	
306-2 Management of significant waste-related impacts	Pg.37
GRI 305 Emissions	
305-1 Direct (Scope 1) GHG Emission	Pg.41
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GRI 401 Employment	
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401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pg.47
401-3 Parental Leave	Pg.47
GRI 403 Occupational Health and Safety	
403-1 Occupational health and safety management system	Pg.51
403-2 Hazard identification, risk assessment, and incident investigation	Pg.52
403-3 Occupational health services	Pg.53
403-4 Worker participation, consultation, and communication on occupational health and safety	Pg.53
403-5 Worker training on occupational health and safety	Pg.53
403-6 Promotion of worker health	Pg.53
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pg.53
403-8 Workers covered by an occupational health and safety management system	Pg.51
403-9 Work-related injuries	Pg.54
403-10 Work-related ill health	Pg.54
GRI 404 Training and Education	
404-1 Average hours of training per year per employee	Pg.50
404-3 Percentage of employees receiving regular performance and career development reviews	Pg.50
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405-1 Diversity of governance bodies and employees	Pg.34

CORPORATE GOVERNANCE REPORT

TEE International Limited (the "**Company**") and its subsidiaries (the "**Group**") is committed to maintaining a high standard of corporate governance to ensure greater transparency, to protect shareholders' interests and enhance shareholders' value as advocated by the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The Company adopts practices based on the Code of Corporate Governance 2018 issued on 6 August 2018 by the Monetary Authority of Singapore (the "**Code**"). This report describes the Group's corporate governance practices that were in place throughout the financial year ended 30 September 2023 ("**FY2023**"), with specific reference made to the principles and provisions as set out in the Code and the Mainboard Listing Manual of SGX-ST (the "**Listing Manual**"), where applicable.

The Company has provided the rationale for each area where it has not complied with the Code, and in such cases the Company would re-assess its deviation from the relevant guidelines and implement the recommended procedures as and when it deems it appropriate to do so.

BOARD MATTERS

The Board's Conduct of its Affairs

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

<u>Provision</u> **<u>Corporate Governance Practices of the Company</u>**

1.1 *Directors are fiduciaries who act objectively in the best interests of the company and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.*

The Company is headed by an effective Board, comprising individuals with experienced and diversified backgrounds, and collectively leads and works with Management to achieve long-term success of the Company and Management remains accountable to the Board.

The Board assumes responsibility for setting strategic direction, establishing pertinent policies, improving the existing corporate governance practises and overseeing proper management of the Group. Apart from its statutory responsibilities, the Board also takes on the following roles:

- Providing entrepreneurial leadership;
- Approving the Group's policies, strategies and financial plans;
- Reviewing the Group's financial and management performance;
- Overseeing the processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance;
- Overseeing the business of the Group and monitoring the performance of the Company's management;
- Approving annual budget, acquisitions and disposal of assets, investments and divestment proposals;
- Approving nominations for the Board by the Nominating Committee and endorsing the appointments of the key executives and senior management ("**key management**");
- Reviewing recommendations made by the Audit Committee on the appointment, re-appointment or removal of external auditors;
- Reviewing recommendations made by the Remuneration Committee and approving the remuneration packages for the Board and key management;
- Considering sustainability issues such as environmental and social factors as part of its strategic formulation; and
- Identifying key stakeholder groups and recognising that their perceptions affect the Company's reputation.

The Directors are fiduciaries who collectively and individually exercise due diligence and independent judgment, as well as act in good faith in the best interests of the Group at all times. As provided for in the Company's Constitution, where a Director has a conflict of interest in a particular matter, he is required to declare his interest to the Board, recuse himself/herself from the discussions and abstain from voting on the matter.

CORPORATE GOVERNANCE REPORT

The Board is committed to high ethical standards and integrity of action and has adopted a code of conduct and ethics which requires compliance from every Director and sets the appropriate tone from the top in respect of the desired organisational culture, and ensures proper accountability within the Company.

1.2 *Directors understand the company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the company's expense. The induction, training and development provided to new and existing directors are disclosed in the company's annual report.*

Upon appointment, each Director will be provided with relevant information on his/her duties and responsibilities as a Director, the Company's annual reports, corporate governance processes as well as relevant statutory and regulatory compliance issues. Newly appointed Directors will receive comprehensive induction to ensure they are familiar with the Group's structure, businesses and operations, strategic direction and policies. The Chief Executive Officer ("**CEO**") and senior management executives will brief newly appointed Directors. Through this, the new Director gets acquainted with key management which facilitates their board interaction and allows him/her to have independent access to key management. Directors who have no prior experience as a Director of an SGX-ST listed company will also undergo training to understand the roles and responsibilities of a director of a listed company as prescribed by the SGX-ST pursuant to Rule 210(5)(a) of the Listing Manual of the SGX-ST.

Director's briefings and meet-the-management sessions were conducted prior to and/or upon the respective appointments of Directors appointed from the start of FY2023 to the date of this report, including Mr Chin Sek Peng and Mr Zheng Le.

The Board is also updated regularly on risk management and corporate governance practises, insider trading and key changes in the relevant regulatory requirements and financial reporting standards, enabling them to properly discharge their duties as Board or Board Committee members.

As part of the Company's continuing education for all Directors, the Company Secretary circulates to the Board announcements, articles, reports and press releases, such as those issued by the SGX-ST, Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**") and Monetary Authority of Singapore which are relevant to the Group's businesses and compliance to the applicable laws, rules and regulations and accounting standards currently in force.

Directors are informed by the Company Secretary or Management on any relevant conferences, courses and seminars conducted by, *inter alia*, Singapore Exchange Limited ("**SGX**"), ACRA, Singapore Institute of Directors, local professional firms and consultants. All training courses attended by the Directors are funded by the Company. In addition, pursuant to Rule 720(7) of the SGX-ST Listing Manual, the Directors have undergone training on sustainability matters as prescribed by SGX-ST.

1.3 *The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are disclosed in the company's annual report.*

The Group has adopted a set of internal guidelines setting forth matters that require the approval of the Board. Under these guidelines, matters that require Board's approval includes:

- appointment and/or resignation of directors, CEO and Chief Finance Officer
- adoption of group policies matters as specified under the Chapter 9 (Interested Person Transactions) of SGX-ST
- investments
- material acquisitions and disposals of assets
- corporate/financial restructurings
- commitments to term loans and lines of credit from banks and financial institutions
- unbudgeted capital expenditures
- announcement of the Group's quarterly, half year and full year results and the release of the Annual Report
- any other matters as prescribed under the relevant legislations and regulations, as well as the provisions of the Company's Constitution

CORPORATE GOVERNANCE REPORT

Matters that require the Board's approval are approved unanimously or by majority vote.

The Company has established guidelines and a Delegation of Authority matrix setting clear directions on matters including thresholds for certain operational matters relating to the Group's subsidiaries that require Board approval.

The Board has adopted and documented a set of internal controls which sets out financial approval limits for capital expenditure, investments, bankers' guarantees and bank signatories' arrangements.

Apart from matters that require Board approval, the Board delegates authority for transactions below certain prescribed threshold limits to the Board Committees and specific members of the key management to optimise operational efficiency.

1.4 *Board committees, including Executive Committees (if any), are formed with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each committee's activities, are disclosed in the company's annual report.*

To ensure that specific issues are reviewed in-depth and in a timely manner, the Board has delegated certain functions to various Board Committees, namely the Audit Committee ("**AC**"), Nominating Committee ("**NC**"), and Remuneration Committee ("**RC**") (collectively, the "**Board Committees**"). The Board Committees are each constituted with clear written terms of reference setting out their compositions, authorities and duties that have been approved by the Board. While the Board Committees review and approve certain matters, the Board Committees report to the Board with their decisions or their recommendations to the Board with the Board retaining overall oversight. Minutes of the Board Committee meetings are made available to all Board members, if requested and in the absence of any conflict.

1.5 *Directors attend and actively participate in Board and board committee meetings. The number of such meetings and each individual director's attendances at such meetings are disclosed in the company's annual report. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.*

The dates of meetings of the Board and the Board Committees as well as the annual general meeting ("**AGM**") are scheduled one year in advance in consultation with the Directors. The Board meets on a quarterly basis during each financial year and at other times as appropriate, to approve the release of the Group's financial results as well as to consider and resolve major financial and business matters of the Group. Besides the scheduled Board and Board Committee meetings, ad-hoc meetings are convened when required to deliberate and address any significant issues that may arise in between any scheduled meetings.

The Board and Board Committees may also make decisions by way of circular resolutions in writing. To facilitate effective management, the day-to-day management of The Group's businesses and affairs are entrusted to the Executive Directors and key management.

The Company's Constitution provides for the Board to convene meetings via telephone or, video conferencing.

Please also refer to Provision 4.5 below for further information regarding Directors with multiple board representations.

The Directors' attendance at the Board's, the Board Committees' and general meetings of the Company held in FY2023 is as below:

CORPORATE GOVERNANCE REPORT

Name of Director	Board of Directors' Meeting		Board Committee Meetings					
			AC Meeting		NC Meeting		RC Meeting	
	No. of meetings held*	No. of meetings attended	No. of meetings held*	No. of meetings attended	No. of meetings held*	No. of meetings attended	No. of meetings held*	No. of meetings attended
Prof. Siow Yuen Khong Alex	5	5	5	5	2	2	1	1
Mr. Andy Yeo Kian Wee	5	5	5	5	2	2	1	1
Mr. Phua Cher Chuan	5	5	5	5	2	2	1	1
Mr. Chan Kam Loon[1]	5	3	5	2	2	0	1	0
Mr. Hoon Chee Wai[2]	5	1	5	1	2	1	1	1
Mr. Chin Sek Peng[3]	5	0	5	0	2	0	1	0
Mr. Zheng Le[4]	5	0	5	0	2	0	1	0

Name of Director	AGM		EGM	
	No. of meetings held*	No. of meetings attended	No of meetings held* tended	No of meetings attended
Prof. Siow Yuen Khong Alex	1	1	1	1
Mr. Andy Yeo Kian Wee	1	1	1	1
Mr. Phua Cher Chuan	1	1	1	1
Mr. Chan Kam Loon[1]	1	0	1	0
Mr. Hoon Chee Wai[2]	1	0	1	0
Mr. Chin Sek Peng[3]	1	0	1	0
Mr. Zheng Le[4]	1	0	1	0

Notes:

* Number of meetings held during FY2023.

By Invitation

1 Mr. Chan Kam Loon was appointed as ID on 24 February 2023 and resigned as ID on 26 September 2023.

2 Mr. Hoon Chee Wai resigned as ID on 30 November 2022.

3 Mr. Chin Sek Peng was appointed as ID on 27 November 2023.

4 Mr. Zheng Le was appointed as Executive Director on 20 December 2023.

1.6 *Management provides directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.*

Members of the Board are provided with management financial statements and any other information on material events and transactions with adequate explanations provided prior to each meeting and in a timely manner. The Executive Directors also update the Board at each meeting on the Group's business and strategic developments. This enables Directors to have a comprehensive understanding of the issues to make informed decisions. Matters of a sensitive nature or urgent issues that call for meetings may be convened and, in such instances, the meeting materials may be tabled during the meeting. Requests for information by the Board are promptly responded to Management. In view of the Group's disclaimer of opinion on its financial year ended 30 September 2022 ("**FY2022**") audited financial statements, the Company is required to release its results on a quarterly basis. In between Board meetings, other important matters concerning the Group are also submitted to the Board for approval by way of circulating resolutions in writing and electronic communications.

CORPORATE GOVERNANCE REPORT

Where relevant, the business unit head or key management (or anyone who has submitted proposal for discussion at a Board meeting for approval) will be invited to attend and brief the Board on issues pertaining to the proposal.

Minutes of Board Committee meetings are also to be tabled at the Board meetings to keep all Directors informed of matters discussed at each Board Committee meeting.

1.7 *Directors have separate and independent access to Management, the company secretary, and external advisers (where necessary) at the company's expense. The appointment and removal of the company secretary is a decision of the Board as a whole.*

The Board has separate and independent access to Management and the Company Secretary vis-à-vis electronic mail, telephone and face-to-face meetings, and may request for any additional information needed at any time to enable them to make informed decisions. Key management, the Company's auditors and external consultants are invited to attend Board and Board Committee meetings to update and provide independent professional advice on specific issues, if required.

If required, Directors can seek independent professional advice, at the Company's expense, concerning all aspects of the Group's operations or undertakings in order to fulfil their duties and responsibilities as Directors.

The Company Secretaries or their representatives attend all Board meetings and Board Committee meetings when requested to do so and are responsible in ensuring that board procedures are observed and that the relevant rules and regulations have been duly complied with.

The appointment and removal of the Company Secretaries is a matter that has to be decided by the Board as a whole.

BOARD COMPOSITION AND GUIDANCE

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

<u>Provision</u> **<u>Corporate Governance Practices of the Company</u>**

2.1 *An "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company.*

As at the date of this report, the Board comprises five Directors, two of whom are Executive Directors ("**EDs**") and three of whom are Independent (Non-Executive) Directors ("**IDs**").

The composition of the Board is as follows:

Independent Non-Executive Chairman
Mr. Yeo Kian Wee Andy

Executive Directors
Mr. Phua Cher Chuan (CEO and Managing Director, "**CEO and MD**")
Mr. Zheng Le (Deputy CEO and Executive Director)

Independent Non-Executive Directors
Prof. Siow Yuen Khong Alex
Mr. Chin Sek Peng

During FY2023, the Board also comprised two other Directors, Mr. Hoon Chee Wai and Mr. Chan Kam Loon, who resigned as Directors of the Company on 30 November 2022 and 26 September 2023, respectively.

The NC reviews the independence of each ID annually by taking into consideration the existence of relationships or circumstances, including those provided in the Code. Each ID is required to complete a Confirmation of Independence form drawn up based on Principle 2 of the Code for the NC's review and recommendation to the Board.

CORPORATE GOVERNANCE REPORT

For FY2023, the NC has determined each of the IDs to be independent in character and judgement and there are no relationships or circumstances which are likely to affect, or could appear to affect the Directors' judgement. Each of these Directors have also confirmed their independence. The Board concurred with the views of the NC. Each of the Directors abstained from the deliberation of his own independence.

None of the IDs has served on the Board beyond nine years from the date of their first appointment.

2.2 *Independent directors make up a majority of the Board where the Chairman is not independent.*

2.3 *Non-executive directors make up a majority of the Board.*

The Board currently comprises five members of which three are IDs and two are EDs. As such, the Company has complied with Provision 2.2 and Provision 2.3 of the Code.

2.4 *The Board and board committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The board diversity policy and progress made towards implementing the board diversity policy, including objectives, are disclosed in the company's annual report.*

The Board is of the opinion that its present size and composition represents a well-balanced mix of expertise and experience and is appropriate for effective decision making, taking into account the nature and the scope of operations of the Group.

The Board recognises the importance and value of board diversity and is made up of a team of high calibre leaders whose extensive experience, knowledge and expertise combine will contribute to the effective decision-making and direction for the Group. Collectively, there is an appropriate balance and diversity of skills, experience, gender and knowledge of the Board. The Board possesses the core competencies and has vast experience in the Group's core businesses and industry, finance, audit, tax, legal knowledge, management and strategic capability.

The Board has put in place a Board Diversity Policy and is of the view that, while it is important to promote boardroom diversity in terms of gender, age and ethnicity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority. Nonetheless, the Board would take into consideration the following measures:

- Gender diversity: The Company does not set any specific target for female directors in the Board but will continue to work towards having female Directors on the Board, whenever possible. The Company shall in any case endeavour to ensure that, where appropriate and possible, female candidates are included for consideration when identifying candidates to be appointed as new Directors.
- Age diversity: The Company does not set any specific target for the boardroom age diversity but will work towards having appropriate age diversity in the Board, if the opportunity arises.
- Ethnic diversity: The Company does not set any specific target for ethnic diversity in the boardroom but will work towards having appropriate ethnic diversity in the Board, if the opportunity arises.

The NC is responsible for ensuring that the Board Diversity Policy is implemented in an effective and practical manner.

The NC has not set a specific target for board diversity as it may detract from the one fundamental principle that the candidate be of the right fit and meet the relevant needs and vision of the Company. The Company takes the approach that maintaining a diverse satisfactory level of board diversity, together with an appropriate balance of perspectives, skills and experience is an ongoing process that may change over time as the business of the Group develops and will be disclosed as appropriate.

The profiles of the Directors are set out in the "**Board of Directors**" section on pages 12 to 14 in this Annual Report.

Directors are free to hold open discussions on important matters such as the Group's financial performance and the Group's strategy, and make decisions collectively during the Board meetings.

CORPORATE GOVERNANCE REPORT

2.5 *Non-executive directors and/or independent directors, led by the independent Chairman or other independent director as appropriate, meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.*

The IDs meet for discussions, where warranted, without the presence of Management or the Executive Directors to review any matters that must be raised privately and provides feedback to the Board as appropriate.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

Provision **Corporate Governance Practices of the Company**

3.1 *The Chairman and the Chief Executive Officer ("CEO") are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.*

The Chairman and the CEO and MD are not related to each other. There is a clear division of responsibilities of the Chairman and the CEO and MD to ensure an appropriate balance of power and authority to increase accountability and greater capacity of the Board for independent decision-making.

Mr. Yeo Kian Wee Andy, the Chairman, is responsible for, amongst others, ensuring that the Board engages in open discussions on strategic, business and planning issues, and approving the agenda for the Board. He is also responsible for exercising control over the quantity, quality and timeliness of the flow of information between the Company's management and the Board and ensuring compliance with the Group's guidelines on corporate governance. The Chairman also provides close oversight, advice and guidance to the CEO and MD and the key management. The Chairman also sets the agenda and ensures that adequate time is available for discussion of all agenda items, in particular, strategic issues, promoting a culture of openness and debate at the Board, and facilitates the effective contributions of non-executive Directors in particular. At shareholders' meetings, the Chairman also ensures constructive dialogue between the shareholders, Directors and management.

Mr. Phua Cher Chuan, the CEO and MD, has oversight of the overall management of the Group and is responsible for the development of the Group which includes (i) the formulation of the overall business and corporate policies and strategies of the Group; (ii) oversight of the day-to-day management of the business and operations of the Group; and (iii) leading the Group's business development strategies and efforts.

The roles and responsibilities of the elected Chairman of the meetings and the CEO and MD are held by separate individuals, in keeping with the principles that there be a clear division of responsibilities between the leadership of the Board and Management and that no one individual has autonomous powers of decision-making.

3.2 *The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO.*

The separation of the roles and responsibilities of an elected Chairman of the meetings and the CEO and MD is set out in writing, and the resulting clarity of roles provide a healthy professional relationship between the Board and Management to facilitate robust and constructive discussions on the Group's business activities and the exchange of ideas and views to help shape the strategic process, and ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

3.3 *The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The lead independent director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.*

As the roles of the elected Chairman of the meetings and the CEO and MD are held by separate individuals who are not related to each other, and the Chairman elected at the board meetings is an Independent Director, there is no need for the appointment of a lead independent Director.

CORPORATE GOVERNANCE REPORT

BOARD MEMBERSHIP

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

Provisions	Corporate Governance Practices of the Company
4.1	*The Board establishes a Nominating Committee ("NC") to make recommendations to the Board on relevant matters relating to:*

(a) the review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel;

(b) the process and criteria for evaluation of the performance of the Board, its board committees and directors;

(c) the review of training and professional development programmes for the Board and its directors; and

(d) the appointment and re-appointment of directors (including alternate directors, if any)

4.2 *The NC comprises at least three directors, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC.*

The NC comprises the following members, all of whom are Independent Directors:

Mr. Yeo Kian Wee Andy (Chairman)
Prof. Siow Yuen Khong Alex
Mr. Chin Sek Peng

For the period under review, the NC held 2 meetings and the NC Chairman reports formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

The NC performs the following functions as provided in its Terms of References ("**TOR**"):

- To develop and maintain a formal and transparent process and make recommendations to the Board on the appointment of new executive and non-executive directors, including making recommendations on the composition of the Board generally;
- To review and make recommendations to the Board on the Board structure, size and composition having regard to the scope and nature of the operations (the requirements of the business) and the core competencies of the directors as a group;
- To review, assess and recommend nominee(s) or candidate(s) for appointment or re-election to the Board, having regard to their qualifications, competency, and independence;
- Annual evaluation of the effectiveness of the Board as a whole, taking into account the scope and nature of the operations of the Group, to assess and determine the appropriate size and structure for the Board;
- Annual evaluation of the effectiveness of the Board Committees;
- Recommend to the Board nomination of directors to fill up any vacancies in the Board or the various Board Committees;
- Review and recommend to the Board the directors who are retiring by rotation to be put forward for re-election at the AGM, having regard to the director's contribution and performance including, if applicable, as an independent director;
- Review annually, through formal assessment, whether a director is independent;
- Ensure that, where the director has multiple directorships, he is able to devote sufficient time and attention to the affairs of the Group so as to carry out his duties;
- Review board succession plans for directors and key management; and
- Review training and professional development program for the Board.

CORPORATE GOVERNANCE REPORT

4.3 *The company discloses the process for the selection, appointment and re-appointment of directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates in the company's annual report.*

The Board has a formal and transparent process for the appointment and re-appointment of Directors. The NC reviews and makes recommendations to the Board on all Board and Board Committee appointments. All appointments are made based on merit and subject to approval by the Board.

In selecting new Directors to be appointed, the NC reviews the needs of the Board by taking into account the scope and nature of the operations of the Group:

- Based on the results of the Board performance evaluation ("**performance evaluation**") which are completed by the Board annually, the NC is able to evaluate whether the composition (includes the directors' skills, expertise, gender and experiences) and size of the Board are adequate. It also assesses whether additional competencies are required in the area where the appointment of new directors is concerned;
- In sourcing new directors, recommendations from directors, business associates and professional bodies are considered;
- After assessing their suitability, potential candidates are then short-listed by the NC and thereafter, interviews are set up with the short-listed candidates to further assess before a decision is made; and
- The most suitable candidate is subsequently appointed to the Board

<u>Retirement and Re-election of Directors</u>

All Directors must submit themselves for re-nomination and re-appointment at least once every three years pursuant to Rule 720(5) of the Listing Manual of the SGX-ST. Pursuant to Article 89 of the Company's Constitution, one-third of the Board of Directors are subject to retirement from office by rotation and eligible for re-election at the Company's AGM. In addition, Article 88 of the Company's Constitution provides that newly-appointed Directors are required to retire and may submit themselves for re-election at the next AGM of the Company.

Each member of the Board and NC shall abstain from any discussion and decision in respect of his/her own re-nomination as Director.

Mr. Yeo Kian Wee Andy will retire by rotation under Article 89 of the Company's Constitution at the Company's forthcoming AGM scheduled to be held on 26 January 2024 ("**2024 AGM**") and, being eligible, has offered himself for re-election at the 2024 AGM. Mr. Yeo Kian Wee Andy will, upon re-election as Director of the Company, remain as an Independent Director and the Chairman of the Board.

Mr. Yeo Kian Wee Andy has abstained from any discussion and decision in respect of his own re-nomination as Director. After assessing his contributions and performance, the NC is recommending Mr. Yeo Kian Wee Andy for re-election at the 2024 AGM.

Mr. Chin Sek Peng will be retiring under Article 88 of the Company's Constitution, and being eligible, has offered himself for re-election at the 2024 AGM. Mr. Chin Sek Peng will, upon re-election as Director of the Company, remain as an Independent Director.

Additionally, Mr. Zheng Le will be retiring under Article 88 of the Company's Constitution, and being eligible, has offered himself for re-election at the 2024 AGM. Mr. Zheng Le will, upon re-election as Director of the Company, remain as an Executive Director.

The NC has recommended the nomination of Mr. Chin Sek Peng and Mr. Zheng Le for re-election at the 2024 AGM of the Company. Both Mr. Chin Sek Peng and Mr. Zheng Le have abstained from any discussion and decision in respect of their respective re-nomination as Directors.

Detailed information on Directors nominated for re-election required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST can be found on page 82.

CORPORATE GOVERNANCE REPORT

The dates of initial appointment and last re-election of each Director are set out below:

Name of Director	Age	Position	Date of Initial Appointment	Date of last Re-appointment / Re-election
Prof. Siow Yuen Khong Alex	68	Independent Director	18 February 2020	28 January 2022
Mr. Yeo Kian Wee Andy	52	Independent Director	29 December 2020	28 January 2022
Mr. Phua Cher Chuan	54	CEO and MD	24 June 2021	30 January 2023
Mr. Chin Sek Peng	67	Independent Director	27 November 2023	–
Mr. Zheng Le	40	Deputy CEO and ED	20 December 2023	–

4.4 *The NC determines annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1. Directors disclose their relationships with the company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. If the Board, having taken into account the views of the NC, determines that such directors are independent notwithstanding the existence of such relationships, the company discloses the relationships and its reasons in its annual report.*

The NC determines annually, and as and when circumstances require, based on a Director's Independence Checklist ("**Checklist**") completed, if a Director is independent, having regard to the circumstances or independence criteria set forth in provision 2.1 of the Code and each Independent Director has completed a Confirmation of Independence form ("**Confirmation**") to confirm his independence based on the guidelines as set out in the Code. The NC has reviewed the Confirmations and has determined that each Independent Director remains independent. The Board is in accord with the NC's determination.

4.5 *The NC ensures that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the company. The company discloses in its annual report the listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, it provides the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties.*

The Board is cognisant of the fact that each Director needs to be able to devote sufficient time and attention to adequately perform and discharge his duties and responsibilities.

All Directors are required to declare their board representations and any changes thereof to the Company. The NC annually reviews such listed company board representations and principal commitments and considers whether it would allow the Director to carry out his duty to the Company.

The NC is of the view that multiple listed company board representations will not affect the Director's ability to carry out their duties as Directors of the Company and therefore, it would not be necessary to prescribe a maximum number of listed company board presentations a Director may hold. Looking at the attendance of the Directors at the Board and Board Committee meetings for FY2023, the NC is satisfied that each Director has contributed and devoted sufficient time and attention to the Company's affairs to adequately and competently carry out his or her duties as a Director of the Company. The Board concurs with the view of the NC.

Information on the directorships or chairmanships held over the preceding three years in other listed companies as well as other principal commitments of each respective Director is set out in pages 82 to 87 of this Annual Report.

CORPORATE GOVERNANCE REPORT

BOARD PERFORMANCE

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

Provisions	Corporate Governance Practices of the Company
5.1	*The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual director to the Board.*
5.2	*The company discloses in its annual report how the assessments of the Board, its board committees and each director have been conducted, including the identity of any external facilitator and its connection, if any, with the company or any of its directors.*

The NC has adopted a formal system of evaluating the Board and Board Committees annually. A Board performance evaluation was carried out and the assessment parameters include evaluation of the Board's composition, size and diversity, Board processes and procedures, Board accountability, evaluation and succession planning.

The annual evaluation exercise provides an opportunity to obtain constructive feedback from each Director on whether the Board's procedures and processes had allowed him to discharge his duties effectively and to propose changes which may be made to enhance the Board effectiveness as a whole.

