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JUBILEE INDUSTRIES HOLDINGS LTD.

Securities

JUBILEE INDUSTRIES HLDGS LTD - SGXE67467741 - NHD

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No

Announcement Details

Announcement Title

Annual Reports and Related Documents

Date &Time of Broadcast

12-Oct-2022 22:55:38

Status

New

Report Type

Annual Report

Announcement Reference

SG221012OTHR4SCI

Submitted By (Co./ Ind. Name)

Dato' Terence Tea Yeok Kian

Designation

Executive Chairman and CEO

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attachment.

Additional Details

Period Ended

31/03/2022

Attachments

Jubilee - Annual Report FY2022.pdf

Total size =3278K MB

Jubilee Industries Holdings Ltd.

千禧业科技公司

ANNUAL REPORT 2022

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Name : Mr Jerry Chua (Registered Professional, Evolve Capital Advisory Private Limited)
Address : 138 Robinson Road, Oxley Tower, #13-02, Singapore 068906
Tel : (65) 6241 6626

Moulding a Sustainable Future

WE ARE A FULL-FLEDGED ONE-STOP PROVIDER OF ELECTRONIC COMPONENTS, PLASTIC INJECTION MOULDS AND MOULDING SOLUTIONS WITH A FOCUS ON OUR CORE COMPETENCIES IN MEETING OUR CUSTOMERS' STRINGENT REQUIREMENTS FOR PRECISION AND INNOVATIVE PRODUCTS.

CORPORATE PROFILE

Established in 1993 and listed on SGX-Catalist since 10 July 2009, Jubilee Industries Holdings Ltd. (**"Jubilee"** or the **"Company"**, and together with its subsidiary corporations, the **"Group"**) is a one-stop solutions provider within the Electronic Manufacturing Services (**"EMS"**) space with two main business segments:

1. Mechanical Business Unit ("**MBU**"), which engages primarily in precision plastic injection moulding ("**PPIM**") and mould design and fabrication ("**MDF**") services; and

2. Electronics Business Unit ("**EBU**"), which distributes integrated electronic components.

The Group is also a manufacturer's representative based in Singapore for electronic products across Southeast Asia. The Group provides system integration, business consultancy for turnkey electronics solutions for the Asia Pacific Rim, including value-added services for global customers in consumer electronics, computer peripherals, medical supplies, automotive and household appliances.

Armed with our vertically integrated capabilities and cost-efficient manufacturing locations, we are driven by our core values in precision, innovation and aesthetics to provide high-quality products for our global customers.

Headquartered in Singapore, Jubilee's production facilities span across Malaysia and Indonesia. Jubilee's products are sold to customers in Singapore, Malaysia, Indonesia, Vietnam, India, the People's Republic of China, the United States and various European countries.

MBU: MOULD DESIGN AND FABRICATION BUSINESS

We produce plastic injection moulds for consumer electronics, household appliances, medical supplies, automotive and computer peripherals. MDF or "tooling" involves the design and fabrication of precision plastic injection moulds, a steel tool made up of many operating parts ("tooling inserts") assembled together, and subsequently used in PPIM or sold directly to customers. We believe that a good tool forms the heart of a good product. At Jubilee, we take pride in building a good tool from the design stage to the mould assembly. That is why we use state-of-the-art steel cutting equipment, such as the Sodick 3-axis machine. We believe that strong hardware and excellent skillsets are critical in every step to make tools that we can be proud of.

In addition, we have the capability to fabricate precision moulds with high aesthetic value and are one of the leaders in surface polishing. Among our key strengths is our ability to build double-shot injection tools, a technique we have perfected over the years. We also build complex engineering tools for some of the most stringent customers in the medical and automotive industry.

We have a dedicated team of professional programme managers and designers who will study our customers' needs and part requirements as well as go through a thorough design for the manufacturing process before proceeding with tool fabrication. Our quality motto is to do things right the first time to avoid unnecessary waste.

CORPORATE PROFILE

MBU: PRECISION PLASTIC INJECTION MOULDING BUSINESS

We offer a variety of PPIM services, including single-shot, double-shot, vertical, insert and gas-assisted moulding. The different mouldings allow different types of precision plastic components to be produced, enabling us to produce a wide range of components for parts of our customers' finished products, including mobile phones, computer peripherals and other consumer electronics.

Our efforts to meet customers' high expectations have led to improvements in our manufacturing standards. Our engineers and operators are committed to maintaining the quality of our products, ensuring that every part delivered represents our Company's signature mark of good quality. From injection moulding machines to quality inspection equipment, we use the best in the market to ensure that every product piece is consistent. Through many years of cooperation, our customers have recognised Jubilee as their trusted manufacturing partner in providing quality services and reliable deliveries.

We have a wide range of machines ranging from 40 tonnes to 2,100 tonnes, ensuring we have the right equipment to suit our customers' needs. Apart from mainstream plastic injection moulding machines, we also offer specialty machines, such as double-shot injection and vertical machines.

We offer a variety of value-added services for plastic decorative purposes, such as laser etching, ultrasonic welding, heat staking, printing, polishing and sub-assembly services. These secondary processes cover the engineering requirements of most products, delivering a one-stop, vertically integrated solution to our customers.

EBU: ELECTRONIC COMPONENTS DISTRIBUTION

Our electronic components distribution segment represents internationally renowned principals with an extensive array of active, passive and electromechanical products. These include memory devices, radio frequency modules, power management integrated circuits, microcontrollers, transistors, MOSFETs, capacitors, inductors, resistors, crystal oscillators and connectors. In addition, we provide high-end industrial power solutions, design-in services and integration to meet our customers' specific requirements.

Our customers are mainly Original Design Manufacturers, Original Equipment Manufacturers and Electronics Manufacturers in diverse market segments throughout the Asia-Pacific region.

With our integrated supply chain system and distribution centres in Singapore and Hong Kong, we serve over 500 customers with various programmes, including vendor-managed inventory, third-party logistic hubs and back-to-back deliveries.

CHAIRMAN'S MESSAGE

Dear Shareholders,

On behalf of Jubilee Industries Holdings Ltd. ("Jubilee" or the "Company, together with its subsidiary corporations, the "Group"), I am pleased to present the Group's latest annual report for the financial year ended 31 March 2022 ("FY2022").

RECOVERY AND GROWTH

While businesses are recovering from the impact of the Covid-19 pandemic, the global business environment remains challenging as it continues to be shrouded by persistent social and economic uncertainties associated with renewed Covid-19 lockdowns in China, the Russia-Ukraine conflict, rising oil prices and steep inflation. These headwinds threaten to lengthen the period required for a full recovery to pre-pandemic levels.

Disruptions in supply chains, increase in raw material costs, volatility in foreign exchange rates, and intense competition result in slimmer margins for businesses. The threat of a recession in the USA and Europe remains high. Yet, in Singapore, economic activity has remained resilient, and policymakers do not expect a recession at this time; although being so connected to and dependent on the rest of the world for trade and business, it would be difficult to be completely unscathed.