For the period under review, the NC also conducted Board Committee Performance Evaluation exercises for each of the AC, NC and RC to assess the efficiency and effectiveness of the Board Committees in assisting the Board based on the assessment criteria which include, amongst others, the Board Committees' composition and size, sufficient expertise and useful recommendations in assisting the Board for better decision-making, the interaction among committee members, reporting to the Board and recording of minutes.

For the period under review, there was also an Individual Director Assessment to evaluate each Director's performance and contribution to the proper guidance, diligent oversight and able leadership, and the support that he/she lends to Management in steering the Group. Factors which were taken into account include adequacy of preparation for Board meetings, participation in Board discussion and ability to make informed business decisions, amongst others. Additionally, the process to the re-nomination of Directors for the current year takes into account their attendances, commitment of time and contributions made at meetings of Board and Board Committees as well as general meetings.

In the process of assessing the effectiveness of the Board, the contribution, experience and expertise of each Director is vital.

All assessments were done via questionnaires with the results collated and the findings analysed and discussed by the NC and reported to the Board.

Following the review for FY2023, the Board is satisfied that the Board and Board Committees operate effectively and each Director is contributing to the overall effectiveness of the Board.

The NC has full authority to engage an external facilitator to assist the NC to carry out the evaluation process, if the need arises. No external facilitator was engaged to conduct the annual evaluation exercise for FY2023.

CORPORATE GOVERNANCE REPORT

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

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

Provision	Corporate Governance Practices of the Company
6.1	*The Board establishes a Remuneration Committee ("RC") to review and make recommendations to the Board on:* *(a) a framework of remuneration for the Board and key management personnel; and* *(b) the specific remuneration packages for each director as well as for the key management personnel.* The primary responsibilities of the RC are, *inter alia*, as follows: • recommend to the Board a framework for remunerating the Board, both executive and non-executive directors, and key management; • review all matters relating to remuneration of the Board and key management; employees related to directors, CEO or controlling shareholders of the Company; and • administers the TEE International Employee Share Option Scheme 2016 ("**TEE ESOS 2016**") and the TEE International Performance Share Plan 2016 ("**TEE PSP 2016**").
6.2	*The RC comprises at least three directors. All members of the RC are non-executive directors, the majority of whom, including the RC Chairman, are independent.* The RC comprises the following members, all of whom are Independent Directors: Prof. Siow Yuen Khong Alex (Chairman) Mr. Yeo Kian Wee Andy Mr. Chin Sek Peng For the period under review, the RC held 1 meeting and the RC Chairman reports formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities. No Director will be involved in deciding his/her own remuneration, except in providing information and documents if specifically requested by the RC to assist in its deliberations.
6.3	*The RC considers all aspects of remuneration, including termination terms, to ensure they are fair.* The RC reviews the Group's obligations arising in the event of termination of the Executive Directors' and key management's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The Company does not use any contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group. However, the service contracts of all the Executive Directors of the Company have the provisions, which allow the Company to defer part of the performance incentive bonus of the Executive Directors for the relevant financial year and payable, subject to there being no losses incurred in the next two consecutive financial years. The RC's recommendations are submitted for endorsement by the entire Board.

CORPORATE GOVERNANCE REPORT

6.4 *The company discloses the engagement of any remuneration consultants and their independence in the company's annual report.*

In deliberating on remuneration matters, the RC takes into consideration industry practices and norms in compensation in addition to The Group's relative performance to the industries it operates in as well as the employment conditions within those industries and the performance of the individuals.

The Company's Constitution governs the terms of the Directors' appointment. There are safeguards in place to ensure that no one individual Director represents a considerable concentration of power. The RC has full authority to engage any external professional adviser on matters relating to remuneration, if the need arises.

The RC did not require the services of an external remuneration consultant during FY2023.

LEVEL AND MIX OF REMUNERATION

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

Provision **Corporate Governance Practices of the Company**

7.1 *A significant and appropriate proportion of executive directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the company.*

7.3 *Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the company for the long term.*

The remuneration policy adopted by the Group comprises a fixed component and a performance-related variable component. The fixed component is in the form of a base salary. The variable component pay-outs depend on both the staff's individual performance and each company's performance within the Group.

The variable component pay-outs of the Executive Directors and key management were assessed based on meeting the predetermined key performance indicators or service conditions and involvement of the personnel in the assignment or project as well as their roles and responsibilities over the performance period. In setting remuneration packages, the Group also takes into account the remuneration and employment conditions within the same industry and in comparable companies.

The long-term incentives comprising the TEE ESOS 2016 and TEE PSP 2016 (collectively, the "**Schemes**"), which were adopted at the extraordinary general meeting of the Company held on 27 September 2016.

The Group believes that with the implementation of the Schemes, the Group will be able to structure a more competitive remuneration package to attract, retain and incentivise employees and Directors whose contributions are essential to the long term growth, well-being and prosperity of the Group, and at the same time, give such employees and Directors an opportunity to have a direct interest in the Company and to foster an ownership culture within the Company and the Group which promotes greater commitment and aligns the interests of employees and Directors with the interests of the shareholders.

While the TEE ESOS 2016 grants options to employees of the Group in general, TEE PSP 2016 is designed to reward key employees who are in the best position to drive the growth of the Company through superior performance, with fully- paid shares, at the sole discretion of the Company based on specific or medium-term performance targets or time-based service conditions, or a combination of both. Awards granted under the TEE PSP 2016 will vest only after the satisfaction of the prescribed service conditions as may be decided by the RC (together with the CEO and MD) for the time being, or such other committee comprising Directors duly authorised and appointed by the Board to administer the TEE PSP 2016 (Plan Committee) at the relevant point in time and/or according to the extent to which the key employees achieve their performance target(s) over set performance periods, as determined by the Plan Committee.

CORPORATE GOVERNANCE REPORT

The aggregate number of shares to be issued under the Schemes and any other share-based schemes of the Company is capped at 15% of the Company's total number of issued shares (excluding treasury shares and subsidiary holdings) on the day preceding the relevant date of grant or award.

The aggregate number of shares over which options and awards may be granted and awarded under the TEE ESOS 2016 and TEE PSP 2016 to associates of controlling shareholders shall not exceed 25% of the total number of shares available under TEE ESOS 2016 and TEE PSP 2016, respectively. The options and awards may be granted under TEE ESOS 2016 and TEE PSP 2016 to each associate of a controlling shareholder, and shall not exceed 10% of the total number of shares available under the TEE ESOS 2016 and TEE PSP 2016.

No option has been granted under the TEE ESOS 2016 and no shares have been awarded under the TEE PSP 2016 since the commencement of the Schemes till the end of FY2023.

7.2 *The remuneration of non-executive directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.*

The RC takes into account industry norms and standards, contribution in terms of effort, time spent and responsibilities of each Director when determining the remuneration of the Non-Executive Directors. Directors' fees are subject to shareholders'approval at the AGM. The Non-Executive Directors do not have any service contracts with the Company.

DISCLOSURE ON REMUNERATION

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

Provision **Corporate Governance Practices of the Company**

8.1 *The company discloses in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:*

(a) each individual director and the CEO; and

(b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel.

The remuneration of each Director, the CEO and the top three key management personnel has been disclosed in the respective bands. The Company discloses the remuneration paid to each Director and the CEO using a band of S$250,000. The RC believes that the remuneration framework enables the Company to motivate employees and, to attract and retain talents to achieve its business targets and execute its strategic objectives. In making available the remuneration of the key management personnel in bands of S$250,000, and disclosing precisely the aggregate remuneration of the key management personnel, the Company provides a macro perspective of the total remuneration without compromising the Group's business interests, and at the same time, minimises competitive pressures which would arise from more detailed disclosures.

CORPORATE GOVERNANCE REPORT

The breakdown of the level and mix of remuneration paid or payable to each Director of the Company (in percentage terms) for FY2023 is set out below:

Remuneration bands & Name of Director of the Company	Directors' Fees %[a]	Attendance Fees %[a]	Salaries %[b]	Bonuses %[b]	Payment & Other Benefits %
S$250,000 to below S$500,000					
Mr. Phua Cher Chuan	2.9	–	93.0	–	4.1
Below S$100,000					
Prof. Siow Yuen Khong Alex	51.2	48.8	–	–	–
Mr. Andy Yeo Kian Wee	52.4	47.6	–	–	–
Mr. Chan Kam Loon[1]	100	–	–	–	–
Mr. Hoon Chee Wai[2]	48.9	51.1	–	–	–
Mr. Chin Sek Peng[3]	–	–	–	–	–
Mr. Zheng Le[4]	–	–	–	–	–

Notes:

[a] The directors' fees of S$220,000 were approved at the last AGM held on 30 January 2023. The directors' fees and committees' fees total payable to Mr Siow Yuen Khong Alex, Mr Yeo Kian Wee Andy and Mr Hoon Chee Wai were S$64,500, S$63,000 and S$11,188.86 respectively for FY2023. The directors' fees payable to Mr Phua Cher Chuan and Mr Chan Kam Loon were S$10,500.00 and S$35,333.33 respectively.

[b] The salaries and bonuses shown are inclusive of Singapore Central Provident Fund Contributions.

[1] Mr. Chan Kam Loon was appointed as ID on 24 February 2023 and resigned as ID on 26 September 2023.

[2] Mr. Hoon Chee Wai resigned as ID on 30 November 2022.

[3] Mr. Chin Sek Peng was appointed as ID on 27 November 2023.

[4] Mr. Zheng Le was appointed as an Executive Director on 20 December 2023.

The aggregate remuneration of the top 3 key management personnel in FY2023 is S$750,975.00. The percentage breakdown of the fixed and variable components for each individual is set out below.

Remuneration Band	Salaries %[a]	Bonuses %[a]	Payment & Other Benefits %
S$250,000 to below S$500,000			
Lim Chin Khuang	77	23	–
S$100,000 to below S$250,000			
Fong Meng Hui	86	14	–
Simon Zhao Gang	96	4	–
Total Remuneration	S$750,975.00		

[a] The salaries and bonuses shown are inclusive of Singapore Central Provident Fund Contributions.

During FY2023, the Company only had 3 key management personnel (who are not also Directors on the Board) according to its management structure. Accordingly, the remuneration figures were provided for these 3 key management personnel.

8.2 *The company discloses the names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.*

There was no employee who is a substantial shareholder of the Company. During FY2023, there were no employees of the Group who are family members of a Director or a substantial shareholder of the Company whose remuneration exceeded S$100,000.

CORPORATE GOVERNANCE REPORT

8.3 *The company discloses in its annual report all forms of remuneration and other payments and benefits, paid by the company and its subsidiaries to directors and key management personnel of the company. It also discloses details of employee share schemes.*

All forms of remuneration and other payments and benefits to Directors and key management personnel of the Group are disclosed in Provisions 8.1 and 8.2. The Company has share incentive schemes known as the TEE ESOS 2016 and TEE PSP 2016. Further details of the schemes, including the key terms of the schemes, are set out in Provisions 7.1 and 7.3.

ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

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

Provision **Corporate Governance Practices of the Company**

9.1 *The Board determines the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives and value creation. The Board sets up a Board Risk Committee to specifically address this, if appropriate.*

The Board has the overall responsibility for the governance of risks and the overall internal control framework and ensures that the Group has the capabilities to manage and control the risks in both new and existing businesses. Having considered the Group's business operations as well as its existing internal control and risk management systems, the Board is of the view that a separate risk committee is not required for the time being. Currently, the AC and the Board assume responsibility for the risk management function.

The Company usually appoints an external accounting firm as the internal auditors of the Group to perform internal audit work under an internal audit plan. The external accounting firm must be a suitable and qualified firm of accountants which meets the standards set by internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The internal auditors report directly to the chairman of the Audit Committee on all internal audit matters. However, for FY2023, the Company did not engage any internal auditor due to its current circumstances, the Group's financial position and limited financial resources. The Audit Committee has been actively assessing the situation and sourcing for suitable professional service firms to be appointed as the internal auditors of the Group. The Company is in the midst of sourcing and appointing the internal auditors to perform internal audit work and sustainability report review for FY2024.

In addition, the Company's external auditors carry out, in the course of their statutory audit, a review of the effectiveness of the internal financial controls to the extent of their scope as laid out in the audit plan. The external auditors, during the conduct of their normal audit procedures, may also report on any matters relating to the internal controls. Any non-compliance or recommendation for improvement will be reported to the AC. Certain observations on internal control have been made during the external audit process, as the external auditors have brought to the attention of the AC. The Management will follow up on the auditors' recommendations as part of its role in the review of the Company's internal controls systems.

9.2 *The Board requires and discloses in the company's annual report that it has received assurance from:*

(a) the CEO and the Chief Financial Controller ("CFC") that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and

(b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.

CORPORATE GOVERNANCE REPORT

The AC has reviewed reports submitted by external auditors relating to the effectiveness of the Group's internal controls including the adequacy and effectiveness of the Group's financial, human resources, operational, compliance and relevant communications as part of their audit for FY2023.

As part of the Board's commitment to ensure strong internal controls and high standards of corporate governance, the Board has reviewed the established policies and procedures of the Company and enhanced its existing policies and procedures.

The Board has received assurance from the CEO and MD, the Group Financial Controller ("**GFC**"), that (i) the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and (ii) the Group's risk management and internal control systems are adequate and effective.

In view of the above steps and actions taken, and based on the framework of risk management and internal controls established and maintained, the work performed by the previous internal auditors and the external auditors and the reviews performed by the Company's management and the above assurance from the CEO and MD and the GFC, the Board, with the concurrence of the AC, is of the opinion that the Group's risk management and internal control systems, which address key financial, operational, compliance, information technology and risk management objectives, and which the Group considers relevant and material to its operations, were adequate and effective to meet the needs of the Group in its business environment during FY2023. The Company has complied with Rule 1207(10) of the Listing Manual of the SGX-ST.

The Board acknowledges that it is responsible for the overall internal control and risk management framework, but recognises that all internal control and risk management systems contain inherent limitations and that no internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives. The Board notes that all internal control systems can provide only reasonable and not absolute assurance against the occurrence of material misstatement or loss, poor judgement in decision making, human error, fraud or other irregularities.

Notwithstanding this, the Board remains committed to improve the Group's internal controls and will not hesitate to take whatever actions necessary to ensure the adequacy and effectiveness of the Group's internal controls and risk management systems.

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

Provision **Corporate Governance Practices of the Company**

10.1 *The duties of the AC include:*

(a) *reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance;*

(b) *reviewing at least annually the adequacy and effectiveness of the company's internal controls and risk management systems;*

(c) *reviewing the assurance from the CEO and the CFC on the financial records and financial statements;*

(d) *making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;*

(e) *reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function; and*

(f) *reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.*

CORPORATE GOVERNANCE REPORT

The AC has explicit authority to investigate any matter within its terms of reference and execution of its corporate governance responsibilities within the established Board references. It has full access to, with the co-operation of the Company's management, and full discretion to invite any Director or key management to attend its meetings. Each member of the AC shall abstain from voting any resolution in respect of matters which he is interested in.

The AC performs the following functions as provided in its TOR:

- Reviews and oversees the external audit function, including the external audit plan, the nature and scope of the audit and fees prior to audit commencement.
- Considers the appointment and re-appointment of the external auditor and approves the remuneration and terms of engagement of the external auditor.
- Reviews the audit representation report or letter (particularly in relation to non-standard issues) and the external auditor's management letter to assess whether it is based on a good understanding of the Company's business, and monitors the Management's response to the recommendations made.
- Convenes meetings with the external auditors to discuss matters that the AC or external auditors believe should be discussed privately.
- Ensures that both external auditors and internal auditors have direct and unrestricted access to the Chairman of the AC and the Chairman of the Board.
- Reviews the quarterly and annual financial statements of the Group to ensure the integrity of the said financial statements before submission to the Board for approval, focusing, in particular, on the accuracy, completeness and consistency of financial information, significant adjustments resulting from the audit or significant financial reporting issues and judgements, reviewing the relevance and consistency of the accounting standards used by the Company and the Group, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements.
- Reviews any formal announcements relating to the Company's financial performance.
- Reviews and discusses with external auditors any suspected fraud, irregularity or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position and the management's response.
- Reviews the role and effectiveness of the Company's internal audit function, including the internal audit plan and results of the internal audit procedures and conducts internal quality assurance review of the internal audit function at least annually.
- Ensures co-ordination between the internal and external auditors and Management.
- Approves the hiring, removal, evaluation and compensation of the Head of the internal audit function, or accounting/auditing firm or corporation if the internal audit function is outsourced
- Reviews the adequacy of the Group's internal controls, including financial, operational compliance and information technology controls and risk management policies and systems.
- Reviews the Company's overall risk management and internal controls and reviews the assurance provided by the CEO and GFC that the financial records have been properly maintained, and that the financial statements give a true and fair view of the Company's operations and finances.
- Reviews Interested Person Transactions ("**IPTs**") to ensure that the current procedures for monitoring of IPTs have been complied with and that the IPTs are on normal commercial terms and not prejudicial to the interests of the Company's minority shareholders.

The AC also undertakes:

- Such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC; and
- Such other functions and duties as may be required by statute or the Listing Rules, and by such amendments made thereto from time to time.

M/s Foo Kon Tan LLP ("**FKT**") was appointed as the Group's auditors since 13 July 2020. Mr. Kon Yin Tong has been in charge for the Company's audit engagement sine 13 July 2020. As such, FKT has conducted 4 consecutive audits, namely for the financial year ended 31 May 2020, the 16-month financial period ended 30 September 2021, FY2022 and FY2023. Accordingly, the Company is in compliance with Rule 713(1) of the Listing Manual.

CORPORATE GOVERNANCE REPORT

In performing its functions, the AC also confirms that:

1. the Company has complied with Listing Rule 712 in that FKT is registered with the Accounting and Corporate Regulatory Authority and is satisfied that the resources and experience of FKT, the audit engagement partner and the team assigned to the audit of the Group were adequate to meet their audit obligations, given the size, nature, operations and complexity of the Group.

2. the Company has complied with Listing Rule 715 in relation to the appointment of the same auditing firm based in Singapore to audit the financial statements of the Company, all of its Singapore-incorporated subsidiaries and joint venture; and

3. the Company has complied with Listing Rule 716 in relation to the appointment of the different auditing firms to audit the financial statements of some of the Group's local and overseas subsidiaries and associates the AC, with the concurrence of the Board, is satisfied that the appointment of different auditing firms will not compromise the standard and effectiveness of the audit of the Company. The names of the auditing firms are disclosed in Notes 13 to 14 of the Notes to Financial Statements in the Annual Report.

The AC also conducts regular reviews of the nature, extent and costs of all non-audit services provided by the external auditors to determine if the provision of such services would affect the independence of the external auditors. This is to strike a balance of the maintenance of their objectivity and their ability to provide value-for-money services.

Having reviewed the amount of non-audit related work which comprised tax services rendered to the Group by the external auditor, FKT, the amount of audit and non-audit fees payable to FKT, as disclosed in Note 36 of the Notes to Financial Statements in the Annual Report, the AC was satisfied that the nature and extent of such services provided will not prejudice the independence and objectivity of the external auditor. The AC has accordingly recommended their re-appointment to the Board for shareholders' approval at the 2023 AGM.

The Company has a whistle-blowing policy whereby accessible channels are provided for employees to raise concerns about possible improprieties in matters of financial reporting or other matters. The details of the whistle-blowing policy are made available to all employees at the Company's corporate website at http://www.teeintl.com.

All whistle-blower complaints are to be reported to the AC, the Chairman of the Company (if any) and the CEO and MD either in person, via phone calls, fax, or in writing (letter or email). All whistle-blower complaints would be reviewed by the AC at its quarterly meetings to ensure thorough investigation and adequate follow-up. On an on-going basis to bring awareness of this policy, the whistle-blowing policy is covered during staff's training or periodic communication to all staff. In addition, new staff who joined the Company will also be informed of the availability of such policy which can be downloaded from staff electronic-portal. The AC ensures that all whistle-blower complaints are reviewed thoroughly and satisfactorily dealt with.

The Company will protect employees and vendors who have acted in good faith, from victimisation by their colleagues or employees of the Company. The Company will treat all information received confidentially and protect the identity and the interest of all whistle-blowers.

10.2 *The AC comprises at least three directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent. At least two members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.*

The AC currently comprises three Independent Directors as follows:

Mr. Chin Sek Peng (Chairman)
Mr. Yeo Kian Wee Andy
Prof. Siow Yuen Khong Alex

All the AC members are independent from business and management relationships. The IDs are independent.

One of the members of the AC has sufficient accounting and related financial management expertise. All the members of the AC are suitably qualified to discharge the AC's responsibilities.

In view of the cessation of the previous Independent Director and the Company's current situation, a suitable replacement for an additional Independent Director has not been identified.

The AC also takes measures to keep abreast of the changes to accounting standards and issues which have a direct impact on financial statements, with briefings provided by professionals or external consultants as necessary.

CORPORATE GOVERNANCE REPORT

10.3 *The AC does not comprise former partners or directors of the company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.*

None of the Audit Committee members is a former partner or Director of the Group's existing audit firm.

10.4 *The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the company's documents, records, properties and personnel, including the AC, and has appropriate standing within the company.*

The Company has established and maintains on an ongoing basis, an effective internal audit function that is adequately resourced and independent of the activities it audits. In addition, the Company's external auditors carry out, in the course of their statutory audit, a review of the effectiveness of the internal financial controls to the extent of their scope as laid out in the audit plan. The external auditors, during the conduct of their normal audit procedures, may also report on any matters relating to the internal controls. Any non-compliance or recommendation for improvement will be reported to the AC. The management will follow up on the auditors' recommendations as part of its role in the review of the Company's internal controls systems.

The AC also decides on the appointment, termination and remuneration of the internal auditors. During the periods when the Company had internal auditors, the internal auditors plan their internal audit schedules in consultation with the Management, but remain independent of the Management in its operations. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including the AC and have appropriate standing within the Company. The audit plan is submitted to the AC for approval prior to the commencement of the internal audit.

The Company did not engage any internal auditor for FY2023 due to its current circumstances, the Group's financial position and limited financial resources. Notwithstanding this, to ensure adequacy of the internal audit function, the AC meets on a regular basis to review this function. During FY2023, the AC had reviewed the audit plans and findings of the external auditors which included a review on the accounting and internal controls system of the Group. The AC will ensure that the Group follows up on the external auditors' recommendations, where raised, during the audit process. On this basis, the AC is generally satisfied with the adequacy of the current arrangement and will continue to assess the adequacy and effectiveness of the internal audit function regularly, at least on an annual basis.

10.5 *The AC meets with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually.*

The AC has adequate resources, including independent access to the external consultants and external auditor. During the year, the AC has held separate meetings with the external auditor without the presence of the Company's management to discuss and review, *inter alia*, and the external auditor's reports on reasonableness of the financial reporting process, review of key audit matters, review the adequacy of audit arrangements with particular emphasis on the observation and recommendations of the external auditor, the scope and quality of their audits and the independence and objectivity of the external auditor. Any changes to accounting standards and issues which have a direct impact on the financial statements would be raised by the external auditor and keep the AC members abreast of such changes.

CORPORATE GOVERNANCE REPORT

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

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

Provision	**Corporate Governance Practices of the Company**
11.1	*The company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.* The Board considers it to be crucial that the notices of general meetings are distributed on time to the shareholders prior to such general meetings as the notices set out the agendas that will be discussed, some of which may be of interest to the shareholders. Such notices are contained in annual reports or circulars sent to all shareholders and posted onto the SGXNet and the Company's website. Shareholders are encouraged to attend the general meetings and are provided the opportunity to actively participate and vote at the meetings. The Company ensures that the venue for the meetings is in a central location easily accessed by public transportation. The Company supports active shareholders' participation at AGMs and other general meetings and views such general meetings as important engagement sessions with shareholders. Shareholders who are unable to attend may appoint proxies to attend the general meetings on their behalf if they wish. Shareholders are informed of the rules, including voting procedures that govern the general meetings of shareholders. The Company's Constitution allows a shareholder to appoint up to two (2) proxies to attend and vote on behalf of the shareholders. Relevant intermediaries, as defined in Section 181 of the Companies Act 1967 (the "**Companies Act**"), such as banks, capital market services license holders which provide custodial services for securities and the Central Provident Fund Board, are allowed to appoint more than two (2) proxies to attend, speak and vote at the shareholders' meeting.
11.2	*The company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the company explains the reasons and material implications in the notice of meeting.* The Company does not practice "bundling" of resolutions at general meetings. Each substantial issue is proposed as a separate resolution and full information is provided for each of these items in the agenda for the meetings.
11.3	*All directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the company's annual report.* The Chairman of the meeting presides over the general meetings and is accompanied by fellow Board members, the Chairman of the AC, NC and RC respectively, the company secretary or her representative, as well as other key management. The Company's external auditor, FKT, also attends to address any relevant queries from the shareholders at the general meetings. The attendance of the Directors attending the general meetings in FY2023 is set out in page 60.

CORPORATE GOVERNANCE REPORT

11.4 *The company's Constitution (or other constitutive documents) allow for absentia voting at general meetings of shareholders.*

Pursuant to the Company's Constitution, a poll may be demanded by the Chairman of the general meeting or by at least two (2) members or any member present in person or by proxy representing not less than one-tenth of the total voting rights of all members having the rights to vote at the meeting. For greater transparency in the voting process and to better reflect shareholders' interests, the Company conducts electronic poll voting for all the resolutions proposed at the Company's general meetings. An independent scrutineer is also appointed to validate the vote tabulation procedures. The detailed voting results, including the total number of votes cast for or against each resolution tabled and the respective percentages, will be announced to the SGX-ST via SGXNET on the same day after the conclusion of the meetings.

As the authentication of shareholder identity information and other related security issues still remain a concern, the Group has decided, for the time being, not to implement voting in absentia by mail, email or fax.

11.5 *The company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.*

The minutes of the general meetings are prepared by the Company Secretary, and include substantial comments or queries from shareholders and responses from the Board members and the Company's management. Minutes of a general meeting will be published via the Company's website and SGXNET within one month from the date of the general meeting.

11.6 *The company has a dividend policy and communicates it to shareholders*

The Group does not have a formal dividend policy. The form, frequency, and amount of any proposed dividend will take into consideration the Group's operating results, financial position, committed capital expenditure, working capital requirements and any other relevant considerations the Board deems appropriate.

As the Group incurred losses in FY2023, no dividend has been proposed by the Board for this financial year.

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.

Provisions **Corporate Governance Practices of the Company**

12.1 *The company provides avenues for communication between the Board and all shareholders, and discloses in its annual report the steps taken to solicit and understand the views of shareholders.*

The Company acknowledges the importance of open and fair communication with stakeholders and has taken efforts to maintain a high standard of transparency and is committed to issue announcements of pertinent transactions and price and trade sensitive transactions through SGXNET on a timely basis. The Group also continues to keep shareholders and stakeholders informed of the Group's corporate activities including any changes in the Group or its business that is likely to materially affect the price or value of its shares.

Disclosure of the information by the Company is made on a timely basis through communication channels such as corporate announcements through the SGXNET, the publication of the Annual Report and the holding of the general meetings. All material information is also updated on the Company's corporate website at http://www.teeintl.com, which serves as a one-stop source for shareholders and stakeholders alike. The retail and institutional investors may subscribe to the Company's email alert service, which will allow the subscribers to automatically receive all the announcements or press releases that have been released by the Company via SGXNET. The release of timely information is in line with the Company's corporate governance practices, as it enables potential investors and shareholders alike to make informed investment decisions.

CORPORATE GOVERNANCE REPORT

12.2 *The company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.*

12.3 *The company's investor relations policy sets out the mechanism through which shareholders may contact the company with questions and through which the company may respond to such questions.*

The Company has taken steps to solicit and understand the views of the shareholders by proactively engaging shareholders and investors through face-to-face meetings, email communication, webpage and conference calls.

The Company does not practice selective disclosure of material information. All materials on the quarterly and full-year financial statements, corporate announcements and shareholder reports are issued promptly and within the prescribed periods. Shareholders are informed of shareholders' meetings through published notices and reports or circulars sent to all shareholders. The notice of general meetings is also published in a major local newspaper and announced via SGXNET to the shareholders. The Annual Report is also available to all shareholders on the Company's corporate website or upon request. The Group has an investor relations ("**IR**") department to manage communications with all stakeholders, as well as to attend to and ensure their queries and concerns are promptly addressed by the relevant key management. TEE is committed to delivering timely, transparent, and consistent disclosures to its shareholders, the financial community and the public. The Company's IR function falls under the TEE's corporate office, and is led by the IR and Communications department.

MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

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

Provision **Corporate Governance Practices of the Company**

13.1 *The company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.*

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served. The Company has adopted a Code of Conduct, which establishes processes and actions to be taken in the event of any reportable conduct and establishes the business conduct expected of all employees as well as the Company's stance to avoid conflict of interests with stakeholders.

13.2 *The company discloses in its annual report its strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.*

13.3 *The company maintains a current corporate website to communicate and engage with stakeholders.*

In order to create sustainable value for stakeholders and to address sustainability challenges and opportunities which the Company may face, the Company regularly engages with various stakeholders, including employees, suppliers, customers and the regulators and shareholders to gather feedback on the concerns and expectations most important to them. The information on the Company's arrangements to identify and engage with its material stakeholder groups and to manage its relationships with such groups, and the Company's strategy and key areas of focus in relation to the management of stakeholder relationships during FY2023 will also be set out in the Company's Annual Report and Sustainability Report. The Company also maintains its corporate website which may be accessed by stakeholders at: https://www.teeintl.com/.

CORPORATE GOVERNANCE REPORT

DEALING IN SECURITIES

In line with Rule 1207(19) of the Listing Manual of SGX-ST, the Company has adopted its own internal securities trading policy (compliance code), with regards to dealing in the Company's securities. The Company Directors, Company's management and officers of the Group who have access to price-sensitive, financial or confidential information are prohibited from dealing in the Company's securities during the period commencing two (2) weeks before the announcement of the Company's results for each of the first three quarters of its financial year and one (1) month before the announcement of the Company's full-year results and ending on the day of the announcement, or when they are in possession of unpublished price-sensitive information on the Group.

They are also advised to observe insider-trading laws at all times even when dealing in securities within the permitted trading period. In addition, they are discouraged from dealing in the Company's securities on short-term considerations.

When the Company is involved in any major corporate exercise such as investment or divestment that could be price-sensitive in relation to the Company's securities, Directors, Company's management and officers of the Group involved are advised not to deal in the Company's securities.

The Company has adhered to its policy for securities transactions for FY2023.

MATERIAL CONTRACTS

Other than as disclosed under Interested Person Transactions or via SGXNET, if any, pursuant to Rule 1207(8) of the Listing Manual of the SGX-ST, no material contract involving the interests of the CEO and MD, or any Director or controlling shareholder has been entered into by the Company or its subsidiaries since the end of the previous financial year and no such contract subsisted at the end of the financial year under review.

INTERESTED PERSON TRANSACTIONS

The Group has in consultation with the IA and AC, enhanced and strengthened its Related Party Transactions ("**RPT**") and IPT policy in respect of any transactions with related parties and interested persons. The enhanced RPT and IPT policy serves as a guide to ensure that (i) all RPTs / IPTs are conducted in a manner that will protect the Group from any conflict of interest which may arise between the Group and its Related Party / Interested Person as defined in the SGX Listing Manual and the Companies Act; and (ii) there is proper oversight, approvals and disclosure of transactions between the Company and any of its Related Parties as defined in the Listing Manual of the SGX-St and Singapore Financial Reporting Standards ("**FRS**"). The requirements and disclosures of RPT and IPT, which are governed by Chapter 9 of the Listing Manual of the SGX-ST, FRS 24 and Sections 162 and 163 of the Companies Act are clearly set out in the RPT and IPT policy.

The Group's RPT and IPT policy requires all such transactions with related parties and interested persons to be at arm's length, that the transactions are not prejudicial to the interests of the shareholders and are reviewed by the AC during the quarterly and full year meetings. The Board of Directors provides oversight for the RPT and IPT policy and it is subjected to review by the AC, as appropriate, to ensure the effectiveness of the policy. The AC will discuss any revision that may be required, and recommend any such revision to the Board for consideration and approval.

CORPORATE GOVERNANCE REPORT

The following disclosures have been made in compliance with Rule 907 of the Listing Manual of SGX-ST. The aggregate values of all interested person transactions during the financial year (excluding transactions less than S$100,000) in FY2023 are as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) S$'000
	S$'000	S$'000
Tramore Global Limited [1]	Nil [2]	Nil

[1] Tramore Global Limited ("**TGL**") is a controlling shareholder of the Company, holding direct interest of 53.39% of the issued share capital of the Company.

[2] Under Rule 909(3) of the Listing Rule, in the case of borrowing funds from an interested person, the value of transaction is interest payable on the borrowing. The loan granted by TGL to the Company is an unsecured interest-free loan, hence the aggregate value of the transactions is Nil.

The AC confirms that the said transactions were within the threshold limits set out under Chapter 9 of the Listing Manual of the SGX-ST and no announcement or shareholders' approval was, therefore, required. The transactions have been conducted on an arm's length basis.

INFORMATION ON DIRECTORS NOMINATED AND RE-ELECTED

Name of Director	**Mr. Yeo Kian Wee Andy**	**Mr. Chin Sek Peng Michael**	**Mr. Zheng Le**
Date of Appointment	29 December 2020	27 November 2023	20 December 2023
Date of last re-appointment (if applicable)	NA	NA	NA
Age	52	67	40
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr. Yeo Kian Wee Andy as the Independent Non-Executive Chairman was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr. Yeo Kian Wee Andy's qualifications, expertise, past experiences. Mr. Yeo Kian Wee Andy is considered independent for the purpose of Rule 704(8) of the Listing Manual.	The Board has, taking into account Mr. Chin Sek Peng's qualifications working experience and ability to contribute to the Company and on the recommendation of the Nominating Committee, reviewed and approved the appointment of Mr. Chin Sek Peng as an Independent Director. Mr. Chin Sek Peng is considered independent for the purpose of Rule 704(8) of the Listing Manual.	The Nominating Committee of the Company, having reviewed and considered Mr. Zheng Le's qualifications and work experience, are of the view that Mr. Zheng Le possesses the requisite experience and capabilities to assume the responsibilities as the Deputy Chief Executive Officer and Executive Director of the Company. Accordingly, the Nominating Committee has recommended, and the Board has approved, the appointment of Mr. Zheng Le as Deputy Chief Executive Officer and Executive Director.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	The appointment is executive. Mr. Zheng Le is responsible for collaborating with the Chief Executive Officer and Management to formulate and execute strategic plans for the Group. Mr. Zheng Le will play a key role in the Company's restructuring initiative, focusing on improving operational efficiency and optimising resource allocation. Additionally, Mr. Zheng Le will take the lead in corporate development initiatives to identify and pursue new business opportunities for the Company.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Chairman Chairman of Nominating Committee Member of Audit Committee Member of Remuneration Committee	Independent Director Chairman of Audit Committee Member of Nominating Committee Member of Remuneration Committee	Deputy Chief Executive Officer and Executive Director

INFORMATION ON DIRECTORS NOMINATED AND RE-ELECTED

Name of Director	**Mr. Yeo Kian Wee Andy**	**Mr. Chin Sek Peng Michael**	**Mr. Zheng Le**
Professional qualifications	Advocate and Solicitor, Supreme Court of Singapore (2000) Non-practising Solicitor, Law Society of England & Wales (2010) Accredited International Mediator, International Panel (2015) Thailand Arbitration Centre	Bachelor of Arts (Honours) degree in Accounting and Finance from Lancaster University in the United Kingdom Fellow Chartered Accountant of Singapore Fellow Member of the Institute of Chartered Accountants in England and Wales.	Bachelor in Plant Pathology - China Agricultural University, China Master in Taxation - Bournemouth University, UK
Working experience and occupation(s) during the past 10 years	June 2019 to Present - Partner of Eldan Law LLP January 2006 to June 2019 - Partner of Allen & Gledhill LLP	Mr. Chin Sek Peng is currently the Founder and consultant to PKF Singapore. He was formerly the Managing Partner of PKF-CAP group of entities including PKF-CAP LLP, a firm of chartered accountants based in Singapore from 2017 to 2020 and thereafter he was appointed the Executive Chairman from 2021 to 2023. He was formerly a Board member of PKF International Asia Pacific region and the Chairman of the ASEAN sub-region from 2019 to 2021.	Mr. Zheng Le is the managing director of a Singapore investment company Meta5 Pte. Ltd.. He is also the director and founding CEO of Impunity Esports Pte. Ltd. ("Impunity Esports"), a regional esports and entertainment start-up company. Before founding Impunity Esports, Mr. Zheng Le worked at a local investment company Orientivity Capital Pte. Ltd. as managing director since 2015. Prior to that, Mr. Zheng Le was an executive director and fund manager at 3V SourceOne Capital Pte. Ltd., a Singapore-based Registered Fund Management Company (RFMC) during 2011-2015.
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	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/No)	Yes	Yes	Yes
Name of Director	**Mr. Yeo Kian Wee Andy**	**Mr. Chin Sek Peng Michael**	**Mr. Zheng Le**

INFORMATION ON DIRECTORS NOMINATED AND RE-ELECTED

Other Principal Commitments* Including Directorships# * "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)			
Past (for the last 5 years)	1. Allen & Gledhill LLP 2. Law Society of Singapore Inquiry Panel	1. Amcorp Global Limited 2. Sitra Holdings (International) Limited 3. Singapore Women's & Children's Medical Group Ltd	Nil
Present	1. The Necessary Stage Ltd 2. LY Corporation Limited (SGX CATALIST) 3. Nexty IO (ICO Company) 4. Gossama IO (ICO Company) 5. Eldan Law LLP 6. Fintex Pte. Ltd. 7. Jadefx Pte. Ltd. 8. TEE International Limited	1. C&L Business Advisers Pte. Ltd. 2. Sunpower Group Ltd. 3. Cortina Holdings Limited 4. TEE International Limited	1. Impunity Esports Pte. Ltd. 2. Meta5 Pte. Ltd. 3. TEE International Limited

INFORMATION ON DIRECTORS NOMINATED AND RE-ELECTED

Name of Director	**Mr. Yeo Kian Wee Andy**	**Mr. Chin Sek Peng Michael**	**Mr. Zheng Le**
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(e) Whether he has ever been convicted of any offence in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No

INFORMATION ON DIRECTORS NOMINATED AND RE-ELECTED

Name of Director	**Mr. Yeo Kian Wee Andy**	**Mr. Chin Sek Peng Michael**	**Mr. Zheng Le**
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-	No	No	No
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No

INFORMATION ON DIRECTORS NOMINATED AND RE-ELECTED

Name of Director	**Mr. Yeo Kian Wee Andy**	**Mr. Chin Sek Peng Michael**	**Mr. Zheng Le**
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No
Any prior experience as a director of an issuer listed on the Exchange?	Yes	Yes	No. Mr Zheng Le will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange in the first half of 2024.

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

DIRECTORS' STATEMENT

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

The ability of the Group and the Company to continue in operation in the foreseeable future and to meet their financial obligations as and when they fall due is dependent on the matters set out in Note 1(c) to the financial statements.

The directors consider that different possibilities regarding the future exist and that the differing outcomes can cause the financial position as at 30 September 2023, together with the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 September 2023, to be very different from what is currently presented in the financial statements. The directors also consider that there are no practical means available to resolve such difficulties, due to the effect of the differing outcomes, in the preparation of these financial statements. Accordingly, the directors are of the opinion that, notwithstanding these difficulties, the preparation of these financial statements on a going concern basis provides sufficient information to serve the interests of shareholders and other stakeholders who may use these financial statements. Further details on the basis of preparation of these financial statements are set out in Note 2 to the financial statements.

In the opinion of the directors:

(a) having regard to and taking into consideration the matters disclosed in the financial statements, in particular Note 1(c) to the financial statements, the consolidated financial statements of the Group and statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2023 and the financial performance, changes in equity and cash flows of the Group for the financial year then ended in accordance with the provisions of the Singapore Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, subject to the matters referred to in Note 1(c) to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1 DIRECTORS

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

Mr. Yeo Kian Wee Andy
Mr. Phua Cher Chuan
Prof. Siow Yuen Khong Alex
Mr. Chin Sek Peng (Appointed on 27 November 2023)
Mr. Zheng Le (Appointed on 20 December 2023)

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

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

DIRECTORS' STATEMENT

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

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

	Shareholdings registered in name of directors			**Shareholdings in which directors are deemed to have interests**		
Name of directors and company in which interests are held	**At 1.10.2022**	**At 30.9.2023**	**At 21.10.2023**	**At 1.10.2022**	**At 30.9.2023**	**At 21.10.2023**
The Company			Ordinary shares			
Mr. Phua Cher Chuan	3,864	3,864	3,864	–	–	–

4 SHARE OPTIONS

(a) *Options to take up unissued shares*

During the financial year, no option was granted to take up unissued shares of the Company or any corporation in the Group.

(b) *Options exercised*

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

(c) *Unissued shares under options*

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

5 AUDIT COMMITTEE

The Audit Committee of the Company consisting of all independent directors, was chaired by Mr. Hoon Chee Wai (resigned on 30 November 2022), Mr. Chan Kam Loon (resigned on 26 September 2023) and Mr. Chin Sek Peng (appointed on 27 November 2023), and includes Mr. Yeo Kian Wee Andy and Prof. Siow Yuen Khong Alex, both of whom are independent directors.

The Audit Committee reviews the Group's internal controls on behalf of the Board of Directors and performs the functions specified in Section 201B of the Act.

The number of Audit Committee Meetings held is disclosed in Corporate Governance Report and the Audit Committee performed, inter alia, the following functions:

(a) reviewed the overall scope of work of the external auditor and the assistance and co-operation accorded to them by management;

(b) reviewed the results of the external auditor's examination of the consolidated financial statements of the Group and the statement of financial position of the Company and evaluation of the Group's system of internal accounting controls;

DIRECTORS' STATEMENT

5 AUDIT COMMITTEE (CONT'D)

(c) reviewed the announcements of results as well as related press releases of the Group;

(d) reviewed the effectiveness and adequacy of the internal control policies and procedures in addressing the financial, operational and compliance risks of the Group including recommendations from external auditor on improving the internal controls of the Company and the Group;

(e) considered and recommended the appointment or re-appointment of the external auditor;

(f) reviewed the independence and objectivity of the external auditor where non-audit services are provided by them;

(g) met with the external auditor without the presence of management;

(h) reviewed interested person transactions; and

(i) reviewed any potential conflict of interest.

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

6 INDEPENDENT AUDITOR

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

ON BEHALF OF THE DIRECTORS

....
Mr. Phua Cher Chuan

....
Mr. Yeo Kian Wee Andy

Dated: 9 January 2024

INDEPENDENT AUDITOR'S REPORT

to the Members of TEE International Limited

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying financial statements of TEE International 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 30 September 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Disclaimer of Opinion

A. Opening balances as at 1 October 2022

We expressed a disclaimer of opinion in our independent auditor's report dated 13 January 2023 in respect of the financial statements for the financial year ended 30 September 2022 ("FY2022"). The matters contributing to the modification to our audit report for FY2022 include limitation of scope on opening balances, insufficient information to complete the audit of the consolidated financial statements of the Group, completeness of liabilities, and appropriateness of the going concern assumption.

We are still unable to obtain sufficient appropriate information to determine whether any adjustments might be necessary to the amounts and disclosures shown in FY2022 financial statements, including the closing balances as at 30 September 2022, as well as opening balances as at 1 October 2022.

As the opening balances as at 1 October 2022 form the basis of determining the financial performance, changes in equity and cash flows of the Group for the financial year ended 30 September 2023 ("FY2023"), we are unable to determine whether adjustments are required to FY2023 financial statements.

Our opinion on the FY2023 financial statements is also modified because of the possible effect of the comparability of the FY2023 financial statements and the FY2022 financial statements.

B. Insufficient information to complete the audit of the consolidated financial statements of the Group

(i) The profit or loss for the period from 1 October 2022 to 19 February 2023 of a significant subsidiary, PBT Engineering Pte. Ltd. ("PBT Engineering"), was not audited as the said subsidiary was disposed of on 20 February 2023 as disclosed in Note 41 to the financial statements.

Management was also unable to provide sufficient information for us to complete the audit on certain financial statements' captions of PBT Engineering for FY2022 and we are unable to determine whether adjustments are required to the financial information of PBT Engineering that have been incorporated into the Group's financial statements for both FY2022 and FY2023. Accordingly, we are unable to obtain sufficient appropriate audit evidence over the components accumulated and contributing to the $1,449,000 loss for the year attributable to discontinued operations, including whether the loss on disposal of PBT Engineering of $1,982,000 included in loss for the year from discontinued operations is appropriately stated.

(ii) The Group's investment in PowerSource Philippines Distributed Power Holdings, Inc. ("Powersource"), a foreign associate accounted for by the equity method, is carried at $5,273,000 on the consolidated statement of financial position as at 30 September 2023, and the Group's share of Powersource's net income of $578,000 is included in the Group's loss for the year then ended. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the Group's investment in Powersource as at 30 September 2023 and the Group's share of Powersource's net income for the year as the audit of the component is ongoing. Accordingly, we were unable to determine whether any adjustments of these amount were necessary.

INDEPENDENT AUDITOR'S REPORT

to the Members of TEE International Limited

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

Basis for Disclaimer of Opinion (Cont'd)

C. Completeness of liabilities including contingent liabilities

Various claims had been made in the prior years and additional claims and adjustments have been made in the current year for the Company as the Company had provided corporate guarantees for liquidated damages, defects, and/or under guarantees for the performance of contracts and/or guarantees for performance bonds issued by financial institutions in respect of contracts of former subsidiaries in the Engineering & Construction segment. A number of these contracts are ongoing.

The Company is undergoing a Scheme of Arrangement with its unsecured creditors, including contingent creditors for claims mentioned above. This Scheme of Arrangement has not been completed. We are unable to obtain sufficient appropriate information on the completeness of claims against the Company.

D. Appropriateness of going concern assumption

Note 1(c) to the financial statements and the factors below indicate the existence of material uncertainties which may cast significant doubt about the Group's and the Company's ability to continue as going concerns.

- The Group incurred a net loss of $257,000 from continuing operations for FY2023.

- The Group's and the Company's total liabilities exceeded their total assets by $138,814,000 and $155,267,000, respectively, as at 30 September 2023. The Group's and the Company's current liabilities exceeded their current assets by $155,604,000 and $155,284,000, respectively, as at 30 September 2023.

- The Company is undergoing a Scheme of Arrangement with a majority of its creditors, the outcome of which, including the subsequent discharge of amounts owing to creditors and contingent creditors, cannot be determined with reasonable certainty.

The Group's and the Company's ability to continue as going concerns is dependent mainly on the successful implementation of the restructuring plan and successful outcome of the Scheme of Arrangement, the ability to secure financing as and when required, the profitability of future operations, and the continuing support of banks, suppliers, and other parties, and/or an injection of capital or business by a white knight.

Given the multiple uncertainties above, we are not able to determine if the going concern basis of preparation of these financial statements is appropriate. We are also unable to determine the adjustments that may be necessary because of these uncertainties as highlighted above.

INDEPENDENT AUDITOR'S REPORT
to the Members of TEE International Limited

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Mr Kon Yin Tong.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 9 January 2024

STATEMENTS OF FINANCIAL POSITION

30 September 2023

	Note	Group		Company	
		30 September 2023	30 September 2022	**30 September 2023**	30 September 2022
		$'000	$'000	**$'000**	$'000
ASSETS					
Current assets					
Cash and bank balances	6	**4,957**	5,967	**25**	280
Fixed deposits	7	**8,012**	6,038	**–**	–
Trade receivables	8	**4,888**	4,304	**–**	–
Other receivables	9	**1,289**	1,473	**8,446**	11,960
Inventories	10	**48**	45	**–**	–
Contract assets	11	**333**	267	**–**	–
		19,527	18,094	**8,471**	12,240
Non-current assets held for sale	12	**–**	14,212	**–**	18
Total current assets		**19,527**	32,306	**8,471**	12,258
Non-current assets					
Other receivables	9	**147**	157	**–**	–
Investment in associate	13	**5,273**	4,927	**–**	–
Investment in subsidiaries	14	**–**	–	**–**	3,957
Intangible asset	15	**–**	–	**–**	–
Property, plant and equipment	16	**22,546**	24,278	**17**	82
Investment properties	17	**–**	–	**–**	–
Deferred tax assets	18	**396**	447	**–**	–
Total non-current assets		**28,362**	29,809	**17**	4,039
Total assets		**47,889**	62,115	**8,488**	16,297
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables	19	**1,694**	1,717	**152**	79
Other payables	20	**69,690**	44,995	**61,696**	63,373
Contract liabilities	21	**1**	2	**–**	–
Provisions	22	**1,614**	489	**1,108**	–
Current portion of lease liabilities	23	**374**	510	**17**	65
Current portion of long-term borrowings	24	**735**	651	**–**	–
Financial guarantee liabilities	25	**100,439**	98,617	**100,439**	98,617
Income tax payable		**584**	704	**343**	559
		175,131	147,685	**163,755**	162,693
Liabilities associated with non-current assets held for sale	12	**–**	39,125	**–**	–
Total current liabilities		**175,131**	186,810	**163,755**	162,693
Non-current liabilities					
Lease liabilities	23	**1,854**	2,160	**–**	17
Long-term borrowings	24	**9,486**	10,087	**–**	–
Deferred tax liabilities	18	**232**	103	**–**	–
Total non-current liabilities		**11,572**	12,350	**–**	17
Capital, reserves and non-controlling interests					
Share capital	26	**73,194**	73,194	**73,194**	73,194
Treasury shares	27	**(269)**	(269)	**(269)**	(269)
Currency translation reserve	28	**(907)**	(844)	**–**	–
Capital reserve	29	**–**	–	**(274)**	(274)
Accumulated losses		**(211,997)**	(209,391)	**(227,918)**	(219,064)
Equity attributable to owners of the Company		**(139,979)**	(137,310)	**(155,267)**	(146,413)
Non-controlling interests		**1,165**	265	**–**	–
Net equity		**(138,814)**	(137,045)	**(155,267)**	(146,413)
Total liabilities and equity		**47,889**	62,115	**8,488**	16,297

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 September 2023

Group	Note	**Year ended 30 September 2023 $'000**	Year ended 30 September 2022 $'000
Continuing operations			
Revenue	30	**29,152**	30,413
Cost of sales		**(24,614)**	(24,849)
Gross profit		**4,538**	5,564
Gain on de-recognition of a subsidiary upon loss of control	40	**5,685**	–
Other operating income	31	**1,050**	918
Administrative expenses		**(7,396)**	(6,164)
Other operating expenses	32	**(3,387)**	(23,866)
Share of results of associate	13	**578**	380
Finance costs	33	**(840)**	(1,250)
Impairment loss on financial assets	36	**(322)**	(181)
Impairment loss on financial assets written back	36	**171**	–
Profit/(loss) before tax		**77**	(24,599)
Income tax (expense)/credit	34	**(334)**	232
Loss for the year from continuing operations		**(257)**	(24,367)
(Loss)/profit for the year from discontinued operations, net of tax	35	**(1,449)**	68,838
(Loss)/profit for the year	36	**(1,706)**	44,471
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation differences		**–**	303
Foreign currency translation differences of associate		**(63)**	(454)
Foreign currency translation differences realised on de-recognition of subsidiaries upon loss of control recycled to profit or loss		**–**	(1,083)
Other comprehensive loss for the year, at nil tax		**(63)**	(1,234)
Total comprehensive (loss)/income for the year		**(1,769)**	43,237
(Loss)/profit attributable to:			
Owners of the Company			
Loss from continuing operations, net of tax		**(1,157)**	(25,413)
(Loss)/profit from discontinued operations, net of tax		**(1,449)**	69,101
		(2,606)	43,688
Non-controlling interests			
Income from continuing operations, net of tax		**900**	1,046
Loss from discontinued operations, net of tax		**–**	(263)
		900	783
(Loss)/profit for the year		**(1,706)**	44,471
Total comprehensive (loss)/income attributable to:			
Owners of the Company		**(2,669)**	42,449
Non-controlling interests		**900**	788
		(1,769)	43,237
(Loss)/profit per share			
From continuing and discontinued operations			
- Basic (cents)	37	**(0.40)**	6.75
- Diluted (cents)	37	**(0.40)**	6.75
From continuing operations			
- Basic (cents)	37	**(0.18)**	(3.93)
- Diluted (cents)	37	**(0.18)**	(3.93)
From discontinued operations			
- Basic (cents)	37	**(0.22)**	10.68
- Diluted (cents)	37	**(0.22)**	10.68

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 30 September 2023

	Attributable to equity owners of the Company						
	Share capital	Treasury shares	Currency translation reserve	Accumulated losses	Equity attributable to Owners of the Company	Non-controlling interests	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 October 2021	73,194	(269)	395	(253,079)	(179,759)	(1,518)	(181,277)
Total comprehensive (loss)/income for the year:							
Income for the year	–	–	–	43,688	43,688	783	44,471
Foreign currency translation differences	–	–	298	–	298	5	303
Foreign currency translation differences of associate	–	–	(454)	–	(454)	–	(454)
Foreign currency translation differences realised on de-recognition of subsidiaries upon loss of control recycled to profit or loss	–	–	(1,083)	–	(1,083)	–	(1,083)
Other comprehensive (loss)/income for the year	–	–	(1,239)	–	(1,239)	5	(1,234)
Total comprehensive (loss)/income for the year	–	–	(1,239)	43,688	42,449	788	43,237
De-recognition of subsidiaries upon loss of control (Note 40)	–	–	–	–	–	995	995
Balance at 30 September 2022	73,194	(269)	(844)	(209,391)	(137,310)	265	(137,045)