Despite these challenges, Jubilee successfully reached a new high in revenue, exceeding the S$200 million mark for the first time in our Company's history as we continue to bounce back from Covid-19 pandemic lows.

OVERVIEW OF FY2022

Amidst higher global demand for semiconductors, Jubilee's revenue increased by S$86.1 million or 59.4%, from S$145.0 million for FY2021 to S$231.1 million for FY2022. The strong full-year revenue was mainly attributed to the Group's ongoing efforts to realign its resources, expand its supplier base, and grow its product portfolio.

Electronics Business Unit ("EBU") revenue increased significantly by S$80.8 million or 67.4%, from S$119.9 million for FY2021 to S$200.7 million for FY2022. The global chip shortage and supply chain disruptions have led to a rush to stockpile high-demand chips amidst limited factory capacity and longer lead times. These circumstances contributed positively to the EBU's strong revenue growth.

Mechanical Business Unit ("MBU") revenue increased by S$5.3 million or 21.1%, from S$25.1 million for FY2021 to S$30.4 million for FY2022. The increase in revenue was due to higher sales of consumer and construction products, as well as tool fabrication across the Group's manufacturing operations in Malaysia and Indonesia.

In response to the challenges of Covid-19, Jubilee has taken proactive steps to streamline the operations of both the MBU and EBU, resulting in a leaner operating model with enhanced cost efficiency measures.

CHAIRMAN'S MESSAGE

Total expenses as a percentage of revenue declined from 6.2% for FY2021 to 4.3% for FY2022.

OUTLOOK AND FUTURE PLANS

While demand for manufacturing services remains strong, the market in which the MBU operates remains competitive. The volatility of the US dollar and rising crude oil prices have affected the price of resin, the MBU's principal raw material. In addition, logistics and labour issues have further exacerbated the tight supply of resin. The MBU is seeking alternative sources of raw materials and raising operational efficiencies to mitigate the higher raw material cost.

The MBU continues to deepen existing business partnerships to secure more orders while exploring new business opportunities amidst an influx of global customers relocating to Johor, Malaysia, where part of the MBU's operations is based.

These efforts have already achieved some success, as the MBU secured a partnership with a Singapore medical tool company, enhancing the MBU's reputation and presence in mould fabrication for medical devices. The new partnership reflects our optimism and positive market sentiments as we continue to explore potential investments for new tool fabrications.

While revenue from China increased two-fold, we are concerned by renewed lockdown measures and government restrictions in the EBU's key market of China following the spread of highly transmittable Covid-19 variants and the government's zero-Covid policy, resulting in curtailed manufacturing and supply chain activities.

Towards the end of FY2022, the EBU saw signs of slowing demand, with a sudden decline in purchasing activity amidst an uncertain global economic outlook clouded by the ongoing Russia-Ukraine conflict, steep inflation, and fluctuating oil prices.

In June 2022, we welcomed Hong Kong incorporated UPC Electronics as a strategic investor, taking up a 14% stake in the EBU for US$2.1 million. This reflects the deep value of the EBU, which we have built over the years, and we remain confident in its long-term growth prospects. Proceeds from the investment will enable the Group to further capitalise on growth opportunities and re-strategise its financial and capital resources. Working with UPC Electronics, we believe significant synergies can be achieved given its existing operations and networks across China.

We will continue to explore potential partnerships should suitable opportunities arise, leveraging the EBU's extensive product portfolio and strong presence across Asia. The Group will also continue its efforts to expand its base of suppliers and customers in the electronic components segment and work closely with suppliers and customers to increase shared value and win-win outcomes.

The Group remains committed to its strategy of maintaining a diversified customer mix and product portfolio to ensure business resilience and stability for both its business segments. In addition, the Group will continue to work on initiatives to manage cost and operational efficiency better, focusing on products with longer life cycles and high growth potential.

A NOTE OF APPRECIATION

On behalf of the Group, I would like to express my sincere gratitude to our valued shareholders and business partners for their continued support throughout the years. We also recognise the determination and contributions of our colleagues who have worked tirelessly to support Jubilee's recovery.

On behalf of the Board, I would like to welcome the appointment of Mr Levin Lee Keng Weng as Non-Executive Independent Director and a member of the Nominating Committee. I am confident that his appointment will further strengthen the Board as Jubilee navigates a volatile, complex, and fast-changing environment.

Furthermore, I would also like to express my appreciation for the support of our investors who participated in Jubilee's Placement Exercise in FY2022 to strengthen the Group's financial position and enable the Group to capitalise on growth opportunities as demand picks up in line with the global post pandemic recovery.

The encouraging revenue growth and strategic investment by UPC Electronics marks a positive step forward as Jubilee opens a new chapter, bouncing back from the initial impact of Covid-19. I would like to thank the Board for their steadfast support throughout this challenging period.

We remain firmly committed to the principles of integrity and innovation as we continue to work together to strengthen Jubilee's operations and grow the business to build long-term value for shareholders.

Dato' Terence Tea Yeok Kian
Executive Chairman and Chief Executive Officer
Jubilee Industries Holdings Ltd.

OPERATIONS AND FINANCIAL REVIEW

The Group's cost of sales increased by S$86.3 million or 62.8% from S$137.5 million for FY2021 to S$223.8 million for FY2022, in line with the increase in revenue.

OPERATIONS AND FINANCIAL REVIEW

Financial Performance

For the financial year ended 31 March 2022 ("FY2022"), Jubilee Industries Holdings Ltd. ("Jubilee" and together with its subsidiary corporations, the "Group") recorded a revenue of S$231.1 million, representing an increase of S$86.1 million or 59.4% as compared to S$145.0 million recorded for the financial year ended 31 March 2021 ("FY2021").

Revenue from the Group's Mechanical Business Unit ("MBU") increased by S$5.3 million or 21.1% from S$25.1 million for FY2021 to S$30.4 million for FY2022. The increase was due to higher sales from the Group's manufacturing operations in both Malaysia and Indonesia, arising from higher sales of consumer and construction products, as well as tool fabrication.

Meanwhile, revenue from the Group's Electronics Business Unit ("EBU") increased by S$80.8 million or 67.4% from S$119.9 million for FY2021 to S$200.7 million for FY2022. The increase was due to higher global demand for semiconductors, particularly in Hong Kong and China, driven by a recovery of manufacturing activity following Covid-19 related business and economic disruptions in FY2021.

The Group's cost of sales increased by S$86.3 million or 62.8% from S$137.5 million for FY2021 to S$223.8 million for FY2022, in line with the increase in revenue.

The Group's gross profit decreased by S$0.2 million or 2.7% from S$7.5 million for FY2021 to S$7.3 million for FY2022. The MBU's gross profit decreased by S$1.3 million or 63.6% from S$2.2 million for FY2021 to S$0.8 million for FY2022. The EBU's gross profit increased by S$1.1 million or 20.8% from S$5.3 million for FY2021 to S$6.4 million for FY2022.

The Group's gross profit margin declined from 5.2% for FY2021 to 3.1% for FY2022 due to higher costs across both business units. The MBU's gross profit margin declined from 8.6% for FY2021 to 2.8% for FY2022 as the market supply of resin, a key raw material, remained tight due to logistics issues stemming from labour shortage and shipping delays which were further exacerbated by disruption in resin production. Meanwhile, the EBU's gross profit margin declined from 4.4% for FY2021 to 3.2% for FY2021 due to rising logistics and transportation costs.

Other income decreased by S$0.6 million or 74.3% from S$0.8 million for FY2021 to S$0.2 million for FY2022, largely due to lower government grants received under business support schemes amid the Covid-19 pandemic.

The Group recorded other losses of S$2.6 million for FY2022 as compared to a loss of S$0.5 million for FY2021, largely due to fair value loss of the Group's investment in shares of EG Industries Bhd of S$2.2 million.

Distribution and marketing expenses increased by S$0.1 million or 25.0% from S$0.4 million for FY2021 to S$0.5 million for FY2022, due to higher staff commissions paid for both business units.

The Group's administrative expenses increased by S$1.1 million or 13.9%% from S$7.9 million for FY2021 to S$9.0 million for FY2022, due to higher staff related costs, professional fees and depreciation.

Finance expenses decreased by S$0.3 million or 37.5% from S$0.8 million for FY2021 to S$0.5 million for FY2022. The decrease was mainly due to lower interest rates across all trade facilities in FY2022 compared with FY2021 and a decrease in the usage of letter of credit/ trust receipts financing and factoring.

As a result of the above, the Group reported a net loss after tax of S$5.2 million for FY2022 as compared to a net loss after tax of S$1.8 million for FY2021.

Financial Position

The Group's current assets decreased by S$3.5 million from S$68.5 million as at 31 March 2021 to S$65.0 million as at 31 March 2022. Cash and cash equivalents decreased by S$1.0 million largely due to repayment of bank borrowings and payment for purchases. Trade and other receivables decreased by S$4.2 million due to a sudden change in purchasing activity between the end of 2021 and the beginning of 2022 as parts of China entered lockdown following the re-emergence of Covid-19 which resulted in lower demand. Inventories increased by S$3.8 million as more inventories were held by both the MBU and EBU for buffer stocks to support current customers. Other current assets, which comprises of deposits, prepayments and properties held-in-trust increased marginally by S$0.1 million largely due to prepayments for purchases of goods.

Non-current assets held steady at S$8.5 million as at 31 March 2022. This is primarily due to a decrease in intangible assets of S$0.4 million as a result of amortisation costs and a net increase in property, plant and equipment of S$0.3 million.

Current liabilities increased by S$1.1 million from S$38.8 million as at 31 March 2021 to S$39.9 million as at 31 March 2022. Trade and other payables decreased by S$1.2 million due to lower trade payables arising from shorter payment terms for some suppliers related to inventory purchases which has resulted in the higher inventory held as at 31 March 2022. In addition, borrowings increased by S$2.5 million largely due to a reclassification of S$2.1 million in borrowings from non-current to current as it will fall due within a year.

Non-current liabilities decreased by S$2.1 million from S$2.4 million as at 31 March 2021 to S$0.3 million as at 31 March 2022 due to the reclassification of borrowings as reported above.

The Group's working capital decreased by S$4.6 million from S$29.7 million as at 31 March 2021 to S$25.1 million as at 31 March 2022.

As a result of the above, the Group's net assets decreased by S$2.7 million from S$35.9 million as at 31 March 2021 to S$33.2 million as at 31 March 2022.

OPERATIONS AND FINANCIAL REVIEW

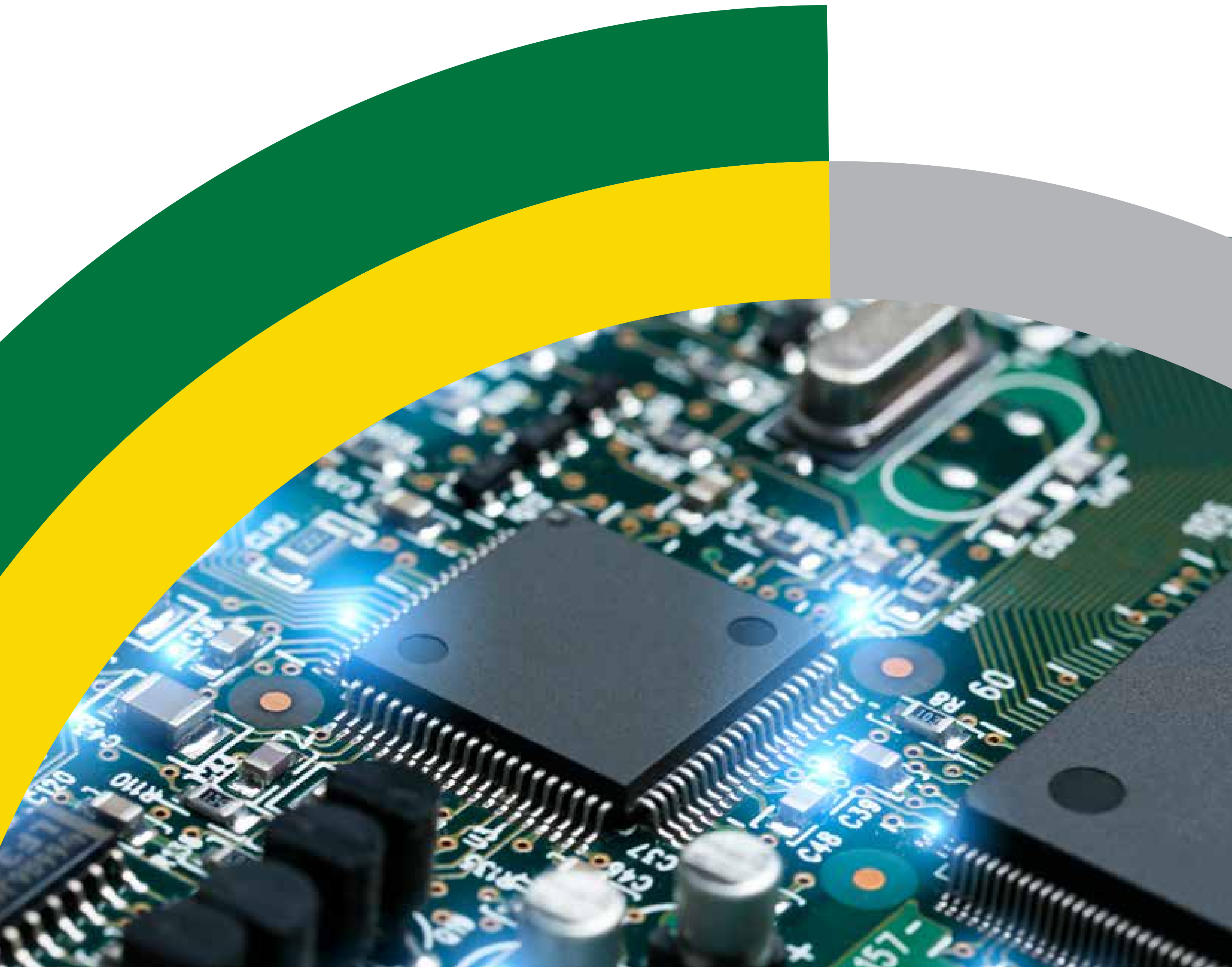
Cash Flow Statement

Net cash used in operating activities for FY2022 was S$2.7 million, comprising of operating gain before working capital changes of S$0.5 million which was offset by working capital outflow of S$2.8 million. The working capital outflow comprised of an inflow of S$4.2 million from trade and other receivables which was offset by cash outflow of S$7.1 million. The cash outflow comprised of inventories of S$5.8 million, other current assets of S$0.1 million, trade and other payables of S$1.2 million.