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

Year ended 30 September 2023

	Attributable to equity owners of the Company						
	Share capital	Treasury shares	Currency translation reserve	Accumulated losses	Equity attributable to Owners of the Company	Non-controlling interests	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 October 2022	73,194	(269)	(844)	(209,391)	(137,310)	265	(137,045)
Total comprehensive (loss)/income for the year:							
(Loss)/income for the year	–	–	–	(2,606)	(2,606)	900	(1,706)
Foreign currency translation differences of associate	–	–	(63)	–	(63)	–	(63)
Other comprehensive loss for the year	–	–	(63)	–	(63)	–	(63)
Total comprehensive (loss)/income for the year	–	–	(63)	(2,606)	(2,669)	900	(1,769)
Balance at 30 September 2023	73,194	(269)	(907)	(211,997)	(139,979)	1,165	(138,814)

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 30 September 2023

Group	Note	**Year ended 30 September 2023 $'000**	Year ended 30 September 2022 $'000
Operating activities			
Profit/(loss) before tax from continuing operations		**77**	(24,599)
(Loss)/profit before tax from discontinued operations	35	**(1,449)**	68,802
Adjustments for:			
Share of results of associate	13	**(578)**	(380)
Provision for restructuring costs	22	**1,108**	–
Depreciation of property, plant and equipment	36	**2,369**	2,529
Allowance for doubtful trade receivables	36	**274**	74
Allowance for doubtful other receivables	36	**48**	17,786
Allowance for doubtful trade receivables written back	36	**(171)**	–
Allowance for impairment loss on contract assets	36	**–**	4,824
Amortisation of deferred commission expenses	36	**9**	9
Changes in fair value of investment properties	32	**–**	820
Changes in fair value of non-current assets held for sale	32	**–**	115
Gain on pretermination of lease	31	**–**	(15)
Gain on disposal of non-current assets held for sale	31	**–**	(9)
Gain on disposal of property, plant and equipment	31	**(55)**	(153)
Gain on de-recognition of subsidiaries upon loss of control	36	**(5,685)**	(90,442)
Loss on disposal of a subsidiary	36	**1,982**	–
Loss on disposal of financial assets at FVTOCI	32	**–**	22
Impairment loss on property, plant and equipment	32	**225**	84
Contract assets written back	36	**–**	(18)
Due from former subsidiaries written off	32	**2,984**	23,621
Property, plant and equipment written off	32	**5**	22
Financial guarantee liabilities adjustments	36	**(514)**	–
Provision for maintenance costs written back	36	**–**	(229)
Trade receivables written off	32	**12**	–
Other receivables written off	32	**166**	8
Other payables written back	31	**(253)**	–
Guarantee fee		**100**	–
Unrealised currency translation loss		**–**	189
Interest income	31	**(124)**	(26)
Interest expense	33	**844**	1,733
Operating cash flows before movements in working capital		**1,374**	4,767
Trade receivables		**(504)**	6,635
Other receivables		**(505)**	933
Inventories		**(3)**	42
Contract assets		**1,352**	5,285
Trade payables		**(1,034)**	(3,746)
Other payables		**290**	(684)
Contract liabilities		**232**	1,035
Utilisation of provision for maintenance costs		**(10)**	(523)
Utilisation of provision for onerous contracts		**(71)**	(962)
Cash generated from operations		**1,121**	12,782
Income tax paid		**(274)**	(123)
Net cash generated from operating activities		**847**	12,659

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

Year ended 30 September 2023

Group	Note	**Year ended 30 September 2023**	Year ended 30 September 2022
		$'000	$'000
Investing activities			
Placement of fixed deposits		**(470)**	(3,030)
Proceeds on disposal of property, plant and equipment		**123**	221
Purchase of property, plant and equipment	A	**(905)**	(618)
Deposit for acquisition of leasehold property		**(100)**	–
Net proceeds from disposal of non-current assets held for sale		**–**	17,637
Net cash outflow from the disposal of a subsidiary	41	**(1,410)**	–
Net cash outflow on de-recognition of subsidiaries upon loss of control	40	**–**	(1,361)
Expenses paid on behalf of a former subsidiary		**(12)**	–
Repayment of advances by directors of subsidiaries		**13**	141
Repayment for payable for acquisition of subsidiary		**–**	(38)
Repayment of finance lease receivables		**10**	10
Dividend received from associate	13	**169**	–
Interest received		**121**	26
Net cash (used in)/generated from investing activities		**(2,461)**	12,988
Financing activities			
Repayment of bank loans		**–**	(2,677)
Repayment of long-term borrowings		**(517)**	(18,446)
Repayment to former immediate holding company of a subsidiary		**–**	(168)
Repayment of loan to former intermediate holding company of a subsidiary		**–**	(1,744)
Repayment of amounts due to former subsidiary		**–**	(1,230)
(Increase)/decrease in fixed deposits pledged	7	**(492)**	1,432
Repayment of principal portion of lease liabilities		**(484)**	(897)
Decrease in amount due from former immediate holding company of a subsidiary	24	**534**	–
Loan from director and investor of a subsidiary classified as held for sale		**–**	300
Loan from Subscriber		**1,800**	–
Loan from a related party		**200**	–
Loan from third parties		**50**	100
Payment to former immediate holding company of a subsidiary	24	**–**	(678)
Interest paid		**(568)**	(1,632)
Net cash generated from/(used in) financing activities		**523**	(25,640)
Net (decrease)/increase in cash and cash equivalents		**(1,091)**	7
Cash and cash equivalents at beginning of year		**7,060**	7,053
Cash and cash equivalents at end of year	6	**5,969**	7,060

Note A

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of $1,032,000 (2022 - $1,889,000) of which $17,000 (2022 - $Nil) was included in disposal group, $Nil (2022 - $475,000) related to provision for restoration costs and $127,000 (2022 - $796,000) was acquired/remeasured under lease arrangements. The cash outflow on acquisition of property, plant and equipment amounted to $905,000 (2022 - $618,000).

See accompanying notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

1 GENERAL

(a) The Company (Registration No. 200007107D) is incorporated in Singapore with its principal place of business and registered office at 25 Bukit Batok Street 22, TEE Building, Singapore 659591. The Company is listed on the Singapore Exchange Securities Trading Limited. The financial statements are expressed in Singapore dollars.

The Company's immediate and ultimate holding company is Tramore Global Limited, a company incorporated in British Virgin Islands.

(b) The principal activities of the Company are investment holding and property investment and development. The principal activities of its associate and subsidiaries are disclosed in Notes 13 and 14, respectively.

(c) As at 30 September 2023, the Group's and the Company's current liabilities exceeded their current assets by $155,604,000 (2022 - $154,504,000) and $155,284,000 (2022 - $150,435,000), respectively. At the Group level, the current liabilities are mainly due to payables to former subsidiaries, loans from shareholder, non-controlling interest and Subscriber, and provision for corporate guarantees issued to counterparties for performance bonds and claims made against certain former subsidiaries. While at the Company level, the net current liabilities are due mainly to payables to certain subsidiaries and former subsidiaries, and provision for corporate guarantees issued to counterparties for performance bonds and claims made against certain former subsidiaries.

<u>Proposed Restructuring Exercise</u>

On 15 July 2021, the Company announced the appointment of RSM Corporate Advisory Pte. Ltd. ("RSM") as financial consultant in June 2021, to, inter alia, undertake a review of the Group's businesses and assist to formulate restructuring plans to improve the financial position and/or performance of the Group.

Following the completion of RSM's review and their proposed restructuring plan to the Company, on 7 August 2021, the Company announced that it intends to propose a scheme of arrangement between the Company and its creditors. The Company has accordingly filed an application in the General Division of the High Court of the Republic of Singapore for a moratorium under Section 64 of the Insolvency, Restructuring and Dissolution Act 2018 (No. 40 of 2018) (the "IRDA") on 6 August 2021 (the "Application"). In addition, the Company's wholly-owned subsidiaries PBT Engineering Pte Ltd ("PBT Engineering", now known as Tracebuild Pte Ltd), Trans Equatorial Engineering Pte Ltd ("Trans Equatorial"), TEE Infrastructure Private Limited ("TEE Infra") and TEE E&C (Malaysia) Sdn Bhd ("TEE E&C (M)"), together with the Company (the "Applicants") have also filed applications under Section 65 of the IRDA on 6 August 2021 respectively in support of the Company's proposed restructuring. The moratorium orders are being sought to preserve the assets of the Group pending the formulation of a holistic restructuring plan. Announcements on material developments in this regard were made subsequently.

On 21 September 2022, the Company, together with TEE Infra, filed an extension of the Moratoria under Section 64(7) and/or Section 65(5) of the IRDA (the "Extension Applications") and the Court has granted orders in terms of the Extension Applications for moratoria relief for the Company and TEE Infra up to 31 December 2022.

Entry into Conditional Subscription Agreement and Loan Agreement with Meta5 Pte. Ltd.

On 18 August 2022, the Company entered into a conditional subscription agreement (the "Subscription Agreement") with Meta5 Pte. Ltd. (the "Subscriber")(the parties to the Subscription Agreement, collectively, as the "Parties") in relation to the following:

(a) Subscription by the Subscriber of $7.5 million in new ordinary shares in the Company; and

(b) Subscription by the Subscriber of $7.5 million in principal amount (the "Option Amount") of unlisted and non-transferable share options (the "Options"), with each Option carrying the right to subscribe for one (1) new ordinary share (the "Option Share") in the Company per Option.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

1 GENERAL (CONT'D)

Proposed Restructuring Exercise (Cont'd)

Entry into Conditional Subscription Agreement and Loan Agreement with Meta5 Pte. Ltd. (Cont'd)

Furthermore, the Company is also proposing a right issue to raise $3.5 million, bringing the total of equity fund to $18.5 million to be raised. The completion is subject to the fulfilment (or waiver) of the conditions precedent as defined in the Subscription Agreement. The Company will make further announcement should there be material development.

On 20 January 2023, the Company entered into the following agreements with the Subscriber in relation of the following:

(a) A loan agreement (the "Loan Agreement") for a term loan of up to $1.8 million (the "Loan") to mainly fund the costs and expenses incurred for the restructuring exercise of the Group as well as operating expenses of the Group; and

(b) A supplemental agreement to the Subscription Agreement to extend the Longstop Date to 18 August 2023 (where both parties may mutually agree to extend by another two (2) months, pending on the progress of the restructuring exercise.

Further on 6 October 2023, the Company entered into a second supplemental agreement to the Subscription Agreement (the "Second Supplemental Agreement") with the Subscriber to extend the Longstop Date to 31 March 2024 (whereby the Longstop Date shall be further extended by another six (6) months) if the Company is still in the progress of fulfilling the conditions precedent as set out in the Subscription Agreement.

On 31 October 2023, the Company also entered into a supplemental loan agreement to the Loan Agreement (the "Supplemental Loan Agreement"). Pursuant to the Supplemental Loan Agreement, the Subscriber agreed to extend a further principal amount up to $2.0 million to the Company (the "Further Loans"), amounting to the sum of up to $3.8 million cumulatively.

Disposal and Scheme of Arrangement of PBT Engineering

On 2 August 2022, the Company entered into a sale and purchase agreement (the "SPA") with Chia Yoke Heng ("Mr Chia") and ADS Builders (1988) Pte. Ltd. ("ADS") (Mr Chia and ADS collectively, the "Purchasers"), to sell to the Purchasers 100% of the issued and paid-up share capital of PBT Engineering for a consideration of $18,000 (the "Consideration") (the "Disposal"). The Disposal was completed on 20 February 2023 and accordingly, PBT Engineering is no longer a subsidiary of the Company.

Separately, PBT Engineering is also undertaking a separate scheme of arrangement (the "PBT Scheme") with its creditors for, inter alia, the restructuring of PBT Engineering's debts. On 10 February 2023, the Company updated that the Scheme Meeting with its creditors was held and the PBT Scheme was approved by a majority of the Creditors presented at the said meeting.

Trans Equatorial and TEE E&C (M)

Trans Equatorial was placed under creditors' voluntary liquidation (the "CVL") on 12 January 2022 and TEE E&C (M) was ordered to be wound up by the High Court of Penang on 16 June 2022.

Creditors' Voluntary Liquidation of Arrow Waste Management Pte Ltd

On 5 December 2022, the Company had placed AWM under CVL. The Final Meeting of AWM was held and concluded on 29 May 2023 and a dissolution return was lodged with Accounting and Corporate Regulatory Authority (the "ACRA"). The Company further updated on 4 September 2023 that the CVL of AWM has been completed.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

1 GENERAL (CONT'D)

Proposed Restructuring Exercise (Cont'd)

Proposed Scheme of Arrangement by the Company

In the 7 August 2021 announcement, it was stated that the Company intends to propose a scheme of arrangement (the "Scheme") between the Company and its creditors. The Company has appointed representatives from RSM as the scheme managers. On 24 February 2023, the Company has proposed a pre-packaged Scheme with its creditors pursuant to Section 71 of the IRDA, and will be relying on ballot forms completed and submitted by its creditors as evidence of the manner in which the creditors would have voted had a meeting of creditors been summoned and held.

Further on 13 April 2023, the Company announced that the Scheme has been approved by a majority in number representing at least three-fourths in value of the creditors casting their votes through the ballot forms. As such, on 3 May 2023, the Company filed an application to the General Division of the High Court of the Republic of Singapore (the "Court") under Section 71 of the IRDA for the Court's sanction of the Scheme (the "Sanction Application").

In this regard, the Sanction Application had been fixed for a hearing on 11 May 2023 and at the hearing, the Court granted the application and approved the Scheme. Further on 16 May 2023, a copy of the Order of Court approving the Scheme was lodged with ACRA and accordingly, the said Order took effect on and from 16 May 2023.

Submission of trading resumption proposal ("Resumption Proposal") to Singapore Exchange Securities Trading Limited ("SGX-ST")

Trading in the Company's shares has been suspended since 18 June 2021. Pursuant to Rules 1303(3) and 1304(1) of the Listing Manual of the SGX-ST, the Company is required to submit a Resumption Proposal with a view to resume trading in its securities.

On 31 March 2023, the Company announced that an application including its Resumption Proposal, was submitted to SGX-ST, for review and approval. As at the date of this announcement, the Company is working on a revised Resumption Proposal to be re-submitted to the SGX-ST to further provide information and details to demonstrate and to substantiate how the proposed business plan will be able to support the Group to operate as a going concern, upon the completion of its business and debt restructuring.

The Company will make further announcements as and when there are any material developments and will continue to work with RSM and its legal advisors on the restructuring exercise.

The financial statements of the Group and the Company have been prepared on a going concern basis, which assumes that the Group and the Company will continue in operation at least for a period of twelve months from the reporting date. This means that the financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that may be necessary if the Group and the Company are unable to continue in operation in the foreseeable future. Should the going concern assumption be inappropriate, adjustments would have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are recorded in the balance sheet.

In addition, the Group and the Company may have to provide for further liabilities that may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively.

The amount of assets and liabilities currently recorded in the accounting records of the Company and its subsidiaries, including amounts recoverable from or payable to group companies, are based on claims and payables which have arisen in the ordinary course of business. It is currently difficult to assess and estimate, with any degree of certainty, the amounts at which the assets will ultimately be realised or recovered, and the amounts at which liabilities should be recorded, owing to the uncertainties caused by the current difficult operating conditions and the ongoing restructuring of the Group. In respect of the provision for financial guarantee liabilities, the Group and the Company assessed and estimated the potential exposure on liabilities and contingent liabilities and have made adequate provision based on the final adjudicated amounts eligible for voting admitted for the Scheme (Note 25).

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

1 GENERAL (CONT'D)

Proposed Restructuring Exercise (Cont'd)

The directors have considered that different possibilities regarding the future exist and that the differing outcomes can cause the financial statements as at 30 September 2023 to be very different from what is currently presented in these financial statements. The directors also consider that there are no practical means available to resolve such difficulties in the preparation of these financial statements for the financial year under review. In this respect, the directors are of the opinion that, notwithstanding these difficulties, the preparation of these financial statements on a going concern basis provides sufficient information to serve the interests of all stakeholders who may read these financial statements.

(d) The consolidated financial statements of the Group for the financial year ended 30 September 2023 and statement of financial position of the Company as at 30 September 2023 were authorised for issue by the Board of Directors on the date of the directors' statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

- Level 3 inputs are unobservable inputs for the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

BASIS OF CONSOLIDATION - The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

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

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

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

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

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

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

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

Changes in the Group's ownership interests in existing subsidiaries

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

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

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

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

Financial Assets

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

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

Classification of financial assets

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

- The financial asset is held within a business model whose objective is achieved by collecting contractual cash flows; and

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

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

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

Despite the aforegoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and

- The Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FINANCIAL INSTRUMENTS (CONT'D)

Financial Assets (Cont'd)

Amortised cost and effective interest method

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

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

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

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

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

Interest income is recognised in profit or loss under "other operating income" (Note 31).

Financial assets at fair value through profit or loss ("FVTPL")

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other operating income" or "other operating expenses" line item. Fair value is determined in the manner described in Note 4 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FINANCIAL INSTRUMENTS (CONT'D)

Financial Assets (Cont'd)

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 applies.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends from equity instruments are recognised in profit or loss in accordance with SFRS(I) 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividend income is included in the "other operating income" line item in profit or loss.

The Group designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Foreign exchange gains and losses

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

For equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the currency translation reserve.

Impairment of financial assets

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

The Group always recognises lifetime ECL for trade receivables, loan receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

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

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

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FINANCIAL INSTRUMENTS (CONT'D)

Financial Assets (Cont'd)

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

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

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- An actual or expected significant deterioration in the operating results of the debtor;

- Significant increases in credit risk on other financial instruments of the same debtor; and

- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

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

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FINANCIAL INSTRUMENTS (CONT'D)

Financial Assets (Cont'd)

Definition of default

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

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

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

Credit-impaired financial assets

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

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

Write-off policy

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

Measurement and recognition of expected credit losses

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

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

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FINANCIAL INSTRUMENTS (CONT'D)

Financial Assets (Cont'd)

Measurement and recognition of expected credit losses (Cont'd)

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

For undrawn loan commitments, the ECL is the present value of the difference between the contractual cash flows that are due to the Group if the holder of the loan commitment draws down the loan, and the cash flows that the Group expects to receive if the loan is drawn down.

For a lease receivable, the cash flows used for determining the credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with SFRS(I) 16 Leases.

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

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

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

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

Derecognition of financial assets

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FINANCIAL INSTRUMENTS (CONT'D)

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sales, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which SFRS(I) 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and SFRS(I) 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liabilities and is included in the "other operating income" or "other operating expenses" line item.

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FINANCIAL INSTRUMENTS (CONT'D)

Financial liabilities and equity instruments (Cont'd)

Financial liabilities at FVTPL (Cont'd)

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss. Fair value is determined in the manner described in Note 4 to the financial statements.

Financial liabilities subsequently measured at amortised cost

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

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

Financial guarantee contracts

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

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

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

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost as at each reporting date, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the "other operating income" or "other operating expense" line item in profit or loss for financial liabilities that are not part of a designated hedging relationship.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting year. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FINANCIAL INSTRUMENTS (CONT'D)

Financial liabilities and equity instruments (Cont'd)

Derecognition of financial liabilities

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

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company and the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

LEASES

(a) The Group as lessee

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

Lease liabilities

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

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

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

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

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

LEASES (CONT'D)

(a) The Group as lessee (Cont'd)

Lease liabilities (Cont'd)

The lease liabilities are presented as a separate line in the statement of financial position.

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

The Group remeasures the lease liability (with a corresponding adjustment to the related ROU asset or to profit or loss if the carrying amount of the ROU asset has already been reduced to zero) whenever:

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

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

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

Right-of-use ("ROU") asset

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

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a ROU asset, the costs are included in the related ROU asset, unless those costs are incurred to produce inventories.

Depreciation on ROU assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter of period of lease term and useful life of the underlying asset as set out in the accounting policies for "Property, plant and equipment".

If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Group expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The ROU assets (except for those which meets the definition of an investment property) are presented within Property, plant and equipment in the statement of financial position.

A ROU asset which meets the definition of an investment property is presented within "Investment properties" in the statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

LEASES (CONT'D)

(b) The Group as lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term within "revenue" in profit or loss. Rental income from subleased property is recognised within "other operating income" in profit or loss.

(c) Intermediate lessor in sublease

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the recognition exemption, then it classifies the sublease as an operating lease.

When the sublease is assessed as a finance lease, the Group derecognises the ROU asset relating to the head lease that it transfers to the sublessee and recognises the net investment in the sublease within "finance lease receivables" in the statement of financial position. Any differences between the ROU asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the statement of financial position, which represents the lease payments owed to the head lessor.

NON-CURRENT ASSETS (OR DISPOSAL GROUPS) HELD-FOR-SALE AND DISCONTINUED OPERATIONS - Non-current assets and disposal groups are classified as held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held-for-sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held-for-sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held-for-sale, and:

(a) represents a separate major line of business or geographical area of operations;

(b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or

(c) is a subsidiary acquired exclusively with a view to resale.

INVENTORIES - Inventories are stated at the lower of cost and net realisable value. Cost comprises purchase cost and other incidental cost in bringing the inventories to their present location and condition. Cost is calculated using the first-in-first-out method. Net realisable value represents the estimated selling price less costs to be incurred in marketing, selling and distribution.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

INTANGIBLE ASSETS - Intangible assets acquired in a business combination are identified and recognised separately from goodwill. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and any accumulated impairment losses.

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

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

Cost also includes borrowing costs and any fair value gains or losses on qualifying cash flow hedges of property, plant and equipment that are transferred from the hedging reserve.

The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purpose other than to produce inventories.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

Leasehold land and building	–	2.7%
Leasehold improvements	–	20%
Leased premises	–	over remaining year of lease
Computers	–	25% to 100%
Renovation	–	20% to over remaining year of lease for restoration cost
Motor vehicles	–	10% to 100%
Machinery and tools	–	15% to 100%
Office furniture and equipment	–	15% to 20%

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

Leased assets are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

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

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

INVESTMENT PROPERTIES - Investment properties, which are properties held to earn rentals and/or for capital appreciation, are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the year in which they arise.

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

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS - At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

Intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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

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

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

The requirements of SFRS(I) 9 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

ASSOCIATES (CONT'D)

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

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

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

RELATED PARTIES - A related party is defined as follows:

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

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Group and Company or of a parent of the Company.

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

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

GOVERNMENT GRANTS - Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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

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

- Construction engineering contracts (from discontinued operation)
- Sale of goods
- Revenue from services rendered
- Interest income
- Dividend income
- Rental and related service income from investment properties (from discontinued operation)
- Rental and related service income from leasehold properties

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

<u>Construction engineering contracts (from discontinued operation)</u>

The Group undertakes large-scale and complex engineering projects as well as infrastructure-related projects. The Group provides engineering services including, electrical, air conditioning and mechanical ventilation, fire protection, sub structure, civil and architecture and interior decoration. These projects can range from short term of a few months to long term of a few years.

Such contracts are entered into before provision of the engineering services begins. Under the terms of the contracts, the Group is contractually restricted from redirecting the services to another customer and has an enforceable right to payment for work done.

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

REVENUE RECOGNITION (CONT'D)

Construction engineering contracts (from discontinued operation) (Cont'd)

Revenue from construction engineering contracts is therefore recognised over time on a cost-to-cost method. i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. Management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under SFRS(I) 15.

Short-term construction engineering services, as represented by the contract value of the services to be rendered, are recognised at a point in time when performance obligations have been satisfied.

A contract asset is recognised for the cumulative revenue recognised but not yet invoiced whilst a contract liability is recognised for advance payments from customers which the Group needs to perform work to satisfy the performance obligations.

Sale of goods

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

Rendering of services

The Group provides waste and recycling management services. Such services are recognised as a performance obligation satisfied over time, when control of services are transferred to customers. This generally occurs when the waste is collected and processed.

Interest income

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

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Rental and related service income from investment properties and leasehold properties

The Group leased out its investment properties (de-recognised in prior year) and leasehold properties under operating lease and recognised rental income proportionately over the lease term. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis. Rental payments received in advance are recorded as unearned income and amortised proportionately over the lease term using the straight-line method.

Rental related service income is recognised as a performance obligation satisfied over time, when the relevant services are provided over the lease year.

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

SHARE-BASED PAYMENTS - Equity-settled share-based payments are measured at fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. As at each reporting date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share option reserve.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to the share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the Group obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. As at each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

INCOME TAX (CONT'D)

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year. Except for investment properties measured using the fair value model, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities for the investment properties that are measured using the fair value model, the carrying amount of such properties is presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment properties are depreciable and are held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. The Group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

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

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

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

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of each reporting year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION (CONT'D)

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

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

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

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

CASH AND CASH EQUIVALENTS IN THE CONSOLIDATED STATEMENT OF CASH FLOWS - Cash and cash equivalents in the consolidated statement of cash flows comprise cash on hand and cash at banks that form an integral part of cash management, and are subject to an insignificant risk of changes in value.

SEGMENT REPORTING - An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. The Group determines and presents operating segments based on information that is provided internally to the Group Chief Executive, who is the Group's chief operating decision maker. All operating segments' operating results are reviewed regularly by the Group Chief Executive to make decision about resources to be allocated to the segments and assess its performance, and for which discrete financial information is available.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(a) Critical judgements in applying the entity's accounting policies (Cont'd)

(i) Going concern assumption

The Group incurred a net loss from continuing operations of $257,000 (2022 - $24,367,000) for the financial year, and as at 30 September 2023, the Group's and the Company's total liabilities exceeded their total assets by $138,814,000 and $155,267,000, respectively; and the Group's and the Company's current liabilities exceeded their current assets by $155,604,000 (2022 - $154,504,000) and $155,284,000 (2022 - $150,435,000), respectively. At the Group level, the current liabilities are mainly due to payables to former subsidiaries, loans from shareholder, non-controlling interest and Subscriber, and provision for corporate guarantees issued to counterparties for performance bonds and claims made against certain former subsidiaries. While at the Company level, the net current liabilities are due mainly to payables to certain subsidiaries and former subsidiaries, and provision for corporate guarantees issued to counterparties for performance bonds and claims made against certain former subsidiaries. These factors give rise to material uncertainties on the ability of the Group and the Company to continue as going concerns.

As disclosed in Note 1(c) to the financial statements, the Company entered into a Subscription Agreement on 18 August 2022 and Second Supplemental Agreement on 6 October 2023 with the Subscriber to raise an equity fund of $15,000,000 by issuance of new shares and share options in the Company. Furthermore, the Company is also proposing a rights issue to raise $3,500,000, bringing the total of equity fund to $18,500,000 to be raised. The Company is also undertaking a scheme of arrangement (the "Scheme") with its creditors for, inter alia, the restructuring of the Company's debts as part of the proposed restructuring exercise.

Based on the aforementioned, the directors are of the view that it is appropriate to prepare these financial statements on a going concern basis after considering the Group's proposed funds raising and debt restructuring plans. As the completion of the Subscription Agreement and proposed restructuring exercise are still in progress, the final outcome is uncertain and accordingly, the actual impact, whether financial or non-financial, is not easily determinable as at the date of these financial statements. It should therefore be noted that the going concern assumption is premised upon, inter alia, (i) the successful completion of the Subscription Agreement, (ii) the successful completion of the proposed restructuring exercise, (iii) the continuing availability of the existing facilities and financing to the Group for the next twelve months and (iv) the sufficiency of cash flows generated from the Group's operating activities.