Net cash used in investing activities of S$1.1 million for FY2022 was mainly due to acquisition of additional property, plant and equipment of S$1.2 million, offset by disposal of property, plant and equipment, as well as dividend and interest received amounting to S$0.1 million.

Net cash generated from financing activities for FY2022 was S$2.6 million comprising of issuance of ordinary shares of S$3.0 million and drawdown of short-term bank borrowings of S$0.4 million. These were offset with repayment of lease liabilities and interest paid amounting to S$0.8 million.

As a result of the above, the Group's cash and cash equivalents decreased by S$1.1 million from S$5.2 million as at 31 March 2021 to S$4.1 million as at 31 March 2022.



MILESTONE

FY 2022

Jubilee achieves record revenue, exceeding the S$200 million mark for the first time

FY 2021

Jubilee bounced back from the initial impact of Covid-19, achieved higher revenue and gross profit

FY 2020

Secured new revenue opportunities amidst trade tensions, MBU achieved continued growth

FY 2019

- Successfully sustained turnaround, net profit tripled
- Acquired Honfoong Plastics Industries Pte. Ltd. to grow the Company's MBU

FY 2018

- Achieved successful turnaround with return to black
- Accrelist Ltd. saw significant potential in the Company and increased its stake by converting the outstanding loan into Jubilee shares

FY 2017

Secured convertible loan from strategic shareholder Accrelist Ltd. to support its growth

FY 2016

Dato' Terence Tea was appointed as Managing Director to lead turnaround efforts for Jubilee

FY 2015

Acquired WE Components, an electronic components distributor, to enable Jubilee to provide one-stop solutions for the electronics manufacturing industry

BOARD OF DIRECTORS

DATO' TERENCE TEA YEOK KIAN, 54

Executive Chairman & Chief Executive Officer

Academic and professional qualifications:
Ph.D. in Business Administration (Honorary) from Honolulu University

Diploma in Electronics and Electrical Engineering from Singapore Polytechnic

Date of first appointment as director:
30 June 2014

Date of last re-election as director:
30 July 2021

Length of service (as at 31 March 2022):
7 years 9 months

Served on the following Board Committees:
- Member – Nominating Committee

Present Directorships in other listed companies
Executive Chairman and Managing Director
– Accrelist Ltd. (Listed on SGX, Singapore)

Present Principal Commitments
Executive Chairman and Managing Director - Accrelist Ltd.
Executive Chairman and CEO – Jubilee Industries Holdings Ltd.

Directorships in other listed companies held over the preceding five years
Executive Chairman – EG Industries Berhad (Listed on Bursa Malaysia, Malaysia)

Background and experience:
Dato' Terence Tea Yeok Kian ("Dato' Tea") is the Executive Chairman and Chief Executive Officer of the Group. He is responsible for the overall growth of the Group and his main role is to determine the strategic direction of the Group, acquiring and nurturing new businesses with a view of taking them to greater heights.

Dato' Tea brings to the Group a wealth of experience in the corporate world, providing key inputs to the Board and has been instrumental in advising on corporate matters and he drives the formulation and implementation of business plans and strategies for the Group.

Dato' Tea is also the Executive Chairman and Managing Director of major shareholder Accrelist Limited.

His comprehensive knowledge and experience of the industry has aided the Group to spot growth opportunities, especially during the restructuring period of 2013 to 2017. Dato' Tea's keen vision within the business model has allowed him a comparative advantage in the Group's advancement. In addition, Dato' Tea's tenacity has been reflected in his leadership to harness the unrealised prospects of both Accrelist Ltd and Jubilee Industries. Both companies are still venturing to explore their fullest potentials.

Dato' Tea is also an honorary patron of the Nee Soon East Constituency, Sembawang Citizen's Consultative Committee and Singapore Productivity Association, as well as Chairman of Eng Yong Tong Tay Si Association. He was awarded the Public Service Medal (PBM) by the President of the Republic of Singapore, as well as the Long Service Award (MOE) by Singapore's Ministry of Education. He is also the Singapore Small Medium Business Association TOP Entrepreneur. He was also conferred the title of Dato.

BOARD OF DIRECTORS

MR. CHEONG KENG CHUAN, ALFRED, 53

Lead Independent Director

Academic and professional qualifications:
Bachelor of Commerce (Accounting and Economics) Degree, Deakin University, Australia

Member - Institute of Singapore Chartered Accountants

Member - The Australian Society of Certified Practising Accountants

Date of first appointment as director:
23 June 2016

Date of last re-election as director:
26 November 2020

Length of service (as at 31 March 2022):
5 years 9 months

Served on the following Board Committees:
- Chairman – Audit Committee
- Chairman – Remuneration Committee
- Member – Nominating Committee

Present Directorships in other listed companies
Giti Tire Corporation (listed in China)

Present Principal Commitments
Deputy Managing Partner - Crowe Horwath First Trust LLP

Directorships in other listed companies held over the preceding five years
- China Flexible Packaging Holdings Limited (cessation as of 13 October 2017)
- C&G Environmental Protection Holdings Limited (cessation as of 12 December 2017)
- Debao Property Development Ltd (cessation as of 30/11/2018)
- China Hongxing Sports Limited (delisted as of 23/10/2020)

Background and experience:
Mr. Cheong is the Deputy Managing Partner of Crowe Horwath First Trust LLP, a local firm of certified public accountants. He has over 20 years of experience in the audit and financial consulting services industry including serving six years at Arthur Andersen from 1996 to 2001 and two years at Protiviti Pte Ltd from 2003 to 2005. Mr. Cheong also has extensive experience in commercial financial management having held the post of regional financial manager at Linklaters Allen & Gledhill Pte Ltd, an international legal firm from 2001 to 2002 and as the financial controller of Aztech Systems Ltd., a publicly-listed company in Singapore from June 2002 to October 2002.

BOARD OF DIRECTORS

MR. NG SIEW HOONG, LINUS, PBM, 51

Independent Director

Academic aqualifications:
Bachelor of Laws (Hons.) Degree, University of London

Graduate Certificate in LegalTech,
Singapore Management University

Certificate for Completion - FinTech: Innovation and Transformation in Financial Services Programme,
National University of Singapore (Business School)

Professional qualifications:
Barrister-at-law from Middle Temple, United Kingdom

Advocate and Solicitor of the Supreme Court, Singapore
Notary Public

Membership:
Member of the Singapore Academy of Law
Member of the Law Society of Singapore
Member of the Singapore Institute of Directors
Member of the Singapore Institute of Arbitrators
Executive Member of Consumers Association of Singapore
Member of BNI (Action Chapter)

Date of first appointment as director:
5 August 2016

Date of last re-election as director:
30 July 2021

Length of service (as at 31 March 2022):
5 years 7 months

Served on the following Board Committees:
- Chairman – Nominating Committee
- Member – Audit Committee
- Member - Remuneration Committee

Present Directorships in other listed companies
Nil

Present Principal Commitments
Partner - Donaldson & Burkinshaw LLP

Directorships in other listed companies held over the preceding three years
Nil

Background and experience:
Mr. Ng is a Corporate Partner in the Corporate and Commercial Practice, and in the Technology and Data Protection Practice, in Donaldson & Burkinshaw LLP. His areas of practice include mergers and acquisitions (local and regional), corporate finance and governance, regulatory compliance and enforcement, employment and immigration. In his years of practice, he has advised on corporate and securities laws, equity financing in the capital markets, takeovers and listing conditions on the SGX, issuance of convertible bonds and notes, fund management advisory and cross-border investments transactions.

In dispute resolutions, Mr. Ng has acted and advised individuals and corporations in mediations, judicial and arbitration proceedings in Singapore and the region.

Within the technology practice, he has advised corporations and research institutions on the commercialisation of their technological breakthroughs and protection of their intellectual property rights.

Mr. Ng serves on the board of directors of both listed and private companies, as well as Institutions of Public Character. He regularly speaks and conduct talks, seminars and webinars on subjects involving the Singapore Companies Act, Employment Act, PDPA and AML/CFT legislations to trade associations and organisations, and in international conferences.

Mr. Ng is also an active grassroots leader and for his outstanding contributions as a consumer advocate, he has been conferred the Public Service Medal (Pingat Bakti Masyarakat)(PBM) in 2020 by the President of Singapore.

BOARD OF DIRECTORS

DATO' ALEX KANG PANG KIANG, 50

Independent Non-Executive Director

Academic and professional qualifications

Double degree in Bachelor of Commerce and Bachelor of Science from University of Auckland, New Zealand

Chartered Accountant of Malaysian Institute of Accountants

Associate Chartered Accountant of Chartered Accountant Association, New Zealand

Date of first appointment as director:
22 October 2020

Date of last re-election as director:
26 November 2020

Length of service (as at 31 March 2022):
1 year 5 months

Served on the following Board Committees:

- Member - Audit Committee
- Member - Remuneration Committee

Present Directorships in other listed companies

- Accrelist Ltd. (Listed on SGX, Singapore)
- EG Industries Berhad (Listed on Bursa Malaysia, Malaysia)
- Thong Guan Industries Berhad (Listed on Bursa Malaysia, Malaysia)

Present Principal Commitments

CEO – EG Industries Berhad

Directorships in other listed companies held over the preceding five years

Nil

Background and experience:

Dato' Alex Kang Pang Kiang is the CEO of EG Industries Berhad and has held the helm for full responsibility for the overall planning and operations since July 2014. With more than 20 years of expertise in financial management, planning, corporate restructuring exercises, risk management and investor relations, he plays a key role in formulating and providing solutions for EG Industries Berhad's strategic positioning and business.

For his outstanding entrepreneurship and enthusiasm, Dato' Alex was awarded the Best Chief Executive Officer and Best Investor Relations Professional by Malaysian Investor Relations Association under the Micro-cap category of "The Investor Relations Awards 2015" in appreciation for his dedication to the business and social community, Dato' Alex was conferred the title of datukship in 2018 and an honorable POLTERA life V.I.P by Persatuan Kebajikan Keluarga Bekas Polis dan Tentera ("POLTERA") for his support, cooperation and contribution towards POLTERA's goal achievements.

In 2020, Dato' Alex was appointed a distinguished "Adjunct Professor" by AIMST University to share his business and industry insights with the future workforce and as the honorary advisor of the Malaysia-China Chamber of Commerce in recognition of his rich expertise and experience in the manufacturing business globally.

In September 2022, Dato' Alex was honored to be appointed as the Honorary Advisor of Kelab Rekreasi Pekerja Dan Pedagang Cina Negeri Pulau Pinang.

BOARD OF DIRECTORS

MR. LEVIN LEE KENG WENG, 54

Independent Non-Executive Director

Academic and professional qualifications:
Nil

Date of first appointment as director:
21 December 2021

Date of last re-election as director:
Nil

Length of service (as at 31 March 2022):
3 months

Served on the following Board Committees:
- Member - Nominating Committee

Present Directorships in other listed companies
Nil

Present Principal Commitments
- Director – Ace Peak Capital Group Private Limited
- Fund Manager - Sino Pacific Capital Limited

Directorships in other listed companies held over the preceding three years
Nutryfarm International Limited (cessation as of 20 March 2022)

Background and experience:
Mr. Lee is presently the fund manager of Sino Pacific Capital Limited, a Hong Kong registered company, managing a private equity fund with assets under management of US$100 million, investing mainly in equities in Malaysia, Singapore, Thailand and Hong Kong. He is also a Director of Ace Peak Capital Group Pte Ltd, Singapore incorporated company, which is principally a private equity investment company, advising on strategic investments and operational activities.

He was an Advisor to the board of directors of Grand Ages Precious Metals Ltd, a Hong Kong based gold bullion trader (physical and paper), where he advises the board on investment strategies. He was also previously an Advisor (Trading and Operations) to Wincash Apolo Gold & Energy Inc, a company incorporated in Nevada, USA and is based in Hong Kong with principal activities in gold and precious metals exploration and mining and is traded on the Nasdaq OTC market, where he advised the company on fund raising and corporate strategies.

CORPORATE MANAGEMENT

Ms. Sng Ee Lian, Eliane

Group Financial Controller

Ms. Sng Ee Lian, Eliane ("Ms. Sng") is the Group Financial Controller and heads the finance department for the daily finance functions of the Group. Ms. Sng is a senior executive with 20 years of work experience in finance, public accounting, administration and costing in electronics contract manufacturing and wholesale electronics distribution industries. She held the position of Group Finance Manager of the Plexus Group and was a Senior Corporate Finance Controller with ACT Manufacturing Inc, a company then listed on NASDAQ.

Ms. Sng holds a Bachelor of Accountancy from Bentley College, USA and LLB from the University of London.

Mr. Lee Sang Sup

Senior Vice President

Mr. Lee Sang Sup ("Mr. Lee") joined the Group as Senior Vice President of WE Components Pte. Ltd. on 1 March 2018, heading the Electronics Business Unit (EBU) for the business operations, sales and marketing activities of the unit.

Mr. Lee has more than 30 years of experience in the semiconductor industry in Asia, holding key positions in sales and marketing roles with organizations such as SK Hynix - a global leader in the semiconductor market.