In the event that the Group and the Company are unable to continue in operational existence for the foreseeable future, the Group and the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the Group and the Company may have to provide for further liabilities which may arise, and to reclassify non-current assets as current assets and non-current liabilities as current liabilities. No such adjustments have been made to the financial statements.

(ii) Determination of lease terms

When estimating the lease term of the respective lease arrangement, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option. Extension options (or years after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(a) Critical judgements in applying the entity's accounting policies (Cont'd)

(iii) Associate

As part of the Company's Scheme of Arrangement, one of the key terms of the Scheme is to dispose of the Group's 21.05% equity interest in Powersource Philippines Distributed Power Holdings Inc. ("Powersource") and any net cash proceeds from the disposal to be distributed to the Scheme creditors on a pari passu basis. In the event that the divestment of Powersource is not completed within 24 months from date of the Order sanctioning the proposed Scheme, the shares of Powersource shall be distributed in specie to the Scheme creditors on a pari passu basis.

Management has entrusted local management of Powersource to explore/approach interested buyers but till date, there are no prospective buyer/(s) and the Management is of the view that there is no certainty that any sale can be transacted/completed within one year from balance sheet date. Accordingly, the Group continues to account for its investment in Powersource as an associate (Note 13) in the consolidated financial statements as the sale is not highly probable.

(b) Key sources of estimation uncertainty

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

(i) Revenue recognition

As described in Note 2 to the financial statements, the Group recognises revenue either at a point in time or over time, depending on the contractual terms. Revenue from construction engineering contracts are recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred. Management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations.

Significant management judgements are required to estimate the total budgeted contract costs which include estimation for variation works and any other claims from contractors or sub-contractors. Any changes to the total budgeted contract costs will impact the percentage of completion, resulting in an impact to the revenue recognised.

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

For projects that are liable to additional charges payable to the relevant authorities if the projects are not completed within the stipulated time, management takes into consideration the reasons for and the length of the time exceeded, the past experience of applying for extension of time and the likely outcome of such application for extension of time. Such charges are accrued only if it is probable that it will result in a liability.

(ii) Calculation of loss allowances

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising from default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes reference to historical data, assumptions and expectations of future conditions.

The carrying amounts of the Group's and the Company's trade and other receivables are disclosed in Note 8 and Note 9, respectively, to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(b) Key sources of estimation uncertainty (Cont'd)

(iii) Impairment of investment in associate and subsidiaries, and property, plant and equipment

Management exercises their judgement in estimating recoverable amounts of its investment in associate of the Group and subsidiaries of the Company, and the Group's property, plant and equipment.

The recoverable amounts of these assets are reviewed at the end of each reporting year to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing value in use, management needs to estimate the future cash flows expected from the cash-generating units and an appropriate discount rate in order to calculate the present value of the future cash flows.

The carrying amounts of the Group's investment in associate and the Company's investment in subsidiaries are disclosed in Notes 13 and 14, respectively, and the Group's property, plant and equipment in Note 16 to the financial statements.

(iv) Estimation of incremental borrowing rate

The Group and the Company cannot readily determine the interest rate implicit in the lease. Therefore, it uses the IBR to measure lease liabilities. The IBR is defined as the rate of the interest that the lessee would have to pay to borrow over a similar security the funds necessary to obtain an asset of a similar value to the ROU asset in a similar economic environment.

The Group and the Company estimate the IBR relevant to each lease by using observable inputs such as market interest rate and asset yield where available, and then making certain lessee specific adjustments such as Group entity's credit rating.

The carrying amount of the Group's and the Company's lease liabilities and ROU assets are disclosed in Note 23 and Note 38, respectively, to the financial statements. If the incremental borrowing rate had been 50 basis point higher/lower with all other variables held constant, the Group's ROU assets and lease liabilities would have been approximately lower/higher by $113,000 (2022 - $117,000) and $112,000 (2022 - $114,000), respectively.

(v) Estimation of provisions made on various claims

In conjunction with the proposed restructuring exercise as disclosed in Note 1(c) to the financial statements, the Group and the Company continue to assess the adequacy of the various provision for liabilities made from the claims received.

The carrying amount and details of the Group's and the Company's various provisions and financial guarantee liabilities are disclosed in Note 22 and Note 25, respectively, to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

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

	Group		Company	
	2023	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000
Financial assets				
Amortised cost	**18,975**	17,464	**8,447**	12,210
Financial liabilities				
Amortised cost	**83,438**	59,827	**61,713**	63,455
Financial guarantee liabilities at amortised cost	**100,439**	98,617	**100,439**	98,617

Financial assets at amortised cost consist of cash and bank balances, fixed deposits, trade receivables, other receivables excluding prepayments, deferred commission expenses, grant receivables, accrued rental income and GST receivable.

Financial liabilities at amortised cost consist of trade payables excluding GST payables, other payables, lease liabilities and borrowings.

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

There are no financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements at 30 September 2023 and 30 September 2022.

(c) Financial risk management policies and objectives

The Group's activities expose it to a variety of financial risks, such as market risk (including foreign exchange risk and interest rate risk), credit risk, liquidity risk, cash flow interest rate risk and fair value risk.

The Group does not hold or issue derivative financial instruments for speculative purposes.

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

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

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

Foreign exchange risk management

Foreign exchange risk refers to the risk exposed by the Group as a result of fluctuations in foreign exchange rates. The Group's transactions are mainly in Singapore dollars, which is its functional currency.

The Group has investment in associate whose net assets are exposed to currency translation risk. The Group did not designate its foreign currency denominated debt as a hedging instrument for the purpose of hedging the translation of its foreign operations.

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

	Liabilities		Assets	
	2023	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000
Group				
Thai Baht	**52**	53	**–**	–

Foreign currency sensitivity

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies against the functional currency of each group entity. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans where they gave rise to an impact on the Group's profit or loss.

If the relevant foreign currency weakens by 10% against the functional currency of each group entity, loss for the year will decrease by:

	Thai Baht impact	
	2023	2022
	$'000	$'000
Profit or loss	**5**	5

If the relevant foreign currency strengthens by 10% against the functional currency of each group entity, the effect on profit or loss will be vice-versa.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

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

Interest rate risk management

The Group has exposure to interest rate risk through the impact of floating interest rate on cash and bank balances and borrowings. The Group obtained financing through bank loans and overdrafts, finance leases and long-term borrowings. Details of the Group's interest rate exposure is disclosed in the respective notes to the financial statements.

Interest rate sensitivity

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

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's loss for the year ended 30 September 2023 would increase/decrease by $51,000 (2022 - $54,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 30 September 2023, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from:

- the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position; and
- the maximum amount the Group would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised as disclosed below. The related loss allowance is disclosed in the respective notes to the financial statements.

In order to minimise credit risk, the Group has tasked its credit management committee to develop and maintain the Group's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the credit management committee uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

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

Credit risk management (cont'd)

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

Group	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				$'000	$'000	$'000
30 September 2023						
Trade receivables	8	(i)	Lifetime ECL (simplified approach)	**5,153**	**(280)**	**4,873**
Other receivables	9	Performing	12-month ECL	**1,133**	**–**	**1,133**
Other receivables	9	In default	Lifetime ECL	**260**	**(260)**	**–**
Contract assets	11	(i)	Lifetime ECL (simplified approach)	**333**	**–**	**333**
30 September 2022						
Trade receivables	8	(i)	Lifetime ECL (simplified approach)	4,631	(327)	4,304
Other receivables	9	Performing	12-month ECL	1,155	–	1,155
Other receivables	9	In default	Lifetime ECL	212	(212)	–
Contract assets	11	(i)	Lifetime ECL (simplified approach)	267	–	267

Company	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				$'000	$'000	$'000
30 September 2023						
Other receivables	9	Performing	12-month ECL	**8,422**	**–**	**8,422**
Other receivables	9	In default	Lifetime ECL	**19,141**	**(19,141)**	**–**
30 September 2022						
Other receivables	9	Performing	12-month ECL	11,930	–	11,930
Other receivables	9	In default	Lifetime ECL	18,488	(18,488)	–

(i) For trade receivables and contract assets, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Further details on the loss allowance for these assets are disclosed in respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

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

Credit risk management (Cont'd)

In order to minimise credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above and investments in these instruments, where the counterparties have minimum BBB- credit rating, are considered to have low credit risk for the purpose of impairment assessment. The credit rating information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Before accepting any new customer, a dedicated team responsible for the determination of credit limits uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. The review of customer credit limit is conducted annually.

Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. Furthermore, the Group reviews the recoverable amount of each trade debt and debt investment on an individual basis at the end of the reporting year to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, management considers that the Group's credit risk is significantly reduced.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Group's credit risk is primarily attributable to its cash and bank balances, trade and other receivables and contract assets. The maximum exposure to credit risk for each class of financial asset is the carrying amount of that class of financial asset as shown on the statement of financial position.

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

The maximum amount that the Group and the Company could be forced to settle under the financial guarantee contract, if the full guaranteed amount is claimed by the counterparty to the guarantee are $100,439,000 and $100,439,000 (2022 - $98,617,000 and $98,617,000), respectively which has been provided for as financial guarantee liabilities. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffered credit losses.

Liquidity risk management

The Group maintains sufficient cash and cash equivalents, and internally generated cash flows to finance their activities. The Group minimises liquidity risk by keeping committed credit lines available.

Liquidity and interest risk analysis

Non-derivative financial liabilities

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

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

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

Liquidity and interest risk analysis (Cont'd)

Non-derivative financial liabilities (Cont'd)

Group	Weighted average effective interest rate % p.a.	On demand or within 1 year $'000	Within 2 to 5 years $'000	After 5 years $'000	Adjustment $'000	Total $'000
30 September 2023						
Non-interest bearing instruments	–	**69,148**	**–**	**–**	**–**	**69,148**
Lease liabilities (fixed rate)	3.57	**444**	**456**	**2,344**	**(1,016)**	**2,228**
Variable interest rate instruments	6.20	**1,369**	**5,324**	**9,072**	**(5,544)**	**10,221**
Fixed interest rate instruments	9.61	**1,979**	**–**	**–**	**(138)**	**1,841**
Financial guarantee liabilities	–	**100,439**	**–**	**–**	**–**	**100,439**
Total		**173,379**	**5,780**	**11,416**	**(6,698)**	**183,877**
30 September 2022						
Non-interest bearing instruments	–	45,056	–	–	–	45,056
Lease liabilities (fixed rate)	3.81	599	794	2,373	(1,096)	2,670
Variable interest rates instruments	4.45	1,129	4,709	9,622	(4,722)	10,738
Fixed interest rate instruments	7.00	1,459	–	–	(96)	1,363
Financial guarantee liabilities	–	98,617	–	–	–	98,617
Total		146,860	5,503	11,995	(5,914)	158,444
Company						
30 September 2023						
Non-interest bearing instruments	–	**61,341**	**–**	**–**	**–**	**61,341**
Lease liabilities (fixed rate)	4.31	**17**	**–**	**–**	**–**	**17**
Fixed interest rate instruments	8.00	**377**	**–**	**–**	**(22)**	**355**
Financial guarantee liabilities	–	**100,439**	**–**	**–**	**–**	**100,439**
		162,174	**–**	**–**	**(22)**	**162,152**
30 September 2022						
Non-interest bearing instruments	–	63,373	–	–	–	63,373
Lease liabilities (fixed rate)	4.31	67	17	–	(2)	82
Financial guarantee liabilities	–	98,617	–	–	–	98,617
		162,057	17	–	(2)	162,072

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

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

Liquidity and interest risk analysis (Cont'd)

Non-derivative financial liabilities (Cont'd)

The earliest year that the guarantee could be called is within 1 year (2022 - 1 year) from the end of the reporting period.

Non-derivative financial assets

The following table details the expected maturity for non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group and the Company anticipate that the cash flow will occur in a different year. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial assets on the statements of financial position.

Group	Weighted average effective interest rate % p.a.	On demand or within 1 year $'000	Within 2 to 5 years $'000	After 5 years $'000	Adjustment $'000	Total $'000
30 September 2023						
Non-interest bearing	–	**10,816**	**147**	**–**	**–**	**10,963**
Fixed interest rate instruments	2.64	**8,055**	**–**	**–**	**(43)**	**8,012**
		18,871	**147**	**–**	**(43)**	**18,975**
30 September 2022						
Non-interest bearing	–	11,269	157	–	–	11,426
Fixed interest rate instruments	1.52	6,109	–	–	(71)	6,038
		17,378	157	–	(71)	17,464
Company						
30 September 2023						
Non-interest bearing	–	**8,447**	**–**	**–**	**–**	**8,447**
30 September 2022						
Non-interest bearing	–	12,210	–	–	–	12,210

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

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

Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables, provisions and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of the other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and

- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

(d) Capital management policies and objectives

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

The capital structure of the Group consists of debt, which includes the borrowings and lease liabilities as disclosed in respective notes to the financial statements and equity attributable to owners of the Company, comprising of share capital, reserves and accumulated losses. The Group is required to maintain the required gearing in order to comply with covenants in loan agreements with banks and financial institutions.

Management also ensures that the Group maintains certain security ratios of outstanding term loans over the value of the properties in order to comply with the loan covenants imposed by banks and financial institutions.

The Group monitors capital using debt ratio as follows:

Group	**30 September 2023**	30 September 2022
	$'000	$'000
Total debts	**12,449**	13,408
Total assets	**47,889**	62,115
Total equity	**(138,814)**	(137,045)
Debt-to-total assets ratio (times)	**0.26**	0.22
Debt-to-total equity ratio (times)	**NM***	NM*

* Not meaningful

As at 30 September 2023, the Group's net equity is a deficit of $138,814,000 (2022 - $137,045,000). The management reviewed the Group's overall strategy with regards to capital management and appointed RSM as financial consultant to undertake a review of the Group's businesses and assist to formulate restructuring plans to improve the financial position and/or performance of the Group since June 2021. Please refer to Note 1(c) of financial statements for proposed restructuring exercise.

See Note 24 to the financial statements for bank covenants.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

5 RELATED PARTY TRANSACTIONS

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

Other than disclosed elsewhere in these financial statements, significant related party transactions are as follows:

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the year were as follows:

Group	**Year ended 30 September 2023**	Year ended 30 September 2022
	$'000	$'000
Short-term benefits	**1,422**	1,529
Post-employment benefits	**77**	63
	1,499	1,592
Comprise amounts paid to:		
Directors of the Company	**532**	631
Directors of subsidiaries	**549**	727
Other key management personnel	**418**	234
	1,499	1,592

The remuneration of directors and other members of key management are determined by the Remuneration Committee having regard to the performance of individuals and market trends.

6 CASH AND BANK BALANCES

	Group		**Company**	
	2023	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000
Cash at banks	**4,916**	5,938	**25**	280
Cash on hand	**41**	29	**–**	–
Cash and bank balances in the statement of financial position	**4,957**	5,967	**25**	280
Fixed deposits with tenor of less than three months	**1,012**	–		
Cash at bank in disposal group held-for-sale (Note 12)	**–**	1,093		
Cash and cash equivalents in the consolidated statement of cash flows	**5,969**	7,060		

Group and Company

Included in cash at banks is an amount of $NIL (2022 - $170,000) being restricted cash in nature as the usage of such cash is restricted for certain purposes.

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

7 FIXED DEPOSITS

Group	2023	2022
	$'000	$'000
Fixed deposits	**8,012**	6,038
Less:		
Amounts receivable within 12 months		
(shown under current assets)	**(8,012)**	(6,038)
Amounts receivable after 12 months	**–**	–

Fixed deposits bear average effective interest rate of 3.47% (2022 - 1.93%) per annum and for a tenure range of 30 to 425 days (2022 - 181 to 425 days). Fixed deposits of $2,000,000 (2022 - $2,008,000) are pledged as security for certain bank facilities, while $1,000,000 and $500,000 (2022 - $1,000,000 and $NIL) are used as collateral to a third party for the purpose of disposing waste at public disposal facilities and banker's performance guarantee, respectively.

8 TRADE RECEIVABLES

Group	2023	2022
	$'000	$'000
Third parties	**5,153**	4,631
GST receivable	**15**	–
	5,168	4,631
Less: Allowance for impairment		
- At beginning of year	**(327)**	(7,275)
- Allowance for the year (Note 36)	**(274)**	(74)
- Amounts utilised	**150**	–
- Written back (Note 36)	**171**	–
- De-recognition of subsidiaries upon loss of control	**–**	7,010
- Reclassification to disposal group	**–**	12
- At end of year	**(280)**	(327)
Trade receivables - net	**4,888**	4,304

The credit period granted to customers is generally 7 to 30 days (2022 - 14 to 45 days). No interest is charged on the outstanding trade receivables. Loss allowance for trade receivables has always been measured at an amount equal to lifetime ECL. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting year. The Group has ten (2022 - ten) customers making up $2,083,000 (2022 - $1,808,000) which accounted for 42.6% (2022 - 42.0%) of the Group's trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

9 OTHER RECEIVABLES

	Group		Company	
	2023	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000
Amounts due from subsidiaries (a)	**–**	–	**24,729**	27,117
Interest receivable				
- Subsidiary	**–**	–	**2,466**	2,466
- Others	**3**	–	**–**	–
Amount due from former subsidiaries (a)	**220**	103	**205**	103
Deferred commission expenses (b)	**17**	26	**–**	–
Lease receivables (c)	**157**	167	**–**	–
Prepayments	**251**	268	**24**	30
Deposits (d)	**759**	307	**19**	54
Amount due from former immediate holding company of a subsidiary (e)	**144**	678	**144**	678
Accrued rental income	**35**	53	**–**	–
Grant receivable	**–**	128	**–**	–
Outside parties	**110**	112	**–**	–
	1,696	1,842	**27,587**	30,448
Less: Allowance for impairment				
- At beginning of year	**(212)**	(109)	**(18,488)**	(36,149)
- Foreign currency exchange adjustment	**–**	(3)	**–**	–
- Allowance for the year (Note 36)	**(48)**	(17,786)	**(2,079)**	(7,246)
- Amount utilised	**–**	–	**–**	24,872
- Written back	**–**	–	**1,426**	35
- De-recognition of subsidiaries	**–**	2,274	**–**	–
- Reclassification to disposal group	**–**	15,412	**–**	–
- At end of year	**(260)**	(212)	**(19,141)**	(18,488)
Other receivables - net	**1,436**	1,630	**8,446**	11,960
Amounts receivable within 12 months (shown under current assets)	**(1,289)**	(1,473)	**(8,446)**	(11,960)
Amounts receivable after 12 months	**147**	157	**–**	–

Other receivables are recoverable on demand or within 12 months. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL.

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

(a) Amounts due from subsidiaries and former subsidiaries are unsecured, interest free and repayable on demand. Allowance has been made for estimated irrecoverable amounts by the Company of $19,141,000 (2022 - $18,488,000).

(b) Deferred commission expenses are recognised in profit or loss as and when revenue is recognised.

(c) This relates to a finance leasing arrangement in respect of a subsidiary's electric power generation system. The term of the finance lease entered into with third party is 20 years with an option granted to the lessee to purchase the asset at end of lease year at a nominal amount.

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

9 OTHER RECEIVABLES (CONT'D)

(d) Included in deposits of the Group are amount of $419,000 (2022 - $192,000) being security deposits placed for on-going business projects and $100,000 (2022 - $Nil) being deposit for acquisition of leasehold property. Subsequent to the financial year, the acquisition was cancelled and the deposit refunded.

Included in deposits of the Company is rental deposit of $17,000 (2022 - $17,000) paid to a subsidiary.

(e) This relates to amount held by former immediate holding company of a subsidiary for monthly repayment of the current portion of long-term borrowings. Amount is unsecured and interest-free.

10 INVENTORIES

Group	**2023**	2022
	$'000	$'000
At cost:		
Consumables	**48**	45

11 CONTRACT ASSETS

Group	**2023**	2022
	$'000	$'000
Accrued revenue	**333**	267
Less: Allowance for impairment		
- At beginning of year	**–**	–
- Foreign currency exchange adjustment	**–**	42
- Allowance for the year (Note 36)	**–**	(4,824)
- De-recognition of subsidiaries upon loss of control	**–**	1,882
- Reclassification to disposal group	**–**	2,900
- At end of year	**–**	–
Contract assets - net	**333**	267

Contract assets relating to accrued revenue are amounts for which the Group has performed work as at end of reporting year but have not billed the customer. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

Management estimates the loss allowance on contract assets at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the relevant customers' industry.

None of the contract assets at the end of the reporting year is past due.

Based on the Group's historical credit loss experience with the relevant customers, as well as available forward-looking information, the Group has assessed the expected credit loss rate on contract assets to be insignificant.

As at 1 October 2022, the Group's gross contract assets related to revenue from contracts with customers amounted to $267,000 (1 October 2021 - $19,558,000).

There are no significant changes in the contract assets balance during the reporting year.

NOTES TO THE FINANCIAL STATEMENTS
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12 NON-CURRENT ASSETS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE

	Group 2022	Company 2022
	$'000	$'000
Assets of disposal group classified as held for sale		
- PBT Engineering Pte. Ltd.	14,212	18
Liabilities associated with disposal group classified as held for sale		
- PBT Engineering Pte. Ltd.	39,125	–

In FY2022, the Company entered into a sale and purchase agreement (the "SPA") to sell 100% of the issued and paid-up share capital of PBT Engineering (the "Disposal") to a director of PBT Engineering and a third party for a consideration of $18,000. Following the approval of the Company's Board for the Disposal, the assets and liabilities related to PBT Engineering were presented separately in the consolidated statement of financial position as a disposal group held for sale.

Disposal of PBT Engineering was completed on 20 February 2023.

The assets and liabilities of the disposal group classified as held for sale were as follows:

	2022
Group	$'000
Assets	
Cash and bank balances (Note 6)	1,093
Trade receivables	3,619
Other receivables	1,093
Contract assets	8,403
Property, plant and equipment	4
Assets of the disposal group	14,212
Liabilities	
Trade payables	36,366
Other payables	1,113
Loan from director and investor	300
Contract liabilities	1,238
Provisions	108
Liabilities of the disposal group	39,125

Company

Details of non-current assets classified as held for sale are as follows:	
Cost of investment in subsidiary (Note 14)	15,043
Allowance for impairment loss (Note 14)	(15,025)
At fair value less costs to sell	18

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13 INVESTMENT IN ASSOCIATE

Group	2023	2022
	$'000	$'000
Unquoted equity shares, at cost	4,332	4,332
Share of post-acquisition reserves, net of dividend received	941	595
	5,273	4,927

Details of the Group's associate are as follows:

Name of associate/ Place of incorporation and operation	Principal activity	Proportion of effective ownership interest and voting power held 2023	2022
		%	%
PowerSource Philippines Distributed Power Holdings, Inc. Philippines[1]	Construction, operation and maintenance of power plants	21.05	21.05

[1] Audited by another firm of auditors, Diaz Murillo Dalupan and Company, Philippines for equity accounting purposes for Group consolidation.

In accordance with the requirements of Rules 715 and 716 of the SGX-ST Listing Manual, the directors of the Company and the Audit Committee, having reviewed the appointment of different auditor for the Group's associate, are satisfied that this appointment would not compromise the standard and effectiveness of the audit of the Group.

Summarised financial information in respect of the Group's associate is set out below:

Group	2023 $'000	2022 $'000
Total assets	70,315	72,760
Total liabilities	(43,943)	(48,097)
Net assets	26,372	24,663
Group's share of associate's net assets	5,273	4,927

Group	Year ended 30 September 2023	Year ended 30 September 2022
	$'000	$'000
Revenue	23,287	17,941
Profit for the year	2,745	1,804
Group's share of associate's results for the year (Note 34)		
- continuing operations	578	380

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13 INVESTMENT IN ASSOCIATE (CONT'D)

The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with SFRS(I) and includes adjustments by the Group to align with the Group's accounting policy for equity accounting purposes. Summarised and reconciliation of the financial information in respect of the Group's material associate is set out below.

Summarised statement of financial position

	2023	2022
	$'000	$'000
Proportion of the Group's ownership interest	**21.05%**	21.05%
Current assets	**15,994**	14,812
Non-current assets	**54,321**	57,948
Current liabilities	**(6,147)**	(9,302)
Non-current liabilities	**(37,796)**	(38,795)
Net assets	**26,372**	24,663
Attributable to NCI	**(1,323)**	(1,257)
Attributable to investee's shareholders	**25,049**	23,406
Group's share of net assets	**5,273**	4,927
Carrying amount of the Group's interest in associate	**5,273**	4,927

Summarised statement of profit or loss and comprehensive income

	2023	2022
	$'000	$'000
Revenue	**23,287**	17,941
Profit for the year	**2,745**	1,804
Dividend received from associate during the year	**169**	–

14 INVESTMENT IN SUBSIDIARIES

	2023	2022
Company	**$'000**	$'000
Unquoted equity shares, at cost	**12,094**	27,137
Reclassified to non-current assets held for sale (Note 12)	**–**	(15,043)
	12,094	12,094
Allowance for impairment loss		
At beginning of year	**(8,137)**	(37,653)
Allowance for the year	**(3,957)**	(7,480)
Allowance utilised	**–**	21,971
Reclassified to non-current assets held for sale (Note 12)	**–**	15,025
At end of year	**(12,094)**	(8,137)
Net	**–**	3,957

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14 INVESTMENT IN SUBSIDIARIES (CONT'D)

The Company assesses the carrying amounts of its investments in subsidiaries for indicators of impairment. Based on this assessment, the Company recognised an impairment loss of $3,957,000 (2022 - $7,480,000) which was to write down the carrying values of certain subsidiaries to their recoverable amounts as these investments are no longer represented by net assets of the investees. The recoverable amounts of these investments had been determined based on respective subsidiaries' revalued net assets as at end of reporting year which is classified under level 3 of the fair value hierarchy.

Details of the Company's significant subsidiaries are as follows:

Name of subsidiary/ Country of incorporation and operation	**Principal activity**	**Proportion of ownership interest and voting power held**	
		2023	2022
		%	%
TEE Industrial Pte. Ltd. Singapore [1]	Operating an industrial building for rental	**100.00**	100.00
G3 Environmental Private Limited Singapore [1]	Commercial and industrial real estate management	**50.10**	50.10
PBT Engineering Pte. Ltd. Singapore [1] [2]	Provision of addition, alteration and upgrading of existing buildings, mechanical and electrical engineering services	**–**	100.00

(1) Audited by Foo Kon Tan LLP

(2) Reclassified to disposal group classified as held for sale during the prior financial year (Note 12). Disposed of on 20 February 2023. Information about the Group's disposal of PBT Engineering Pte. Ltd. is disclosed in Note 41 to the financial statements.