Mr. Lee holds a bachelor degree in International Economics Law & English from HANKUK University of Foreign Studies in South Korea.

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PEOPLE'S REPUBLIC OF CHINA

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CORPORATE GOVERNANCE REPORT

INTRODUCTION

The Board of Directors (the "**Board**") of Jubilee Industries Holdings Ltd. (the "**Company**", together with its subsidiary corporations, the "**Group**") are committed to maintaining a high standard of corporate governance within the Company and the Group. Underlying this commitment is the belief that good corporate governance will help to enhance corporate performance and protect the interests of the Company's shareholders (the "**Shareholders**"). In this respect, the Company adopts the practices based on the Singapore Code of Corporate Governance 2018 (the "**Code**").

This report outlines the Company's corporate governance practices for the financial year ended 31 March 2022 ("**FY2022**") with specific reference made to the principles and provisions of the Code issued on 6 August 2018, and the accompanying practice guidance that was issued in August 2018, which formed part of the continuing obligations of the Listing Manual – Section B: Rules of the Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). For easy reference, sections of the Code under discussion are specifically identified. However, this report should be read as a whole as other sections of this report may also have an impact on the specific disclosures.

The Company confirms that it has adhered to the principles and provisions as set out in the Code and the Catalist Rules, where applicable for FY2022. Appropriate explanations have been provided in the relevant sections below when there are deviations from the Code and/or the Catalist Rules.

BOARD MATTERS

Principle 1: The Board's Conduct of its Affairs

The primary role of the Board is to provide entrepreneurial leadership, set strategic aims, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives so as to protect and enhance long-term shareholder value. It develops the overall strategy for the Group and supervises its Management. To fulfill this role, the Board is responsible for the overall corporate governance of the Group, including providing leadership, developing its strategic objectives, establishing risk policy and goals for the Management as well as monitoring the achievement of these goals.

The Group has internal guidelines governing matters that require the Board's approval which include, *inter alia*:-

- review of Management performance;
- approval of the Group's strategic objectives;
- approval of the annual operating and capital expenditure budgets and any material changes to them;
- review of performance in the light of the Group's strategic objectives and business plans;
- changes relating to the Group's capital structure including reduction of capital, share issues and share buybacks;
- major changes to the Group's corporate structure, including, but not limited to acquisitions and disposals;
- changes to the Group's management and control structure;
- approval of the half-year/full year's results announcements; annual reports and accounts, including the corporate governance report;
- contracts regarding acquisitions or disposals of tangible assets and intangible assets, such as intellectual property, substantial bank borrowings etc;
- major investments;
- changes to the structure, size and composition of the board, including recommendations from the Nominating Committee regarding the appointment, cessation of Directors and members of Board Committees;
- determining the remuneration policy for the Directors, and other senior executives including the introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval;
- any decision likely to have a material impact on the Company or Group from any perspective, including but not limited to financial, operational, strategic or reputational;
- identification of key stakeholder groups and recognise that their perceptions affect the company's reputation;
- setting the Company's values and standards (including ethical standards), and ensuring that obligations to shareholders and other stakeholders are understood and met; and
- consideration of sustainability issues as part of its strategic formulation.

CORPORATE GOVERNANCE REPORT

Matters that require the Board's decision or approval are those involving:-

- corporate strategy and business plans;
- investment and divestment proposals;
- capital structure and funding decisions of the Group;
- announcement of half-year and full-year results, the annual report and financial statements;
- material acquisition and disposal of assets;
- all matters of strategic importance;
- corporate governance;
- interested person transactions; and
- transactions of a material nature that requires announcement under the Catalist Rules

For the effective execution of responsibilities and to enhance the Company's corporate governance framework, the Board has established an Audit Committee ("**AC**"), Nominating Committee ("**NC**"), and Remuneration Committee ("**RC**") (collectively referred herein as "**Board Committees**"). The Board Committees are actively engaged and play an important role in the execution of responsibilities to ensure good corporate governance in the Company and within the Group. The Board Committees operate within clearly defined terms of reference and functional procedures setting out their compositions, authorities and duties, which are reviewed from time-to-time and endorsed by the Board. The Board accepts that while these various Board Committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

All Directors exercise due diligence and independent judgement in dealing with the business affairs and make decisions objectively to discharge their duties and responsibilities at all times as fiduciaries in the best interests of the Group. The Board puts in place a code of conduct and ethics, set appropriate tone-from-the-top and desired organizational culture, and ensures proper accountability within the Company.

The Company has in place practices to address potential conflicts of interest. All Directors are required to notify the Company promptly of all conflicts of interest and declare any conflict of interest as soon as they are aware of the circumstances giving rise to such conflict. In matters where the relevant Director has a conflict of interest in, he/she is required to recuse himself/herself and abstain from all deliberations and voting on such matters.

As at the date of this report, the Board comprises of five members. The current members of the Board and their membership on the Board Committees of the Company are as follows:-

	Directors	Board Membership	Audit Committee	Nominating Committee	Remuneration Committee
1	Dato' Terence Tea Yeok Kian	Executive Chairman and Chief Executive Officer	–	Member	–
2	Mr Cheong Keng Chuan, Alfred	Lead Independent Director	Chairman	Member	Chairman
3	Mr Ng Siew Hoong, Linus	Independent Director	Member	Chairman	Member
4	Dato' Alex Kang Pang Kiang	Non-Executive and Non-Independent Director	Member	–	Member
5	Mr Levin Lee Keng Weng[1]	Independent Director	–	Member	–

[1] Mr Levin Lee Keng Weng was appointed as the Independent Director with effect from 21 December 2021.

Board meetings are held on a regular basis to oversee the business affairs of the Group and approve any financial or business strategies or objectives. Additional Board and Board Committees meetings may be held to address significant transactions or issues as and when required. Telephonic attendance and conference via audio communication at Board meetings are allowed under the Company's Constitution. The Board and Board Committees may also make decisions through circulating resolutions. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.

CORPORATE GOVERNANCE REPORT

Details of the number of Board and Board Committees meetings held in the financial year under review and the attendance of each Board member at such meetings are as follows: -

Name	Board		Audit Committee		Remuneration Committee		Nominating Committee	
	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
Dato' Terence Tea Yeok Kian	4	4	4	4*	4	4*	4	4
Mr Cheong Keng Chuan, Alfred	4	4	4	4	4	4	4	4
Mr Ng Siew Hoong, Linus	4	4	4	4	4	4	4	4
Dato' Alex Kang Pang Kiang	4	4	4	4	4	4	4	4*
Mr Levin Lee Keng Weng[1]	4	1	4	1*	4	1*	4	1

[1] Mr Levin Lee Keng Weng was appointed as the Independent Director with effect from 21 December 2021.

*By Invitation

Briefings and updates provided to the Directors in FY2022 included the Management updating the Board at each meeting on business and strategic developments pertaining to the Group's business. The Management provides the Directors with complete, adequate and timely information prior to meetings and on an ongoing basis to enable them to make informed decisions and discharge their duties and responsibilities. The Company also has an ongoing budget for all Directors to attend appropriate courses, conferences and seminars for them to stay abreast of relevant business developments and outlook. The Board as a whole is updated regularly on changes to the Listing Rules and the Code, as well as on risk management, corporate governance, insider trading and the key changes in the relevant regulatory requirements and international financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as Board or Board Committees members.

The Company recognises the importance of appropriate training for its Directors. All newly appointed Directors will be given an orientation on the Group's business strategies and operations, as well as extensive information about the Company's history, mission and values. Where relevant, training would be provided which includes areas such as accounting, legal and industry-specific knowledge where appropriate. The Company will arrange for any new director with no prior experience of serving as a director in a listed company to attend appropriate courses, conferences or seminars, at the expense of the Company to enable him/her to discharge his/her duties effectively. Newly appointed Directors will be provided with a formal letter setting out their duties and obligations.

The Company encourages existing Directors to attend relevant training courses, particularly on relevant new laws, regulations and changing commercial risks which have an important bearing on the Company and the Directors' obligations towards the Company. During FY2022, the Directors attended relevant courses and received updates on regulatory changes to the Catalist Rules and changes to the accounting standards relevant to the Group.

The Directors, either collectively or individually have separate and independent access to the Management, the company secretaries, and external advisers (where necessary) at the company's expense. The appointment and removal of the company secretary(ies) are subject to the Board's approval.

CORPORATE GOVERNANCE REPORT

Principle 2: Board Composition and Guidance

As at the date of this report, the Board had five members, comprising three Independent Directors making up the majority of the Board, as follows:

Dato' Terence Tea Yeok Kian	Executive Chairman and Chief Executive Officer
Mr Cheong Keng Chuan, Alfred	Lead Independent Director
Mr Ng Siew Hoong, Linus	Independent Director
Dato' Alex Kang Pang Kiang	Non-Executive and Non-Independent Director
Mr Levin Lee Keng Weng	Independent Director

The Board considers an "Independent Director" as one who has no relationship with the Company, its related companies, its substantial shareholders of not less than 5% of the total votes attached to all voting shares (excluding treasury shares) in the Company, or its officers that could interfere or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in carrying out the functions as an independent director with a view to the best interests of the Group.

The independence of each Director is assessed and reviewed annually by the Board through the NC. The NC adopts the Code's definition of independence in its review. Each Independent Director is required to complete a Director's independence checklist annually to confirm his independence based on the provisions as set out in the Code. Based on the respective confirmations and results of the NC's review, the NC is satisfied that the Independent Directors comply with Provision 2.1 of the Code.

The Board noted that there should be a strong and independent element on the Board to exercise objective judgement on corporate affairs independently. Currently, the Board comprises five (5) directors, of whom three (3) are independent and two (2) are non-independent. In view of this, the Company is in compliance with Provisions 2.2 and 2.3 of the Code that the Independent Directors and Non-Executive Directors make up a majority of the Board.

The Board and its Board Committees comprises of Directors who as a group provide an appropriate balance and diversity of skills, experience, and knowledge of the Company and the Group with core competencies in accounting, legal framework, business experience, and industry knowledge. At meetings of the Board and Board Committees, the Independent Directors endeavour to constructively challenge and help develop proposals on strategy and to review the performance of Management in meeting goals and objectives. Key issues and strategies, and challenges arising from the changes in the evolving competitive landscape are critically examined, taking into consideration the long-term interests of the Group and its shareholders. To facilitate a more effective check on Management, the Non-Executive Director and Independent Directors, led by the Lead Independent Director may meet without the presence of Management, and the Lead Independent Director will provide feedback to the Board and/or Chairman as appropriate.

The Board noted that gender diversity on the Board is also one of the recommendations under the Code to provide an appropriate balance and diversity. Although there is currently no female Director appointed to the Board, the Board shall consider the possibility of appointing a female Director if a suitable candidate is nominated.

Notwithstanding that the Company has not adopted a formal board diversity policy, the Company recognises and embraces the importance and benefits of having a diverse Board to enhance the quality of its performance. In reviewing the appointments to the board and the continuation of these appointments, the Board together with the Nominating Committee takes into consideration factors including skills, core competencies, knowledge, professional experience, educational background, gender, age and length of service into account in the selection and appointment of Directors, to ensure that the Board and Board Committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance, mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, to avoid groupthink, foster constructive debate and to function effectively to make informed decisions overseeing the Group's business.

With the introduction of Rule 710(A) of the Catalist Rules effective from 1 January 2022, the Board will endeavour to formalize a board diversity policy that addresses gender, skills and experience and any other relevant aspect of diversity and describe such policy in its Annual Report for the financial year ending 31 March 2023.

The Independent Directors are encouraged to meet periodically without the presence of the Management. The Chairman of such meetings will provide feedback to the Board and/or Chief Executive Officer as appropriate.

There is no Independent Director who has served on the Board beyond nine years from the date of his first appointment.

Key information of Directors are set out in pages 10 to 14 of this Annual Report.

CORPORATE GOVERNANCE REPORT

Principle 3: Chairman and Chief Executive Officer

The Executive Chairman and Chief Executive Officer of the Company is Dato' Terence Tea Yeok Kian ("**Dato' Tea**"), who leads the Board and is responsible for the effective working of the Board. The Board is of the view that accountability and independence have not been compromised despite the Chairman and Chief Executive Officer being the same person. The Chairman and Chief Executive Officer have defined responsibilities which, during his tenure so far, have not conflicted with each other. Major business proposals are discussed at Board meetings before decisions are made.

The Board believes there is a sufficient element of independence and adequate safeguards against a concentration of power in one single person. As the Chairman, Dato' Tea's responsibilities, among others, include the following:

- scheduling meetings and leading the Board to ensure its effectiveness and approving the agenda of Board meetings in consultation with Management;
- reviewing key proposals and Board papers before they are presented to the Board and ensuring that Board members are provided with accurate and timely information;
- ensuring that Board members engage Management in constructive debate on various matters including strategic issues and business planning processes;
- promoting a high standard of corporate governance; and
- ensure effective communication with shareholders.

The Chief Executive Officer is responsible for the operations and oversees the day-to-day management of the business operations. He is instrumental in formulating strategies, business development, goals and performance targets and ensuring objectives are met.

Pursuant to Provision 3.3 of the Code, as the Chairman is non-independent, the Board has appointed Mr Cheong Keng Chuan, Alfred as the Lead Independent Director and is of the view that there is a sufficiently strong independent element on the Board to enable the independent exercise of objective judgement on corporate affairs of the Group by members of the Board, taking into account factors such as the number of Independent Directors on the Board, as well as the size and scope of the affairs and operations of the Group.

The Lead Independent Director is available to shareholders where they have concerns which contact through the normal channels of the Chairman and Chief Executive Officer or Group Financial Controller has failed to resolve or for which such contact is not appropriate.