Information about the composition of wholly-owned and non-wholly-owned subsidiaries of the Group is as follows:

Principal activities	**Place of incorporation and operation**	**Number of wholly-owned subsidiaries**		**Number of non wholly-owned subsidiaries**	
		2023	2022	**2023**	2022
Infrastructure	Singapore	**3**	4	**4**	4
Investment holding	Singapore	**1**	1	**–**	–
Mechanical and electrical engineering services, and asset enhancement initiatives	Singapore	**–**	1	**–**	–

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14 INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of non wholly-owned subsidiaries that have material non-controlling interests to the Group are disclosed below:

Name of subsidiary	Place of incorporation and operation	Effective equity interest and voting power held by non-controlling interest		Total comprehensive income/(loss) allocated to non-controlling interest		Profit/(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
		%	%	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
G3 Environmental Private Limited and its subsidiaries	Singapore	**49.90**	49.90	**900**	1,046	**900**	1,046	**1,165**	265
Individually immaterial subsidiaries with non-controlling interest				**–**	(258)	**–**	(263)	**–**	–
				900	788	**900**	783	**1,165**	265

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14 INVESTMENT IN SUBSIDIARIES (CONT'D)

The summarised financial information of G3 Environmental Private Limited and its subsidiaries on a 100% basis is set out below:

Group	**2023** **$'000**	2022 $'000
Current assets	**17,382**	15,035
Non-current assets	**3,049**	3,981
Current liabilities	**17,807**	17,984
Non-current liabilities	**289**	501
Equity attributable to owners of the company	**2,335**	531

Group	**2023** **$'000**	2022 $'000
Revenue and other income for the year	**29,482**	29,216
Expenses	**(27,678)**	(27,119)
Profit for the year	**1,804**	2,097
Net cash from operating activities	**2,417**	4,128
Net cash used in investing activities	**(1,218)**	(3,407)
Net cash used in financing activities	**(969)**	(553)
Net cash inflow	**230**	168

15 INTANGIBLE ASSET

Group	**2023** **$'000**	2022 $'000
Customer contracts		
Cost:		
At the beginning and end of the year	**2,233**	2,233
Accumulated amortisation:		
At the beginning and end of the year	**(2,233)**	(2,233)
Carrying amount	**–**	–

The intangible asset above has a finite useful life, over which the asset is amortised, which is 3 years.

16 PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold land and building $'000	Leasehold improvements $'000	Leased premises $'000	Computers $'000	Renovation $'000	Motor vehicles $'000	Machinery and tools $'000	Office furniture and equipment $'000	Total $'000
Cost:									
At 1 October 2021	23,535	217	1,175	1,649	161	4,711	3,367	899	35,714
Foreign currency exchange adjustment	–	2	–	–	1	2	(3)	1	3
Additions	–	–	–	6	475	429	129	54	1,093
Additions - ROU	–	–	693	–	–	103	–	–	796
Disposals	–	–	–	–	(26)	(961)	(281)	–	(1,268)
Write-offs	–	–	(153)	(152)	(20)	–	(102)	(77)	(504)
Write-offs – ROU	–	–	(428)	–	–	(389)	–	(66)	(883)
Reclassified to non-current assets held for sale	–	–	–	(114)	–	–	–	(44)	(158)
De-recognition of subsidiaries	–	(219)	–	(558)	(105)	(138)	(85)	(269)	(1,374)
At 30 September 2022	**23,535**	**–**	**1,287**	**831**	**486**	**3,757**	**3,025**	**498**	**33,419**
Additions	**–**	**–**	**–**	**15**	**–**	**643**	**210**	**20**	**888**
Additions/remeasurement - ROU	**75**	**–**	**–**	**–**	**–**	**17**	**35**	**–**	**127**
Disposals	**–**	**–**	**–**	**(2)**	**–**	**(601)**	**(390)**	**(17)**	**(1,010)**
Write-offs	**–**	**–**	**–**	**(64)**	**(8)**	**–**	**(12)**	**–**	**(84)**
Write-offs – ROU	**–**	**–**	**(273)**	**–**	**–**	**–**	**(130)**	**–**	**(403)**
Reclassification - ROU	**–**	**–**	**–**	**–**	**–**	**–**	**81**	**(81)**	**–**
At 30 September 2023	**23,610**	**–**	**1,014**	**780**	**478**	**3,816**	**2,819**	**420**	**32,937**

NOTES TO THE FINANCIAL STATEMENTS
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16 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Leasehold land and building $'000	Leasehold improvements $'000	Leased premises $'000	Computers $'000	Renovation $'000	Motor vehicles $'000	Machinery and tools $'000	Office furniture and equipment $'000	Total $'000
Accumulated depreciation and impairment:									
At 1 October 2021	2,220	216	564	1,489	131	2,344	2,368	654	9,986
Foreign currency exchange adjustment	–	2	–	–	1	2	(3)	1	3
Depreciation	662	–	–	37	124	816	278	33	1,950
Depreciation – ROU	58	–	454	–	–	14	30	23	579
Disposals	–	–	–	–	(5)	(935)	(260)	–	(1,200)
Write-offs	–	–	(153)	(145)	(20)	–	(88)	(76)	(482)
Write-offs – ROU	–	–	(270)	–	–	(185)	–	(21)	(476)
Reclassified to non-current assets held for sale	–	–	–	(111)	–	–	–	(43)	(154)
Impairment (Note 36)	–	–	–	–	–	–	84	–	84
De-recognition of subsidiaries	–	(218)	–	(452)	(98)	(45)	(85)	(251)	(1,149)
At 30 September 2022	**2,940**	**–**	**595**	**818**	**133**	**2,011**	**2,324**	**320**	**9,141**
Depreciation	**662**	**–**	**–**	**12**	**125**	**754**	**281**	**42**	**1,876**
Depreciation – ROU	**58**	**–**	**355**	**–**	**–**	**20**	**56**	**4**	**493**
Disposals	**–**	**–**	**–**	**(2)**	**–**	**(539)**	**(384)**	**(17)**	**(942)**
Write-offs	**–**	**–**	**–**	**(64)**	**(8)**	**–**	**(12)**	**–**	**(84)**
Write-offs – ROU	**–**	**–**	**(188)**	**–**	**–**	**–**	**(130)**	**–**	**(318)**
Reclassification - ROU	**–**	**–**	**–**	**–**	**–**	**–**	**29**	**(29)**	**–**
Impairment (Note 36)	**225**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**225**
At 30 September 2023	**3,885**	**–**	**762**	**764**	**250**	**2,246**	**2,164**	**320**	**10,391**
Carrying amount:									
At 30 September 2023	**19,725**	**–**	**252**	**16**	**228**	**1,570**	**655**	**100**	**22,546**
At 30 September 2022	20,595	–	692	13	353	1,746	701	178	24,278

Carrying amount of ROU assets classified within property, plant and equipment as at 30 September 2023 amounted to $2,083,000 (2022 - $2,534,000) [Note 38(a)].

NOTES TO THE FINANCIAL STATEMENTS
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16 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Right-of-use assets ("ROU") acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 38 to the financial statements.

(b) Details of the Group's properties are as follow:

Address of properties	Tenure of properties	Term of lease	Remaining term of lease	Existing use
TEE Building 25 Bukit Batok Street 22 Singapore 659591	Leasehold	From 1 May 1992 to 30 April 2052	28 years and 7 months	Industrial and office space for providing rental

(c) Depreciation expenses has been included in the line item "cost of sales" and "administrative expenses" in profit or loss.

(d) The Group's leasehold building is pledged to bank to secure facilities granted to the Group (Note 24).

(e) The impairment loss of $225,000 (2022 - $84,000) represents:

(i) the write-down of leasehold building to its fair value less disposal costs; and

(ii) the write-down of certain machinery and tools in the Infrastructure segment to their recoverable amount as a result of obsolescence in prior financial period.

The impairment loss on these assets is recognised within "other operating expenses" in profit or loss. The recoverable amount of property, plant and equipment is based on fair value less cost of disposal, which is a fair value hierarchy Level 3 measurement.

Company	**Leased premises**	**Computers**	**Renovation**	**Office furniture and equipment**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Cost:					
At 1 October 2021	–	559	30	137	726
Additions - ROU	129	–	–	–	129
Disposal	–	–	(27)	–	(27)
At 30 September 2022	**129**	**559**	**3**	**137**	**828**
Additions	**–**	**1**	**–**	**–**	**1**
Disposal	**–**	**(2)**	**–**	**–**	**(2)**
At 30 September 2023	**129**	**558**	**3**	**137**	**827**
Accumulated depreciation:					
At 1 October 2021	–	556	7	137	700
Depreciation	47	3	1	–	51
Disposal	–	–	(5)	–	(5)
At 30 September 2022	**47**	**559**	**3**	**137**	**746**
Depreciation	**65**	**1**	**–**	**–**	**66**
Disposal	**–**	**(2)**	**–**	**–**	**(2)**
At 30 September 2023	**112**	**558**	**3**	**137**	**810**
Carrying amount:					
At 30 September 2023	**17**	**–**	**–**	**–**	**17**
At 30 September 2022	82	–	–	–	82

NOTES TO THE FINANCIAL STATEMENTS
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17 INVESTMENT PROPERTIES

Group	2023 $'000	2022 $'000
At fair value:		
At beginning of the year	–	9,396
Foreign currency exchange adjustments	–	50
Changes in fair value included in profit or loss (Note 32)	–	(820)
De-recognition of subsidiaries upon loss of control (Note 40)	–	(8,626)
At end of the year	–	–

In prior financial year, the property rental income from the Group's investment properties before de-recognition which were leased out under operating leases amounted to $2,176,000. The direct operating expenses (including repairs and maintenance) arising from the Group's rental-generating investment properties amounted to $214,000.

18 DEFERRED TAX

The following are the major deferred tax assets and liabilities recognised by the Group, and movements thereon during the year:

Deferred tax assets

Group	Provisions/ Others $'000	Tax losses $'000	Total $'000
At 1 October 2021	49	11	60
De-recognition of subsidiaries upon loss of control (Note 40)	(76)	–	(76)
Credit to profit or loss for the year (Note 34)	262	201	463
At 30 September 2022	**235**	**212**	**447**
Charge to profit or loss for the year (Note 34)	**(51)**	**–**	**(51)**
At 30 September 2023	**184**	**212**	**396**

Deferred tax liabilities

Group	Accelerated tax depreciation $'000	Total $'000
At 1 October 2021	120	120
Credit to profit or loss for the year (Note 34)	(17)	(17)
At 30 September 2022	**103**	**103**
Charge to profit or loss for the year (Note 34)	**129**	**129**
At 30 September 2023	**232**	**232**

Temporary differences arising in connection with interests in associate is not significant.

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19 TRADE PAYABLES

	Group		Company	
	2023	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000
Third parties	**1,299**	1,424	**–**	–
GST payable	**395**	293	**152**	79
Total	**1,694**	1,717	**152**	79

The credit period granted by suppliers ranged from 30 to 90 days (2022 - 30 to 90 days). No interest is charged on the outstanding balance.

20 OTHER PAYABLES

	Group		Company	
	2023	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000
Amounts due to:				
- subsidiaries	**–**	–	**3,206**	32,204
- former immediate holding company of a subsidiary	**1,587**	1,363	**241**	16
- former subsidiaries	**49,684**	24,839	**49,647**	24,802
Shareholder loans	**2,968**	2,968	**2,768**	2,768
Loan from a related party	**200**	–	**200**	–
Loan from non-controlling interest	**6,188**	6,188	**–**	–
Loan from Subscriber	**1,800**	–	**1,800**	–
Accrued expenses	**3,487**	3,647	**696**	578
Accrued interest expense	**131**	89	**23**	–
Rental and security deposits	**1,204**	918	**1,000**	785
Loan from third party	**355**	305	**355**	305
Other payables	**2,086**	4,678	**1,760**	1,915
	69,690	44,995	**61,696**	63,373
Less:				
Amounts payable within 12 months (shown under current liabilities)	**(69,690)**	(44,995)	**(61,696)**	(63,373)
Amounts payable after 12 months	**–**	–	**–**	–

NOTES TO THE FINANCIAL STATEMENTS
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20 OTHER PAYABLES (CONT'D)

Unless otherwise stated, the amounts due to subsidiaries and former subsidiaries, and shareholder loans are unsecured, interest-free and repayable on demand or within the next twelve months.

The loan from a related party is for working capital purpose, is unsecured, interest-free and repayable within the next twelve months. Related party refers to a party who is deemed to have an interest in all the shares directly held by the shareholder (the immediate and ultimate holding company) of the Company.

Amounts due to former immediate holding company of a subsidiary carry a interest rate of 7% to 10% (2022 - 7%) per annum and are secured by assignment of sales proceed from the property of a subsidiary and certain shares of the subsidiaries under the Group. The pledge on the Company's investment property was discharged pursuant to its disposal on 18 July 2022.

The loan from non-controlling interest of $6,188,000 (2022 - $6,188,000) is for working capital loans for respective subsidiaries and are unsecured, interest-free and repayable on demand. Subsequent to the financial year, the Group has obtained confirmations from the non-controlling interest not to demand repayments of amount due to them for period of 12 months.

Loan from Subscriber is unsecured, interest-free and repayment is subsequently extended to the earlier of the completion date of the conditional subscription agreement and eight months from the date of the supplemental loan agreement dated 31 October 2023, i.e. on 30 June 2024. As disclosed in Note 1(c) to the financial statements, the loan is mainly to fund the costs and expenses incurred for the restructuring exercise of the Group, as well as operating expenses of the Group.

Loan from third party carries a fixed interest rate of 8% (2022 – Nil) per annum and is unsecured and repayable within next twelve months.

21 CONTRACT LIABILITIES

	2023	2022
Group	**$'000**	$'000
Advance receipts from customers	**1**	2

Revenue is recognised when control of the goods has transferred to the customer, being at the point the goods are delivered to the customer. When the customer makes advance payments prior to delivery of goods, the transaction price received at that point by the Group is recognised as contract liability until the goods have been delivered to the customer.

22 PROVISIONS

	Group		**Company**	
	2023	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000
Provision for restoration costs (i)	**506**	489	**–**	–
Provision for restructuring costs (ii)	**1,108**	–	**1,108**	–
	1,614	489	**1,108**	–

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

22 PROVISIONS (CONT'D)

(i) Provision for restoration costs

Group	2023 $'000	2022 $'000
At beginning of the year	**489**	–
Addition	**–**	475
Unwinding of discount (Note 33)	**17**	14
At end of year	**506**	489

(ii) Provision for restructuring costs

Group and Company	2023 $'000	2022 $'000
At beginning of the year	**–**	–
Addition	**1,108**	–
At end of year	**1,108**	–

The Company entered into a share-based payment arrangement with a third-party vendor in exchange for services in respect of the Group's ongoing restructuring exercise. The vendor has a choice of settlement of the fee through equity shares of the Company or in cash. The Company has accounted for this transaction as cash-settled share-based payment.

23 LEASE LIABILITIES

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Undiscounted lease payments due:				
- Year 1	**444**	599	**17**	67
- Year 2	**149**	462	**–**	17
- Year 3	**109**	133	**–**	–
- Year 4	**99**	102	**–**	–
- Year 5	**99**	97	**–**	–
- Year 6 and onwards	**2,344**	2,373	**–**	–
	3,244	3,766	**17**	84
Less: Unearned interest cost	**(1,016)**	(1,096)	**–**	(2)
Lease liabilities	**2,228**	2,670	**17**	82
Amount shown under current liabilities	**374**	510	**17**	65
Amount shown under non-current liabilities	**1,854**	2,160	**–**	17
	2,228	2,670	**17**	82

The Group enters into leases for leasehold land, leased premises, motor vehicles, machinery and tools, and office equipment from non-related parties under non-cancellable lease agreements. There are no restrictions placed upon the Group by entering into these contracts.

Interest expense on lease liabilities of $84,000 (2022 - $260,000) is recognised within "finance costs" in profit or loss (Note 33).

NOTES TO THE FINANCIAL STATEMENTS
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23 LEASE LIABILITIES (CONT'D)

Lease expenses not capitalised in lease liabilities but recognised within "cost of sales and administrative expenses" in profit or loss are set out below:

Group	Year ended 30 September 2023 $'000	Year ended 30 September 2022 $'000
Short-term lease	25	476
Leases of low-value asset	15	35
	40	511

The cash outflows for all leases in the year amount to $608,000 (2022 - $1,668,000).

As at 30 September 2023, the Group's and the Company's short-term lease commitments at the reporting date are not substantially dissimilar to those giving rise to the Group's and the Company's short-term lease expense for the year.

The Group's and the Company's lease liabilities are secured by the lessors' title to the leased assets.

Information about the Group's leasing activities are disclosed in Note 38 to the financial statements.

Further information about the financial risk management is disclosed in Note 4 to the financial statements.

24 LONG-TERM BORROWINGS

Group	2023 $'000	2022 $'000
Borrowings	10,221	10,738
Less: Current portion due within 12 months	(735)	(651)
Amounts due for settlement after 12 months	9,486	10,087
Secured	10,221	10,738

The following outstanding balances are secured with the following:

Group	2023 $'000	2022 $'000
Leasehold building	10,221	10,738

The Group's long-term borrowings bear interest at rates ranging from 4.45% to 6.20% (2022 - 3.65% to 4.45%) per annum. The directors estimate the fair value of the Group's long-term borrowings to approximate the carrying amount and interest rates to approximate current market interest rates on or near the end of the reporting year.

The Group's bank facility agreements include financial covenants. These covenants require the Group to meet certain key financial ratios.

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24 LONG-TERM BORROWINGS (CONT'D)

Reconciliation of (assets)/liabilities arising from financing activities

	1 October 2021	Financing cash flow	Non-cash changes: Derecognition of subsidiaries	Non-cash changes: Liabilities with subsidiary classified as held for sale	Non-cash changes: Settlement via transfer of pledged asset	Non-cash changes: Pre-termination of lease	Non-cash changes: Foreign exchange movement	Non-cash changes: New leases	Finance costs (Note 33)	30 September 2022
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Fixed deposits pledged (Note 7)	(4,440)	1,432	–	–	–	–	–	–	–	(3,008)
Amount due from former immediate holding company of a subsidiary (Note 9) and [(i) below]	–	(678)	–	–	–	–	–	–	–	(678)
Bank loans	16,426	(2,677)	(13,749)	–	–	–	–	–	–	–
Shareholder loans (Note 20)	2,968	–	–	–	–	–	–	–	–	2,968
Amounts due to former immediate holding company of a subsidiary (Note 20)	1,531	(280)	–	–	–	–	–	–	112	1,363
Amounts due to former subsidiary (Note 20)	–	(1,230)	26,069	–	–	–	–	–	–	24,839
Loan from former intermediate holding company of a subsidiary	1,744	(1,817)	–	–	–	–	–	–	73	–
Loan from non-controlling interest (Note 20)	6,188	–	–	–	–	–	–	–	–	6,188
Loan from third parties (Note 20)	571	100	–	–	(378)	–	12	–	–	305
Lease liabilities (Note 23)	12,234	(1,000)	(9,198)	–	–	(422)	47	796	213	2,670

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24 LONG-TERM BORROWINGS (CONT'D)

Reconciliation of (assets)/liabilities arising from financing activities (Cont'd)

	1 October 2021	Financing cash flow	Non-cash changes: Derecognition of subsidiaries	Non-cash changes: Liabilities with subsidiary classified as held for sale	Non-cash changes: Settlement via transfer of pledged asset	Non-cash changes: Pre-termination of lease	Non-cash changes: Foreign exchange movement	Non-cash changes: New leases	Finance costs (Note 33)	30 September 2022
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Lease liabilities classified as held for sale	2,265	(157)	–	–	–	(2,155)	–	–	47	–
Loan from director and investor of a subsidiary classified as held for sale (Note 12)	–	300	–	(300)	–	–	–	–	–	–
Long-term borrowings (Note 24)	34,184	(18,446)	(5,000)	–	–	–	–	–	–	10,738
Accrued interest expense (Note 20)	579	(1,187)	(577)	–	–	–	–	–	1,274	89

(i) This pertains to amount held by former immediate holding company of a subsidiary for monthly repayment of long-term borrowings subsequent to financial year end. Accordingly, the cash outflow is reflected as a financing activity.

NOTES TO THE FINANCIAL STATEMENTS

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24 LONG-TERM BORROWINGS (CONT'D)

Reconciliation of (assets)/liabilities arising from financing activities (Cont'd)

			Non-cash changes					
	1 October 2022	Financing cash flow	Derecognition/ disposal of subsidiaries	Guarantee fee	Pre-termination of lease	New leases/ remeasurement	Finance costs (Note 33)	30 September 2023
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Fixed deposits pledged (Note 7)	(3,008)	(492)	–	–	–	–	–	(3,500)
Amount due from former immediate holding company of a subsidiary (Note 9) and [(i) below]	(678)	534	–	–	–	–	–	(144)
Shareholder loans (Note 20)	2,968	–	–	–	–	–	–	2,968
Amounts due to former immediate holding company of a subsidiary (Note 20)	1,363	–	–	100	–	–	124	1,587
Amounts due to former subsidiaries (Note 20)	24,839	–	24,845	–	–	–	–	49,684
Loan from a related party (Note 20)	–	200	–	–	–	–	–	200
Loan from non-controlling interest (Note 20)	6,188	–	–	–	–	–	–	6,188
Loan from Subscriber (Note 20)	–	1,800	–	–	–	–	–	1,800
Loan from third party (Note 20)	305	50	–	–	–	–	–	355
Lease liabilities (Note 23)	2,670	(568)	–	–	(85)	127	84	2,228
Long-term borrowings (Note 24)	10,738	(517)	–	–	–	–	–	10,221
Accrued interest expense (Note 20)	89	(484)	(93)	–	–	–	619	131

(i) This pertains to amount held by former immediate holding company of a subsidiary for monthly repayment of long-term borrowings. Accordingly, the cash outflow is reflected as a financing activity.

NOTES TO THE FINANCIAL STATEMENTS

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25 FINANCIAL GUARANTEE LIABILITIES

	Group		Company	
	2023	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000
At the beginning of year	**98,617**	–	**98,617**	75,868
Additional liabilities	**2,336**	98,617	**2,336**	22,749
Adjustments (Note 35)	**(514)**	–	**(514)**	–
At end of year	**100,439**	98,617	**100,439**	98,617

Financial guarantee liabilities pertain to corporate guarantee issued to counterparties for performance bonds and claims made against certain former subsidiaries. The adjustment of financial guarantees liabilities was made to align with the Company's Scheme.

26 SHARE CAPITAL

	2023	2022	**2023**	2022
Group and Company	Number of ordinary shares		**$'000**	$'000
Issued and paid up:				
At beginning and at end of year	**648,152,876**	648,152,876	**73,194**	73,194

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends.

27 TREASURY SHARES

	2023	2022	**2023**	2022
Group and Company	Number of ordinary shares		**$'000**	$'000
Issued and paid up:				
At beginning and at end of year	**1,270,400**	1,270,400	**269**	269

In 2017, the Company acquired 1,270,400 of its own shares through purchases on the Singapore Exchange. The total amount paid to acquire the shares was $269,000 and has been deducted from shareholders' equity. The shares are held as 'treasury shares'.

The Company intends to transfer the treasury shares for the purposes of an employees' share scheme or as consideration for the acquisition of shares in or assets of another company or assets of a person.

28 CURRENCY TRANSLATION RESERVE

Exchange differences relating to the translation from the functional currencies of the Group's foreign operations into Singapore dollars are brought to account by recognising those exchange differences in other comprehensive income and accumulating them in a separate component of equity under the header of currency translation reserve.

NOTES TO THE FINANCIAL STATEMENTS
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29 CAPITAL RESERVE

	Group		Company	
	2023	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000
At beginning and end of the year	**–**	–	**(274)**	(274)

The capital reserve represents effects of changes in ownership interests in subsidiaries when there is no change in control.

30 REVENUE

	Continuing operations		Discontinued operations (Note 35)		Total	
	2023	2022	**2023**	2022	**2023**	2022
Group	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Corporate and others:						
Rental income	**273**	1,853	**–**	–	**273**	1,853
Engineering and Construction:						
Construction engineering contracts	**–**	–	**11,116**	52,554	**11,116**	52,554
Infrastructure:						
Rental and related services income	**16**	15	**–**	644	**16**	659
Sale of goods	**1,599**	2,906	**–**	–	**1,599**	2,906
Waste and recycling management services	**27,264**	25,639	**–**	–	**27,264**	25,639
Total	**29,152**	30,413	**11,116**	53,198	**40,268**	83,611

	Continuing operations		Discontinued operations		Total	
	2023	2022	**2023**	2022	**2023**	2022
Group	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Timing of revenue recognition from contract with customers, excluding rental income						
At a point in time:						
Sale of goods	**1,599**	2,906	**–**	–	**1,599**	2,906
Short-term construction engineering services	**–**	–	**723**	254	**723**	254
Over time:						
Construction engineering contracts	**–**	–	**10,393**	52,300	**10,393**	52,300
Waste and recycling management services	**27,264**	25,639	**–**	–	**27,264**	25,639
Services income	**–**	–	**–**	92	**–**	92
Total	**28,863**	28,545	**11,116**	52,646	**39,979**	81,191

Revenue from construction engineering contracts recognised over time is based on the percentage of completion basis.

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31 OTHER OPERATING INCOME

	Continuing operations		Discontinued operations (Note 35)		Total	
	2023	2022	**2023**	2022	**2023**	2022
Group	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Interest income arising from:						
Fixed deposits	**102**	8	**–**	–	**102**	8
Others	**22**	16	**–**	2	**22**	18
	124	24	**–**	2	**124**	26
Gain on disposal of plant and equipment	**55**	137	**–**	16	**55**	153
Gain on pretermination of lease	**–**	–	**–**	15	**–**	15
Gain on disposal of non-current asset held for sale	**–**	9	**–**	–	**–**	9
Government grants	**406**	472	**16**	259	**422**	731
Management fees income	**131**	–	**–**	16	**131**	16
Other payables written back	**253**	–	**–**	–	**253**	–
Others	**81**	276	**–**	43	**81**	319
Total	**1,050**	918	**16**	351	**1,066**	1,269

Included in government grants are:

(i) Job Support Scheme ("JSS") grant of $Nil (2022 - $128,000) from the Singapore Government to help employers to retain their local employees during the year of economic uncertainty as a result of COVID-19. JSS grant income is allocated over the year of uncertainty to match the related staff costs for which the grant is intended to compensate;

(ii) Safe Management Officer ("SMO") Support of $Nil (2022 - $9,000), a temporary scheme introduced in the Construction Support Package announced on 27 June 2020, to support main contractors required by Building and Construction Authority to have one SMO per construction project as part of Covid-Safe Worksite requirements.

(iii) Senior Worker Early Adopter Grant and Part Time Re-employment Grant of $260,000 (2022 - $10,000) from the Singapore Government to provide support to employers to increase the employees' retirement and re-employment ages ahead of the legislative schedule.

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

32 OTHER OPERATING EXPENSES

	Continuing operations		Discontinued operations (Note 35)		Total	
	2023	2022	**2023**	2022	**2023**	2022
Group	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Change in fair value of investment properties (Note 17)	**–**	–	**–**	820	**–**	820
Change in fair value of non-current asset held for sale	**–**	115	**–**	–	**–**	115
Impairment loss on property, plant and equipment (Note 16)	**225**	84	**–**	–	**225**	84
Loss on disposal of financial asset at FVTOCI	**–**	22	**–**	–	**–**	22
Net foreign currency exchange adjustment (gain)/loss	**–**	9	**(1)**	116	**(1)**	125
Property, plant and equipment written off	**–**	15	**5**	7	**5**	22
Trade receivables written off	**12**	–	**–**	–	**12**	–
Other receivables written off	**166**	–	**–**	8	**166**	8
Due from former subsidiaries written off	**2,984**	23,621	**–**	–	**2,984**	23,621
Others	**–**	–	**–**	46	**–**	46
Total	**3,387**	23,866	**4**	997	**3,391**	24,863

33 FINANCE COSTS

	Continuing operations		Discontinued operations (Note 35)		Total	
	2023	2022	**2023**	2022	**2023**	2022
Group	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Interest on borrowings and bank overdrafts	**739**	1,080	**4**	379	**743**	1,459
Interest on lease liabilities (Note 23)	**84**	156	**–**	104	**84**	260
Unwinding of discount on provision for restoration cost [Note 22(i)]	**17**	14	**–**	–	**17**	14
Total	**840**	1,250	**4**	483	**844**	1,733

NOTES TO THE FINANCIAL STATEMENTS
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34 INCOME TAX EXPENSE/(CREDIT)

	Continuing operations		**Discontinued operations** (Note 35)		**Total**	
	2023	2022	**2023**	2022	**2023**	2022
Group	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Current:						
- Profit for the year	**193**	272	**–**	–	**193**	272
- Adjustment in respect of prior years	**(64)**	(52)	**–**	(13)	**(64)**	(65)
- Withholding tax expenses	**25**	1	**–**	4	**25**	5
Deferred:						
- Charge/(Credit) for the year	**180**	(453)	**–**	(27)	**180**	(480)
	334	(232)	**–**	(36)	**334**	(268)

Domestic income tax is calculated at 17% (2022 - 17%) of the estimated assessable profit/(loss) for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The total charge for the year can be reconciled to the accounting profit/(loss) as follows:

	2023	2022
Group	**$'000**	$'000
Profit/(Loss) before tax		
- Continuing operations	**77**	(24,599)
- Discontinued operations (Note 35)	**(1,449)**	68,802
Less:		
Share of results of associate (Note 13)	**(578)**	(380)
	(1,950)	43,823
Tax at the domestic income tax rate of 17% (2022 - 17%)	**(331)**	7,450
Non-taxable income[(i)]	**(971)**	(15,454)
Non-deductible expenses[(ii)]	**1,527**	7,591
Losses of subsidiaries under liquidation	**3**	1,137
Deferred tax benefits not recognised	**153**	66
Tax effect of previously unrecognised and unused tax benefits now recognised as deferred tax assets	**–**	(578)
Over provision of income tax in prior years	**(64)**	(65)
Effect of different tax rates of overseas operations	**–**	(327)
Exempt income and tax rebate	**(35)**	(54)
Withholding tax expense	**25**	5
Others	**27**	(39)
	334	(268)

(i) Non-taxable income comprises mainly tax impact on accounting gain on derecognition of subsidiaries upon loss of control of $5,685,000 (2022 - $90,422,000).

(ii) Non-deductible expenses comprise mainly tax impact on impairment loss on non-trade amount due from former subsidiaries of $48,000 (2022 – $17,786,000), amounts due from former subsidiaries of $2,984,000 (2022 - $23,621,000) written off and loss on disposal of a subsidiary $1,982,000 (2022 – Nil).

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

34 INCOME TAX EXPENSE/(CREDIT) (CONT'D)

Unutilised tax losses and temporary differences

Subject to the agreement by the tax authorities, the Group has unutilised tax losses of $2.92 million (2022 - $9.18 million) and other temporary differences of $1.11 million (2022 - $1.57 million) available for offset against future profits. Deferred tax assets of approximately $396,000 (2022 - $447,000) have been recognised in respect of $1.25 million (2022 – $1.25 million) of these unutilised tax losses and $1.08 million (2022 – $1.38 million) of these temporary differences. No deferred tax asset has been recognised in respect of the remaining $1.67 million (2022 - $7.78 million) of tax losses and $0.03 million (2022 - $0.34 million) of temporary differences due to the unpredictability of future profit streams. The tax losses and temporary differences may be carried forward indefinitely subject to the conditions imposed by law including the retention of majority shareholders as defined. Deferred tax asset not recognised in prior period in respect of $7.32 million was derecognised during the year upon loss of control of a subsidiary.

35 (LOSS)/PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS

During FY2022, the Company placed Trans Equatorial under CVL and entered into a sale and purchase agreement (the "SPA") to dispose of PBT Engineering. In addition, TEE E&C (M) was under winding up process. As such, the E&C Segment was classified as discontinued operations.

The disposal of PBT Engineering was completed on 20 February 2023.

The results of the discontinued operations and re-measurement of the respective disposal group is as follows:

	Engineering and Construction Segment	
	2023	2022
Group	**$'000**	$'000
Revenue	**11,116**	53,198
Cost of sales	**(10,532)**	(50,021)
Gross profit	**584**	3,177
Other operating income	**16**	351
Administrative expenses	**(573)**	(1,203)
Other operating expenses	**(4)**	(997)
Finance costs	**(4)**	(483)
Impairment loss on financial assets and contract assets	**–**	(22,503)
Contract assets written back	**–**	18
Net gain on de-recognition of subsidiaries upon loss of control (on liquidation)	**–**	90,442
Loss on disposal of a subsidiary (Note 41)	**(1,982)**	–
Financial guarantee liabilities adjustments (Note 25)	**514**	–
(Loss)/profit before tax	**(1,449)**	68,802
Income tax expense	**–**	36
(Loss)/profit after taxation	**(1,449)**	68,838

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35 (LOSS)/PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS (CONT'D)

The cash flows attributable to discontinued operations of Engineering and Construction Segment are set out below:

Group	2023	2022
	$'000	$'000
Net cash from operating activities	321	7,917
Net cash (used in)/from investing activities	(4)	87
Net cash used in financing activities	–	(8,076)
Net cash inflows/(outflows)	317	(72)

The fair value of identifiable assets and liabilities of Trans Equatorial and its subsidiaries (collectively known as the "Trans Group") and TEE E&C (M) at date of derecognition are disclosed in Note 40 to the financial statements.

The fair value of identifiable assets and liabilities of PBT Engineering at date of disposal are disclosed in Note 41 to the financial statements.

36 (LOSS)/PROFIT FOR THE YEAR

(Loss)/profit for the year has been arrived at after charging/(crediting):

	Continuing operations		Discontinued operations		Total	
	2023	2022	2023	2022	2023	2022
Group	$'000	$'000	$'000	$'000	$'000	$'000
Directors' remuneration:						
Directors of the Company	532	631	–	–	532	631
Directors of the subsidiaries	435	456	114	271	549	727
Employee benefits expense (including directors' remuneration)	8,644	9,883	1,416	4,679	10,060	14,562
Costs of defined contribution plans included in employee benefits expense	494	514	88	117	582	631
Audit fees:						
Auditors of the Company:						
- current year	200	212	–	45	200	257
- adjustment in respect of prior year	2	8	–	(1)	2	7
Other auditors:						
- current year	–	–	22	9	22	9
- adjustment in respect of prior year	–	(5)	–	–	–	(5)
Non-audit fees:						
Auditors of the Company:						
- current year	7	7	–	–	7	7
- adjustment in respect of prior year	13	(23)	–	–	13	(23)

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30 September 2023

36 (LOSS)/PROFIT FOR THE YEAR (CONT'D)

(Loss)/profit for the year has been arrived at after charging/(crediting) (Cont'd):

	Continuing operations		Discontinued operations		Total	
	2023	2022	**2023**	2022	**2023**	2022
Group	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Non-audit fees:						
Other auditors:						
- current year	**21**	24	**–**	2	**21**	26
- adjustment in respect of prior year	**5**	(8)	**–**	2	**5**	(6)
Amortisation of deferred commission expenses*	**9**	9	**–**	–	**9**	9
Depreciation of property, plant and equipment, including ROU assets	**2,369**	2,500	**–**	29	**2,369**	2,529
Trade receivables written off	**12**	–	**–**	–	**12**	–
Other receivables written off	**166**	–	**–**	8	**166**	8
Due from former subsidiaries written off	**2,984**	23,621	**–**	–	**2,984**	23,621
Contract assets written back	**–**	–	**–**	(18)	**–**	(18)
Impairment loss on property, plant and equipment (Note 16)	**225**	84	**–**	–	**225**	84
Impairment loss on financial assets and contract assets						
- Trade receivables (Note 8)	**274**	74	**–**	–	**274**	74
- Other receivables (Note 9)	**48**	107	**–**	17,679	**48**	17,786
- Contract assets (Note 11)	**–**	–	**–**	4,824	**–**	4,824
	322	181	**–**	22,503	**322**	22,684
Impairment loss on financial assets written back						
- Trade receivables (Note 8)	**(171)**	–	**–**	–	**(171)**	–
Gain on de-recognition of subsidiaries upon loss of control (Note 40,35)	**(5,685)**	–	**–**	(90,442)	**(5,685)**	(90,442)
Loss on disposal of a subsidiary (Note 41)	**–**	–	**1,982**	–	**1,982**	–
Financial guarantee liabilities adjustments (Note 35)	**–**	–	**(514)**	–	**(514)**	–
Provision for maintenance costs written back	**–**	–	**–**	(229)	**–**	(229)

* Included in cost of sales in the consolidated statement of profit or loss.

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36 (LOSS)/PROFIT FOR THE YEAR (CONT'D)

Retirement Benefit Obligations

The employees of the Company and certain of its subsidiaries are members of state-managed retirement benefit plans. The Group is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

As at 30 September 2023, contributions of $49,000 (2022 - $46,000) due in respect of current year had not been paid over to the plans.

37 (LOSS)/PROFIT PER SHARE

The calculation of basic earnings per ordinary share is based on Group's loss attributable to owners of the Company of $2,606,000 (2022 – profit attributable to owners of the Company of $43,688,000) divided by the weighted average number of ordinary shares (excluding treasury shares) of 646,882,476 (2022 - 646,882,476) in issue during the year.

Fully diluted loss per ordinary share is calculated based on 646,882,476 (2022 - 646,882,476) ordinary shares.

From continuing and discontinued operations

Group	**Year ended 30 September 2023**		Year ended 30 September 2022	
	Basic	**Diluted**	Basic	Diluted
	$'000	**$'000**	$'000	$'000
(Loss)/profit attributable to owners of the Company	**(2,606)**	**(2,606)**	43,688	43,688
Weighted average number of ordinary shares (excluding treasury shares) for the purposes of basic/diluted earnings per share	**646,882,476**	**646,882,476**	646,882,476	646,882,476
(Loss)/profit per share (cents)	**(0.40)**	**(0.40)**	6.75	6.75

From continuing operations

Group	**Year ended 30 September 2023**		Year ended 30 September 2022	
	Basic	**Diluted**	Basic	Diluted
	$'000	**$'000**	$'000	$'000
Loss attributable to owners of the Company	**(1,157)**	**(1,157)**	(25,413)	(25,413)
Weighted average number of ordinary shares (excluding treasury shares) for the purposes of basic/diluted earnings per share	**646,882,476**	**646,882,476**	646,882,476	646,882,476
Loss per share (cents)	**(0.18)**	**(0.18)**	(3.93)	(3.93)

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37 (LOSS)/PROFIT PER SHARE (CONT'D)

From discontinued operations

Group	**Year ended 30 September 2023**		Year ended 30 September 2022	
	Basic	**Diluted**	Basic	Diluted
	$'000	**$'000**	$'000	$'000
(Loss)/profit attributable to owners of the Company	**(1,449)**	**(1,449)**	69,101	69,101
Weighted average number of ordinary shares (excluding treasury shares) for the purposes of basic/ diluted earnings per share	**646,882,476**	**646,882,476**	646,882,476	646,882,476
(Loss)/profit per share (cents)	**(0.22)**	**(0.22)**	10.68	10.68

38 LEASES

The Group leases leasehold land and premises, motor vehicles, machinery and tools and office equipment from non-related parties under non-cancellable lease agreements. There are no restrictions placed on the Group by entering into these contracts.

The leases for certain leased premises contain extension years for which the related lease payments has been included in lease liabilities as the Group is reasonably certain to exercise these extension options. The leases for certain leased premises also include termination options. The Group negotiates extension options to provide flexibility in managing the leased assets and align with the Group's business needs.

<u>The Group as lessee</u>

(a) Carrying amounts

ROU assets classified within property, plant and equipment

Group	**2023**	2022
	$'000	$'000
Leasehold land	**1,720**	1,703
Leased premises	**252**	692
Motor vehicles	**37**	40
Machinery and tools	**61**	30
Office equipment	**13**	69
	2,083	2,534

NOTES TO THE FINANCIAL STATEMENTS
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38 LEASES (CONT'D)

The Group as lessee (Cont'd)

(b) Depreciation charge during the year

Group	Year ended 30 September 2023	Year ended 30 September 2022
	$'000	$'000
Leasehold land	**58**	58
Leased premises	**355**	454
Motor vehicles	**20**	14
Machinery and tools	**56**	30
Office equipment	**4**	23
	493	579

(c) Additions/remeasurement of ROU assets during the financial year were $127,000 (2022 - $796,000).

(d) Information regarding the Group's and the Company's lease liabilities are disclosed in Note 23.

The Group as lessor

The Group rent out its leasehold properties under operating lease to outside parties. Property rental income earned by the Group during the year was $273,000 (2022 - $2,176,000).

The future minimum rental receivables under non-cancellable operating leases contracted for at the reporting date are as follows:

Group	2023	2022
	$'000	$'000
Undiscounted lease payments to be received:		
- Year 1	**237**	235
- Year 2	**215**	235
- Year 3	**–**	215
- Year 4	**–**	–
- Year 5	**–**	–
- Year 6 and onwards	**–**	–
	452	685

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

39 SEGMENT INFORMATION

The Group is organised into two major business segments/operating divisions – Corporate & Others and Infrastructure. The divisions are the basis on which the Group reports its segment information. Certain assets, liabilities and profit and loss items are also reallocated to the respective segments. The accounting policies of these reportable segments are the same as the Group's accounting policies described in Note 2 to the financial statements.

(i) Segment 1: Corporate & Others – involves a range of activities from corporate exercises and include income and expenses not attributable to other operating segments such as rental income from industrial building

(ii) Segment 2: Infrastructure – infrastructure business offers infrastructure solutions in the areas of water and energy related projects and commercial and industrial real estate management. This includes comprehensive sustainable solutions to meet demands for integrated infrastructure, utilities and environmental services

(iii) Segment 3: Engineering and Construction (from discontinued operations) – involves providing mechanical and electrical engineering services, and asset enhancement initiatives relating to the expansion and improvement of infrastructure, constructing new buildings and converting existing buildings and facilities for new uses and offering turnkey approaches to the construction of infrastructure as well as in system development from system definition, system development and system deployment

Reportable Operating Segment Information

In accordance with SFRS(I) 8 *Operating Segments*, management has determined the operating segments based on the reports regularly reviewed by the Group Chief Executive that are used to make strategic decisions.

Segment revenue and expenses: Segment revenue and expenses are the operating revenue and expenses reported in the Group's profit or loss that are directly attributable to a segment and the relevant portion of such revenue and expenses that can be allocated on a reasonable basis to a segment.

Segment assets and liabilities: Segment assets include all operating assets used by a segment and consist principally of cash and bank balances, fixed deposits, operating receivables, contract assets, inventories, investment in associate, deferred tax assets, property, plant and equipment and intangible assets, net of allowances. Segment liabilities include all operating liabilities used by a segment and consist principally of operating payables, provisions, income tax payable, lease liabilities, long-term borrowings, financial guarantee liabilities and deferred tax liabilities.

Inter-segment transfers: Segment revenue and expenses include transfers between operating segments. Inter-segment sales are charged at cost plus a percentage of profit mark-up. These transfers are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

39 SEGMENT INFORMATION (CONT'D)

	Corporate & Others		Infrastructure		Engineering and Construction (Discontinued Operations)		Elimination		Group	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Segment revenue										
External sales	**273**	1,853	**28,879**	28,560	**11,116**	53,198	**–**	–	**40,268**	83,611
Inter-segment sales	**169**	362	**6**	12	**–**	–	**(175)**	(374)	**–**	–
Total revenue	**442**	2,215	**28,885**	28,572	**11,116**	53,198	**(175)**	(374)	**40,268**	83,611
Segment results										
Segment results	**(3,602)**	(23,736)	**4,380**	1,327	**(1,884)**	67,969	**–**	(4)	**(1,106)**	45,556
Share of results of associate	**–**	–	**578**	380	**–**	–	**–**	–	**578**	380
Finance costs	**(804)**	(1,038)	**(36)**	(212)	**(4)**	(487)	**–**	4	**(844)**	(1,733)
(Loss)/Profit before tax	**(4,406)**	(24,774)	**4,922**	1,495	**(1,888)**	67,482	**–**	–	**(1,372)**	44,203
Income tax credit/(expense)	**61**	(86)	**(395)**	318	**–**	36	**–**	–	**(334)**	268
(Loss)/Profit for the year	**(4,345)**	(24,860)	**4,527**	1,813	**(1,888)**	67,518	**–**	–	**(1,706)**	44,471
Segment assets										
Segment assets	**22,425**	23,930	**19,795**	18,599	**–**	14,212	**–**	–	**42,220**	56,741
Investment in associate	**–**	–	**5,273**	4,927	**–**	–	**–**	–	**5,273**	4,927
Deferred tax assets	**–**	–	**396**	447	**–**	–	**–**	–	**396**	447
Total assets	**22,425**	23,930	**25,464**	23,973	**–**	14,212	**–**	–	**47,889**	62,115
Segment liabilities										
Segment liabilities	**161,993**	131,600	**11,445**	14,220	**–**	39,125	**–**	–	**173,438**	184,945
Borrowings and lease liabilities	**12,057**	12,536	**392**	872	**–**	–	**–**	–	**12,449**	13,408
Income tax payable	**370**	559	**214**	145	**–**	–	**–**	–	**584**	704
Deferred tax liabilities	**–**	–	**232**	103	**–**	–	**–**	–	**232**	103
Total liabilities	**174,420**	144,695	**12,283**	15,340	**–**	39,125	**–**	–	**186,703**	199,160

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

39 SEGMENT INFORMATION (CONT'D)

	Corporate & Others		Infrastructure		Engineering and Construction (Discontinued Operations)		Elimination		Group	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Other information										
Depreciation	**702**	703	**1,667**	1,797	**–**	29	**–**	–	**2,369**	2,529
Change in fair value of investment properties	**–**	–	**–**	–	**–**	820	**–**	–	**–**	820
Change in fair value of non-current asset held for sale	**–**	115	**–**	–	**–**	–	**–**	–	**–**	115
Impairment loss on trade receivables	**–**	–	**274**	74	**–**	–	**–**	–	**274**	74
Impairment loss on contract assets	**–**	–	**–**	–	**–**	4,824	**–**	–	**–**	4,824
Trade receivables written off	**–**	–	**12**	–	**–**	–	**–**	–	**12**	–
Other receivables written off	**15**	–	**151**	–	**–**	8	**–**	–	**166**	8
Due from former subsidiaries written off	**–**	23,621	**2,984**	–	**–**	–	**–**	–	**2,984**	23,621
Impairment loss on other receivables	**–**	107	**48**	–	**–**	17,679	**–**	–	**48**	17,786
Loss/(Gain) on disposal of property, plant and equipment	**–**	22	**(55)**	(159)	**–**	(16)	**–**	–	**(55)**	(153)
Property, plant and equipment written off	**–**	–	**–**	15	**5**	7	**–**	–	**5**	22

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

39 SEGMENT INFORMATION (CONT'D)

	Corporate & Others		Infrastructure		Engineering and Construction (Discontinued Operations)		Elimination		Group	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Other information (Cont'd)										
Loss on disposal of financial asset at FVTOCI	**–**	–	**–**	22	**–**	–	**–**	–	**–**	22
Additions to property, plant and equipment	**76**	145	**939**	1,664	**17**	80	**–**	–	**1,032**	1,889
Amortisation of deferred commission expenses	**9**	9	**–**	–	**–**	–	**–**	–	**9**	9
Impairment loss on property, plant and equipment	**225**	–	**–**	84	**–**	–	**–**	–	**225**	84
Gain on de-recognition of subsidiaries upon loss of control	**–**	–	**(5,685)**	–	**–**	(90,442)	**–**	–	**(5,685)**	(90,442)
Loss on disposal of a subsidiary	**–**	–	**–**	–	**1,982**	–	**–**	–	**1,982**	–
Financial guarantee liabilities adjustments	**–**	–	**–**	–	**(514)**	–	**–**	–	**(514)**	–
Impairment loss on trade receivables written back	**–**	–	**(171)**	–	**–**	–	**–**	–	**(171)**	–
Gain on pre-termination of lease	**–**	–	**–**	–	**–**	(15)	**–**	–	**–**	(15)

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

39 SEGMENT INFORMATION (CONT'D)

Geographical Information

Segment revenue: Segment revenue is analysed based on the location of customers regardless of where the goods are produced.

Segment non-current assets: Segment non-current assets (excluding financial instruments and deferred tax assets) are analysed based on the location of those assets.

	Revenue		Non-current assets	
	2023	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000
Singapore	**40,268**	82,967	**22,546**	24,278
Thailand	**–**	644	**–**	–
Philippines	**–**	–	**5,273**	4,927
Total	**40,268**	83,611	**27,819**	29,205

40 DE-RECOGNITION OF SUBSIDIARIES UPON LOSS OF CONTROL

Arrow Waste Management Pte Ltd

On 5 December 2022, the Company had placed Arrow Waste Management Pte Ltd ("AWM") under CVL as disclosed in Note 1(c) to the financial statements. Accordingly, consolidation of AWM ceased when the Company ceased to control AWM. The fair value of identifiable assets and liabilities were as follows:

AWM	As at 5 December 2022
	$'000
Effects on de-recognition	
Cash and cash equivalents	–*
Other receivables	–*
Trade payables and other payables	(5,685)
Net identifiable liabilities de-recognised	(5,685)
Gain on de-recognition	5,685
	–
Cash and cash equivalents disposed of	–*
Net cash outflow from the de-recognition upon loss of control	–*

* *denotes amount less than $1,000.*

The CVL of AWM was completed on 1 September 2023.

Net gain on de-recognition of subsidiary upon loss of control amounted to $5,685,000 (Note 36) for financial year ended 30 September 2023.

Trans Equatorial and its subsidiaries

On 12 January 2022, Trans Equatorial was placed under CVL as disclosed in Note 1(c). As a result, the Company no longer has control over Trans Equatorial and its subsidiaries i.e. PBT Engineering Sdn Bhd (Brunei), PBT Engineering Sdn Bhd (Malaysia), TEE Philippines, Inc., Trans Equatorial Indochina Co., Ltd, Oscar Estate Management Co., Ltd and Oscar Design & Decoration Co., Ltd (collectively the "Trans Group").

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

40 DE-RECOGNITION OF SUBSIDIARIES UPON LOSS OF CONTROL (CONT'D)

Trans Equatorial and its subsidiaries (Cont'd)

The fair value of identifiable assets and liabilities were as follows:

Trans Group	As at 12 January 2022
	$'000
Effects on de-recognition	
Cash and cash equivalents	1,359
Trade receivables and other receivables	27,302
Contract assets	778
Property, plant and equipment (inclusive of Right-of-use assets)	225
Investment properties (Note 17)	8,626
Deferred tax assets (Note 18)	76
Bank loans and overdraft	(13,749)
Trade payables and other payables	(132,527)
Contract liabilities	(897)
Provisions	(52,064)
Long-term borrowings	(5,000)
Income tax payable	(2,959)
Lease liabilities	(9,198)
Net identifiable liabilities de-recognised	(178,028)
Non-controlling interest	871
Foreign currency translation	(631)
Financial guarantees liabilities (Note 25)	82,997
Net	(94,791)
Gain on de-recognition	94,791
	–
Cash and cash equivalents disposed of	(1,359)
Net cash outflow from the de-recognition upon loss of control	(1,359)

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

40 DE-RECOGNITION OF SUBSIDIARIES UPON LOSS OF CONTROL (CONT'D)

TEE E&C (M) and its subsidiary

Further on 16 June 2022, TEE E&C (M) was wound up under the provisions of the Companies Act 2016 of Malaysia and the Receiving Officer/Director General of Insolvency was appointed as the liquidator to TEE E&C (M). Accordingly, consolidation of TEE E&C (M) and its subsidiary (collectively "TEE E&C (M) Group") ceased when the Company ceased to control these entities.

TEE E&C (M) Group	As at 16 June 2022
	$'000
Effects on de-recognition	
Cash and cash equivalents	2
Trade receivables and other receivables	17
Trade payables and other payables	(10,962)
Net identifiable liabilities de-recognised	(10,943)
Non-controlling interest	124
Foreign currency translation	(452)
Financial guarantees liabilities (Note 25)	15,620
Net	4,349
Loss on de-recognition	(4,349)
	–
Cash and cash equivalents disposed of	(2)
Net cash outflow from the de-recognition upon loss of control	(2)

Net gain on de-recognition of subsidiaries upon loss of control amounted to $90,442,000 (Note 35) for financial year ended 30 September 2022.

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

41 DISPOSAL OF A SUBSIDIARY

The Company disposed of its entire stake in PBT Engineering as disclosed in Note 12 to the financial statements. Effect of the disposal of subsidiary on the consolidated statement of cash flows are as follow:

PBT Engineering	**As at 20 February 2023**
	$'000
Effects on disposal	
Cash and cash equivalents	**1,410**
Trade receivables	**3,557**
Other receivables	**26,055**
Contract assets	**6,985**
Property, plant and equipment	**16**
Trade payables	**(35,331)**
Other payables	**(1,248)**
Loan from director and investor	**(300)**
Contract liabilities	**(1,471)**
Provisions	**(27)**
Net identifiable assets disposed of	**(354)**
Financial guarantees liabilities (Note 25)	**2,336**
Loss on disposal (Note 35)	**(1,982)**
Consideration, net of transaction costs (Note A)	**–**
Cash and bank balances disposed of	**(1,410)**
Net cash outflow from the disposal of a subsidiary	**(1,410)**

Note A	
Consideration	**18**
Transaction costs	**(18)**
Net consideration	**–**

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

42 ADOPTION OF NEW AND REVISED STANDARDS

On 1 October 2022, the Group and the Company adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for current or prior years except as discussed as below:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 3	*Reference to the Conceptual Framework*	1 January 2022
Amendments to SFRS(I) 1-16	*Property, Plant and Equipment – Proceeds before Intended Use*	1 January 2022
Amendments to SFRS(I) 1-37	*Onerous Contracts – Cost of Fulfilling a Contract*	1 January 2022
Annual Improvements to SFRS(I)s 2018 – 2020:		
- Amendments to SFRS(I) 1	*Subsidiary as a First-time Adopter*	1 January 2022
- Amendments to SFRS(I) 9	*Fees in the '10 per cent' Test for Derecognition of Financial Liabilities*	1 January 2022
- Amendments to SFRS(I) 1-41	*Taxation in Fair Value Measurements*	1 January 2022

Amendments to SFRS(I) 3 Reference to the Conceptual Framework

The amendments are made to SFRS(I) 3 Business Combinations to update references to the Conceptual Framework for Financial Reporting and to add an exception for the recognition of liabilities and contingent liabilities within the scope of SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets and SFRS(I) INT 21 Levies. For obligations within the scope of SFRS(I) 1-37, the acquirer shall apply SFRS(I) 1-37 to determine whether a present obligation exists at the acquisition date as a result of past events. For a levy within the scope of SFRS(I) INT 21, the acquirer shall apply SFRS(I) INT 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also clarify that contingent assets do not qualify for recognition at the acquisition date.

The amendments are applied prospectively to business combinations occurring on or after the beginning of the reporting period in which the amendments are first applied.

There is no impact on the financial statements as there have been no contingent assets, liabilities or contingent liabilities within the scope of the amendments that have arisen during the period.

Amendments to SFRS(I) 1-16 Property, Plant and Equipment – Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use. Such sales proceeds and related costs are recognised in profit or loss. The amendments also clarify the meaning of 'testing whether an asset is functioning properly' as assessing the technical and physical performance of the asset. The financial statements shall disclose separately the amounts of proceeds and costs relating to items produced that are not an output of ordinary activities.

The amendments are applied retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the amendments are first applied. The cumulative effect of initial application is recognised as an adjustment to the opening retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

42 ADOPTION OF NEW AND REVISED STANDARDS (CONT'D)

Amendments to SFRS(I) 1-16 Property, Plant and Equipment – Proceeds before Intended Use (Cont'd)

There is no impact on the financial statements as there have been no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented in these financial statements.

Amendments to SFRS(I) 1-37 Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (such as direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (such as allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments are applied to contracts for which the reporting entity has not yet fulfilled all of its obligations at the beginning of the reporting period in which the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments is recognised as an opening balance adjustment to retained earnings (or other component of equity, as appropriate). The comparatives are not restated.

Previously, the Group included only incremental costs of fulfilling the contract when determining whether a contract was onerous. The revised policy is to include both incremental costs and an allocation of other direct costs. The Group has analysed all the applicable contracts in existence at the beginning of the current financial year and has determined that none of them is identified as onerous applying the revised policy.

Amendment to SFRS(I) 1 Subsidiary as a First-time Adopter

The amendment provides additional relief to a subsidiary which becomes a first-time adopter of SFRS(I) later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to SFRS(I), if no adjustments were made for consolidation procedures and for effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption.

Amendment to SFRS(I) 9 Fees in the '10 per cent' Test for Derecognition of Financial Liabilities

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, the reporting entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied to financial liabilities that are modified or exchanged on or after the beginning of the reporting period in which the amendment is first applied.

There is no impact on the financial statements as there have been no modification or exchange of the Group's financial instruments during the period.

NOTES TO THE FINANCIAL STATEMENTS
30 September 2023

42 ADOPTION OF NEW AND REVISED STANDARDS (CONT'D)

Amendment to SFRS(I) 1-41 Taxation in Fair Value Measurements

The amendment removes the requirement in SFRS(I) 1-41 Agriculture for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in SFRS(I) 1-41 with the requirements of SFRS(I) 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively for fair value measurements on or after the beginning of the reporting period in which the amendment is first applied.

There is no impact on the financial statements as the Group does not have assets in scope of SFRS(I) 1-41 as at the reporting date.

43 STANDARDS ISSUED BUT NOT EFFECTIVE

At the date of authorisation of these financial statements, the following SFRS(I) pronouncements relevant to the Group and the Company were issued but not effective.

Reference	Description	Effective date (Annual periods beginning on or after)
SFRS(I) 17	*Insurance Contracts*	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2	*Disclosure of Accounting Policies*	1 January 2023
Amendments to SFRS(I) 1-8	*Definition of Accounting Estimates*	1 January 2023
Amendments to SFRS(I) 1-12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendment to SFRS(I) 16	*Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to SFRS(I) 1-1	*Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to SFRS(I) 1-1	*Non-current Liabilities with Covenants*	1 January 2024
Amendments to SFRS(I) 1-7 and SRFS(I) 7	Supplier Finance Arrangement	1 January 2024
Amendments to SFRS(I) 1-21	*Lack of Exchangeability*	1 January 2025
Amendments to SFRS(I) 10 and SFRS(I) 1-28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Yet to be Determined

Management anticipates that the adoption of the standards above will not have a material impact on the financial statements of the Group in the year of their initial adoption.

44 CONTINGENT LIABILITIES

Arbitration Proceedings

A Malaysian client ("Claimant") has on 6 March 2020 commenced two sets of arbitration proceedings, as follows: (a) Arbitration proceedings against TEE E&C (Malaysia) Sdn Bhd ("TEE E&C (M)"), a former wholly-owned subsidiary of the Company in Malaysia (the "Malaysia Arbitration"); and (b) Arbitration proceedings against the Company in Singapore (the "Singapore Arbitration"), (collectively, the "Arbitration Proceedings"). The Arbitration Proceedings are in respect of disputes between the Claimant and TEE E&C (M) arising out of and/or in connection with a construction contract dated 30 June 2014. The Company is the Corporate Guarantor of TEE E&C (M) under the construction contract.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

44 CONTINGENT LIABILITIES (CONT'D)

Arbitration Proceedings (Cont'd)

The Claimant is claiming for a total of RM55.99 million ($18.45 million) comprising of the following items: (a) liquidated damages; (b) costs of rectification of alleged defects; (c) loss of profits due to delay; (d) additional costs and expenses; and (e) direct payments to TEE E&C (M)'s sub-contractors.

In view of the Adjudication Application as described below, the Company has filed an application to stay the Singapore Arbitration pending the resolution of the Malaysia Arbitration, supported by the Company's undertaking be bound by the outcome of the Malaysia Arbitration.

Adjudication Application

Prior to the initiation of the above Arbitration Proceedings by the Claimant, TEE E&C (M) filed an Adjudication Application in Malaysia on 26 September 2019 against the Claimant under the Construction Industry Payment and Adjudication Act 2012 Malaysia for outstanding payments. On 16 March 2020, the Adjudication Determination for the Adjudication Application was issued to both parties.

Under the Adjudication Application, the Claimant claimed a total of RM34.58 million ($11.39 million) for (a) liquidated damages; (b) costs of rectification of alleged defects; and (c) direct payments to TEE E&C (M)'s sub-contractors, while TEE E&C (M) claimed for RM5.50 million ($1.81 million) for value of work done but unpaid.

Under the Adjudication Determination, the Adjudicator (a) rejected the Claimant's claims on liquidated damages; (b) awarded RM3.76 million ($1.24 million) to the Claimant for rectification of alleged defects out of the Claimant's claim of RM24.77 million ($8.16 million); (c) awarded RM2.97 million ($0.98 million) to the Claimant for direct payments to TEE E&C (M)'s sub-contractors; and awarded fully RM5.50 million ($1.81 million) to TEE E&C (M) for unpaid work.

The above Adjudication Determination result in a net payable of RM1.23 million ($0.41 million) to the Claimant. These costs and billings awarded by the Adjudicator has been recognised in the financial statements for the financial period from 1 June 2020 to 30 September 2021.

Thereafter, TEE E&C (M) proposed a settlement with the Claimant based on the conditions set out in the Adjudication Determination. The Claimant, however, rejected TEE E&C (M)'s proposed settlement.

Update for FY2023

In conjunction with the proposed restructuring as disclosed in Note 1(c) to the financial statements, all parties have reached a full and final settlement of their disputes against each other in these Arbitrations and on 5 May 2023, Singapore International Arbitration Centre issued an Order for Termination to all parties. The agreed settlement amount of $15,086,000 has been provided for as part of the financial guarantee liabilities.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

44 CONTINGENT LIABILITIES (CONT'D)

Other claims

Apart from the Arbitration Proceedings, various claims have been made against the Company and the Group in the Engineering and Construction Segment (discontinued operation) for liquidated damages, defects, and/or under guarantees for the performance of the contracts. The Company released the latest announcement on 17 January 2023 to provide an update in relation to claims against the Company and the Group.

There were 3 claims against the Company amounting to about $13.7 million, a sum amounting to approximately $13.6 million was repaid in full to the relevant creditor in prior year and the Company entered into settlement agreements with the other creditors in respect of the balance of $0.1 million. Furthermore, there are 66 claims against PBT Engineering (disposed on 20 February 2023) amounting to about $17.0 million.

Trans Equatorial and TEE E&C (M) are under liquidation and liquidators have been appointed for these entities. The liquidators have control over these entities and the Company has not received any updates from the liquidators in relation to any further claims made against these entities since the last update regarding claims received by these entities announced by the Company on 25 July 2022 and 18 October 2022. In total, there were 135 claims and 13 claims against Trans Equatorial and TEE E&C Malaysia to the date of the said announcements amounting to an aggregate of about $143.4 million and RM5.9 million or $1.9 million, respectively. Arrow Waste Management Pte Ltd was liquidated during the current financial year and there was 1 claim against this entity amounting to $2.5 million.

In view of the proposed restructuring exercise as disclosed in Note 1(c) to the financial statements, the Company proposed and launched the Scheme between the Company and its creditors. Together with the scheme manager, the management discussed with various parties/creditors to reach an amicable conclusion. On 24 February 2023, the Company has proposed a pre-packaged Scheme with its creditors pursuant to section 71 of the IRDA and further on 13 April 2023, the Company announced that the Scheme has been approved by majority creditors. In this regard, the Sanction Application was fixed for a hearing on 11 May 2023 and at the hearing, the Court granted the application and approved the Scheme. Accordingly, the Group and the Company has made adequate provision for liabilities in connection with the claims.

45 SUBSEQUENT EVENTS

Subsequent to the end of financial year, the following events have taken place:

(i) Entry into second supplemental agreement to the Subscription Agreement (the "Second Supplemental Agreement")

On 7 October 2023, the Company updated that it has on 6 October 2023, entered into the Second Supplemental Agreement with the Subscriber to extend the Longstop Date to 31 March 2024 (whereby the Longstop Date shall be further extended by another six (6) months) if the Company is still in the process of fulfilling the conditions precedent as set out in the Subscription Agreement.

(ii) Entry into supplemental loan agreement to the Loan Agreement (the "Supplemental Loan Agreement")

On 31 October 2023, the Company also entered into the Supplemental Loan Agreement with the Subscriber. Pursuant to the Supplemental Loan Agreement, the Subscriber agreed to extend a further principal amount up to $2.0 million to the Company (the "Further Loan"), amounting to the sum of up to $3.8 million cumulatively.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2023

45 SUBSEQUENT EVENTS (CONT'D)

(iii) Entry into binding term sheet in relation to proposed acquisition of Carats& Co Pte. Ltd

On 14 December 2023, the Company announced that it has entered into a legally binding term sheet (the "Term Sheet") with the shareholders of Carats& Co Pte. Ltd. (the "Target Company"), namely Teo Kin Hua, Teo Kim Guan, Teo Chiew Moi Susie, Koh Tong Huat, Teo Kim Huat, Cho Ann Fong (each, a "Vendor" collectively, the "Vendors" and together with the Company, the "Parties"), in relation to the proposed acquisition of the entire issued and paid-up share capital (the "Sales Share") of the Target Company (the "Proposed Acquisition").

The Term Sheet is legally binding on the Parties with the commercial terms therein and subject to the conditions set forth therein, including the negotiation and execution of a sale and purchase agreement in respect of the Proposed Acquisition, amongst other definitive agreements (the "Definitive Agreements"). There is a Long-Stop Date of nine (9) months from the date of the Term Sheet (or such other dates as may be agreed between the Parties in writing with regard to the entry of Definitive Agreement).

Pursuant to the Term Sheet and subject to the terms and conditions of the Definitive Agreements to be entered into between the Parties, the acquisition by the Company of the Sale Shares free from all encumbrances with all rights, title and interest in and to the Sale Shares attaching to them as at completion of the Proposed Acquisition (the "Completion"), shall be carried out in two (2) tranches:

(a) Tranche One: within three (3) months (or such other period as the Parties may agree in writing) from the satisfaction of the Conditions Precedents (as defined in the Term Sheet), the acquisition of 1,200,000 Sale Shares held by Vendors (the "Tranche One Acquisition") such that the total number of Sale Shares acquired by the Company on completion of the Tranche One Acquisition would be equivalent to 60% of the issued share capital of the Company; and

(b) Tranche Two: within 12 months following the completion of the Tranche One Acquisition, the acquisition of 800,000 Sale Shares held by Vendors representing 40% of the issued share capital of the Company (the "Tranche Two Acquisition"). With respect to the Tranche Two Acquisition, each Party or Vendor shall have an option to negotiate with the other Party or Vendor to acquire a lower percentage of the issued share capital of the Company, such amount to be between 20% to 40%, as may be agreed in writing between the respective Parties.

The Consideration payable by the Company to the Vendors for the Sale Shares shall be approximately $14 million, being the indicative valuation based on the price earning ration of the Target Company's FY2023 projection figures.

The completion of each tranche of the Proposed Acquisition shall be conditional upon the customary conditions precedent having been fulfilled or waived as defined in the Term Sheet. The detailed terms and conditions of the Term Sheet was announced on 14 December 2023.

(iv) Extension of Long-Stop Date of the Scheme of Arrangement (the "Scheme")

As disclosed under Note 1(c) to the financial statements, the approved Scheme took effect on and from 16 May 2023. As outlined in the Scheme Document, the implementation of the Scheme is subject to the Restructuring Conditions (as defined in the Scheme) being satisfied or waived in accordance with the terms of the Scheme by 31 December 2023.

In view that the Company will require additional time to satisfy the Restructuring Conditions, this primarily involves obtaining SGX-ST's approval for the resumption of trading, the Company, together with the Scheme Manager and legal advisor is working on requesting that the creditors to agree to an extension of Long-Stop Date of the Scheme.

The Company will make further announcements as and when there are any material developments.

SHAREHOLDERS' INFORMATION

As at 30 December 2023

ISSUED AND FULLY PAID-UP CAPITAL (INCLUDING TREASURY SHARES)	:	S$73,193,862 ISSUED
ISSUED AND FULLY PAID-UP CAPITAL (EXCLUDING TREASURY SHARES)	:	S$72,925,213
NO. OF SHARES ISSUED (EXCLUDING TREASURY SHARES)	:	646,882,476
NUMBER/PERCENTAGE OF TREASURY SHARES	:	1,270,400 (0.20%)
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE VOTE PER SHARE

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	154	11.94	3,187	0.00
100 - 1,000	82	6.36	45,189	0.01
1,001 - 10,000	309	23.95	1,827,939	0.28
10,001 - 1,000,000	704	54.57	111,225,687	17.19
1,000,001 & ABOVE	41	3.18	533,780,474	82.52
TOTAL	1,290	100.00	646,882,476	100.00

TOP TWENTY SHAREHOLDERS

NO.	NAME OF SHAREHOLDERS	NO. OF SHARES HELD	%
1	UOB KAY HIAN PTE LTD	345,478,564	53.41
2	TAN ENG CHUA EDWIN	30,261,200	4.68
3	DBS NOMINEES PTE LTD	20,199,011	3.12
4	OCBC NOMINEES SINGAPORE PTE LTD	16,946,745	2.62
5	PHILLIP SECURITIES PTE LTD	14,617,158	2.26
6	KOH YEW CHOO	14,457,900	2.24
7	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	11,922,039	1.84
8	MAYBANK SECURITIES PTE. LTD.	7,903,022	1.22
9	TAN SOON HOE	7,000,000	1.08
10	TANG CHONG SIM	6,000,000	0.93
11	RAFFLES NOMINEES (PTE) LIMITED	4,623,232	0.72
12	YEOW HUI KHOON	4,166,100	0.64
13	KUAH ANN THIA	3,400,000	0.53
14	OCBC SECURITIES PRIVATE LTD	3,346,536	0.52
15	LEE TIAT SHIH (LI ZHESHI)	2,874,300	0.44
16	PEH SOEK BEE	2,675,100	0.41
17	ROMIEN CHANDRASEGARAN	2,549,700	0.39
18	KO LEE MENG	2,458,000	0.38
19	UNITED OVERSEAS BANK NOMINEES PTE LTD	2,352,668	0.36
20	CITIBANK NOMINEES SINGAPORE PTE LTD	2,203,085	0.34
	TOTAL	505,434,360	78.13

SHAREHOLDERS' INFORMATION
As at 30 December 2023

SUBSTANTIAL SHAREHOLDERS
As shown in the Register of Substantial Shareholders as at 30 December 2023

	Number of shares Direct Interest	%	Number of shares Deemed Interest	%
Tramore Global Limited[1]	345,378,471	53.4	–	–
Teo Yi-Dar[2][5]	–	–	345,378,471	53.4
Gary Ng Jit Meng[5]	–	–	345,378,471	53.4
Altair ASEAN Fund Limited Partnership[3]	–	–	345,378,471	53.4
Altair Capital General Partners Ltd[4]	–	–	345,378,471	53.4

Notes:

(1) A total of 345,378,471 ordinary shares held by Tramore Global Limited ("TGL") are registered in the name of UOB Kay Hian Pte Ltd.

(2) Teo Yi-Dar through his 100% shareholding interest in TGL, is deemed to have an interest in the shares held directly by TGL.

(3) Altair ASEAN Fund Limited Partnership ("AAFL") financed the investment in TGL, and is deemed to have an interest in all the shares held directly by TGL.

(4) Altair Capital General Partners Ltd ("ACGP") is the general partner of and controls AAFL. ACGP is deemed to have an interest in the shares held directly by TGL.

(5) Teo Yi-Dar and Gary Ng Jit Meng are directors of TGL and are the managing partners of ACGP. They each own more than 20% of ACGP, and are deemed to have an interest in all the shares held directly by TGL.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on the information available to the Company as at 30 December 2023, approximately 46.6% of the issued ordinary shares of the Company are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Third Annual General Meeting of TEE International Limited (the "**Company**") will be held at Level 5 of TEE Building (address : 25 Bukit Batok Street 22, Singapore 659591) on 26 January 2024, Friday, at 10:30 am 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 30 September 2023 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr. Yeo Kian Wee Andy ("**Mr. Yeo**") as Director of the Company who will be retiring pursuant to Article 89 of the Company's Constitution.

   Mr. Yeo will, upon re-election as a Director of the Company, remain as an Independent Director of the Company as well as the Chairman of the Board, Chairman of the Nominating Committee and a member of each of the Audit Committee and Remuneration Committee and will be considered independent of Management. Detailed information of Mr. Yeo required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST can be found in the Annual Report. **(Resolution 2)**

3. To re-elect Mr. Chin Sek Peng ("**Mr. Chin**") as Director of the Company who will be retiring pursuant to Article 88 of the Company's Constitution.

   Mr. Chin will, upon re-election as a Director of the Company, remain as an Independent Director of the Company as well as the Chairman of the Audit Committee and a member of each of the Nominating Committee and Remuneration Committee and will be considered independent of Management. Detailed information of Mr. Chin required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST can be found in the Annual Report. **(Resolution 3)**

4. To re-elect Mr. Zheng Le ("**Mr. Zheng**") as Director of the Company who will be retiring pursuant to Article 88 of the Company's Constitution.

   Mr. Zheng will, upon re-election as a Director of the Company, remain as an Executive Director of the Company. Detailed information of Mr. Zheng required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST can be found in the Annual Report. **(Resolution 4)**

5. To approve the payment of Directors' fees of S$220,000 for the financial year ending 30 September 2024 to be paid quarterly in arrears. **(Resolution 5)**

6. To re-appoint M/s Foo Kon Tan LLP as the Auditors of the Company, and to authorise the Directors of the Company to fix their remuneration. **(Resolution 6)**

7. 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 resolution as an Ordinary Resolution, with or without any modifications:

8. **Authority to issue new shares**

   That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

   (a) (i) issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other Instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

NOTICE OF ANNUAL GENERAL MEETING

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

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

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

   (b) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

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

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. **(Resolution 7)**

[See Explanatory Note i]

By Order of the Board

Ong Beng Hong
Joint Company Secretary

Singapore
11 January 2024

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Note on Resolution to be passed:

(i) The Ordinary Resolution 7 proposed in item 8 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to twenty per centum (20%) may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of Shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

Notes:

(1) The members of the Company are invited to attend physically at the Annual General Meeting (the "**Meeting**" or "**AGM**"). **There will be no option for shareholders to participate virtually.** This Notice, Proxy Form and Annual Report are available to members in physical copies and by electronic means via publication on SGXNet at the URL at https://www.sgx.com/securities/company-announcements or at the Company's website at the URL at https://www.teeintl.com. A member will need an internet browser and PDF reader to view these documents.

(2) Arrangements for participation in the AGM physically

Members (including CPFIS and SRS investors) may participate in the AGM by:

(a) attending the AGM in person;

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

(c) voting at the AGM

(i) themselves personally; or

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

CPFIS and SRS investors who wish to appoint the Chairman of the Meeting (and not third party prox(ies)) as proxy to approach their respective CPF Agent Banks or SRS Operators to submit their votes. Please see item 6 below for details.

<u>In the event members encounter Covid-19 like symptoms prior to the Meeting, members are strongly encouraged to exercise social responsibility to rest at home and consider appointing a proxy(ies) to attend the Meeting. We encourage members to mask up when attending the Meeting.</u>

(3) Relevant Intermediary

(a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the AGM.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

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

(5) A member can appoint the Chairman of the Meeting as his/her/it proxy, **<u>but</u>** this is **<u>not mandatory</u>**.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

NOTICE OF ANNUAL GENERAL MEETING

(6) CPFIS/SRS investors who hold shares in the Company through CPF Agent Banks/SRS Operators:

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

(b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Meeting, in which case they should approach their CPF Agent Banks/SRS Operators to submit their votes at least 7 working days prior to the date of AGM i.e. **by 10:30am on 16 January 2024**.

(7) Submission of instrument of proxy or proxy ("**Proxy Form**") – **by 10:30am on 24 January 2024**

The Proxy Form must be submitted either personally or by post, and be deposited at the Company's Share Registrar Office, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, not less than 48 hours before the time appointed for holding the Meeting i.e. **by 10:30am on 24 January 2024**, and failing which, the Proxy Form will not be treated as valid.

(8) The Company shall be entitled to, and will, treat any valid Proxy Form which was delivered by a member to the Company **before 10:30am on 24 January 2024** as a valid instrument as the member's proxy to attend, speak and vote at the Meeting if: (a) the member had indicated how he/she/it wished to vote for or vote against or abstain from voting on each resolution; and (b) the member has not withdrawn the appointment by **10:30am on 24 January 2024**.

(9) If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.

(10) Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the Meeting if he/she so wishes. The appointment of the proxy(ies) for the Meeting will be deemed to be revoked if the 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 relevant instrument appointing a proxy(ies) to the Meeting.

(11) Submission of questions by members in advance of the Meeting – **by 18 January 2024**

(a) Members may, in advance of the Meeting, submit questions related to the resolutions to be tabled for approval at the Meeting. All questions, together with the members' full names, identification numbers, contact numbers and email addresses and manner in which they hold shares in the Company ("**Shares**"), must be submitted **by 18 January 2024** via email to proxyform@teeintl.com or by post to the Company's Share Registrar Office, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896.

(b) The Company will publish the responses to substantial and relevant questions on the SGX website at https://www.sgx.com/securities/company-announcements or at the Company's website at the URL at http://www.teeintl.com by **10:30am on 22 January 2024**.

(c) The Company endeavours to address (i) subsequent clarifications sought (ii) follow-up questions or (iii) subsequent substantial and relevant questions which are received after its responses referred to at (b) above, at the Meeting itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

(d) Minutes of AGM – The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNet, and the minutes will include the responses to the questions which are addressed during the AGM, if any.

Personal data privacy:

By submitting an instrument appointing the Chairman of the meeting as proxy to vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

TEE INTERNATIONAL LIMITED

Company Registration No. 200007107D
(Incorporated In The Republic of Singapore)

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. For investors who have used their Central Provident Fund or Supplementary Retirement Scheme monies to buy Shares in the Company (the "**CPF Investors**" or "**SRS Investors**"), this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF Investors/SRS Investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.
2. The AGM will be held physically at Level 5 of TEE Building (address: 25 Bukit Batok Street 22, Singapore 659591). Members have no option to participate virtually.

I/We, ______________________________ (Name)

______________________________ (NRIC/Passport Number/Company Registration Number)

of ______________________________ (Address)

being a member/members of TEE International Limited (the "**Company**"), hereby appoint:

(a)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)

OR

(b) the Chairman of the Meeting as my/our proxy/proxies* to vote for me/us* on my/our* behalf at the Annual General Meeting ("**AGM**") of the Company to be held at Level 5 of TEE Building (address: 25 Bukit Batok Street 22, Singapore 659591) on 26 January 2024, Friday, at 10:30am and at any adjournment thereof.

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

The Ordinary Resolutions put to vote at the AGM shall be decided by way of poll.

No.	Resolutions relating to:	[1] No. of Votes For	[1] No. of Votes Against	[1] No. of Votes Abstained
1	Directors' Statement and Audited Financial Statements for the financial year ended 30 September 2023			
2	Re-election of Mr. Yeo Kian Wee Andy as a Director			
3	Re-election of Mr. Chin Sek Peng as a Director			
4	Re-election of Mr. Zheng Le as a Director			
5	Approval of Directors' fees of S$220,000 for the financial year ending 30 September 2024 to be paid quarterly in arrears			
6	Re-appointment of M/s Foo Kon Tan LLP as Auditors			
7	Authority to issue new shares			

[1] If you wish to exercise all your votes "For", "Against" or "Abstained", please tick (√) within the relevant box provided. Alternatively, please indicate the number of votes as appropriate in the boxes provided.

Dated this __________ day of ____________ 2024

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

Notes:

1. Each of the resolutions to be put to the vote of members at the AGM (and at any adjournment thereof) will be voted on by way of poll.

2. Please insert the total number of shares of the Company ("**Shares**") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

3. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead.

4. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

5. A member who is a relevant intermediary entitled to attend the meeting and vote, is entitled to appoint more than two 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 such member. Where such member appoints more than two 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 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 licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

6. A proxy need not be a member of the Company. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

7. The instrument appointing a proxy(ies) ("**Proxy Form**") must be submitted to the Company either personally or by post, and be deposited at the Company's Share Registrar Office, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, not less than 48 hours before the time appointed for holding the Meeting i.e. by 10:30am on 24 January 2024, and failing which, the Proxy Form will not be treated as valid..

   The Company shall be entitled to reject any instrument appointing a proxy/proxies which is incomplete, illegible or where the true intentions of the member, being the appointer, are not ascertainable from the instructions of the appointer specified in the instrument. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy/proxies if the member is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the AGM, i.e. 10:30am at 23 January 2024 as certified by the Central Depository (Pte) Limited to the Company.

8. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

9. The Proxy Form must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

10. 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), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 January 2024.

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