BOARD COMMITTEES

Nominating Committee

Principle 4: Board Membership
Principle 5: Board Performance

As at the date of this report, the NC comprises four members, three of whom (including the NC Chairman) are independent directors. The Lead Independent Director is also a member of the NC. The members of the NC are: -

Mr Ng Siew Hoong, Linus	Independent Director	(Chairman)
Dato' Terence Tea Yeok Kian	Executive Chairman and Chief Executive Officer	(Member)
Mr Cheong Keng Chuan, Alfred	Lead Independent Director	(Member)
Mr Levin Lee Keng Weng[1]	Independent Director	(Member)

[1] Appointed as a member of the NC on 21 December 2021

CORPORATE GOVERNANCE REPORT

The key terms of reference of the NC include the following:

- Review of succession plans for Directors and make recommendations to the Board on all Board appointments and re-appointments taking into account the Director's contribution and performance;
- reviewing the Board structure, size and composition, having regard to the principles of corporate governance under the Code;
- identifying and nominating candidates for the approval of the Board to fill vacancies in the Board as and when they arise;
- determining, on an annual basis, whether a Director is independent based on the circumstances set forth in the Code;
- recommending Directors who are retiring by rotation to be put up for re-election;
- deciding whether or not a Director is able to carry out and has been adequately carrying out his duties as a Director of the Company, particularly when he has multiple board representations;
- recommending to the Board the process for evaluation of the performance of the Board, Board Committees and Directors and assessing annually the effectiveness of the Board as a whole and the contribution of each individual Director to the effectiveness of the Board; and
- reviewing training and professional development programmes for the Board.

In assessing each individual director's contribution and performance when considering the re-election of any Director, the NC considers, amongst others, the attendance and participation at Board and Board Committees meetings, his qualification, experience and expertise, the time and effort dedicated to the Group's business and affairs including the Management's access to the Directors for guidance or exchange of views as and when necessary. The Chairman of the Board would consider the results of the performance evaluation, and where appropriate, propose new members be appointed to the Board or seek the resignation of Directors, in consultation with the NC.

When a vacancy arises under any circumstances, either as part of the progressive renewal of the Board or where it is considered that the Board would benefit from the services of a new Director with particular skills, the NC or the Board would determine the selection criteria and source for candidates. Consideration would also be given to candidates identified by substantial shareholders of the Company. The NC would make reference checks, meet up with the candidates, assess their suitability, and make recommendations to the Board. Shortlisted candidates would meet up with the other Board members before the Board approves the appointment.

The role of the NC also includes the responsibilities of reviewing the re-nomination of Directors who retire by rotation, taking into consideration the Director's integrity, independence, mindedness, contribution and performance. Pursuant to the Company's Constitution, all Directors must submit themselves for re-election at the Annual General Meeting ("**AGM**") at least once every three years and all Directors appointed during the financial year shall retire at the next AGM. Retiring Directors are eligible for re-election. Each member of the NC shall abstain from voting on any resolutions in respect to his re-nomination as a Director.

The NC has recommended the nomination of Mr Cheong Keng Chuan, Alfred ("**Mr Cheong**") and Dato' Kang Pang Kiang ("**Dato' Kang**") (pursuant to Regulation 89) and Mr Levin Lee Keng Weng ("**Mr Lee**") (pursuant to Regulation 88) who would be retiring pursuant to the Company's Constitution for re-election at the forthcoming AGM to be held on 28 July 2022. Mr Kang has indicated his desire to retire at the forthcoming AGM. In its deliberations on the re-election of existing Directors, the NC takes into consideration the relevant Director's competency, commitment, contribution and performance (including, if applicable, his contribution and performance as a Director). The recommendations of the aforesaid nomination have been accepted by the Board. Mr Cheong will, upon re-election as a Director, remain as the Lead Independent Director, Chairman of the Audit and Remuneration Committees and a member of the Nominating Committee. Mr Lee will, upon re-election as a Director, remain as the Independent Director and a member of the Nominating Committee. Key information on Mr Cheong and Mr Lee, who are eligible and offer themselves for re-election at the forthcoming AGM pursuant to Rule 720(5) of the Catalist Rules are set out below. Further details of Mr Cheong and Mr Lee are disclosed in the Directors' Profile on pages 11 and 14 of this Annual Report.

CORPORATE GOVERNANCE REPORT

Additional Information on Directors seeking Re-election

The table below summarizes the following Directors who will be seeking re-election as Directors of the Company pursuant to Catalist Rule 720(5), the information as set out in Appendix 7F to the Catalist Rules set out below:

Name of Director	**Cheong Keng Chuan, Alfred**	**Levin Lee Keng Weng**
Date of appointment	23 June 2016	21 December 2021
Date of last re-appointment (if applicable)	26 November 2020	N.A.
Age	53	54
Country of principal residence	Singapore	Singapore
The Board's comments on the NC's recommendation for re-election	The Board has accepted the NC's recommendation, who has reviewed and considered Mr Cheong's performance as an Independent Director of the Company.	The Board has accepted the NC's recommendation, who has reviewed and considered Mr Lee's performance as an Independent Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job title	Lead Independent Director, Chairman of Audit and Remuneration Committees and member of Nominating Committee	Independent Director and member of Nominating Committee
Professional qualifications	Bachelor of Commerce (Accounting and Economics) Degree, Deakin University, Australia	Nil
Working experience and occupation(s) during the past 10 years	2002 to current – Deputy Managing Director, Crowe Horwath First Trust LLP	Ace Peak Capital Group Private Limited – Director Sino Pacific Capital Limited – Fund Manager Nutryfarm International Limited – Executive Director
Shareholding interest in the listed issuer and its subsidiaries	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	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 720(1))	Yes	Yes

CORPORATE GOVERNANCE REPORT

Other Principal Commitments Including Directorships	**Other Principal Commitment:** • Deputy Managing Partner, Crowe Horwath First Trust LLP Present Directorship: • Crowe Horwath First Trust Corporate Advisory Pte. Ltd. • Crowe Horwath First Trust Management Services Pte. Ltd. • Crowe Horwath First Trust Risk Advisory Pte. Ltd. • Crowe Horwath Capital Pte. Ltd. • Crowe Horwath First Trust Appraisal Pte. Ltd. • AIH Capital Pte. Ltd. • Giti Tire Corporation (a company listed on Shanghai Stock Exchange) Past Directorship (for the past 5 years): • China Hongxing Sports Limited • Debao Property Development Ltd • C&G Environmental Protection Holdings Limited • China Flexible Packaging Holdings Limited • China Wise International Investments Pte. Ltd. • Derong Real Estate Holdings Pte. Ltd. • Dynamic Real Estate Holdings Pte. Ltd. • Infinity Real Estate Holdings Pte. Ltd.	**Other Principal Commitment:** • Director of Ace Peak Capital Group Private Limited • Fund Manager of Sino Pacific Capital Limited Past Directorship (for the past 5 years): • Wincash Apolo Gold & Energy Inc. • Grand Ages Precious Metals Ltd • ISR Capital Limited • Nutryfarm International Limited
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any questions is "yes", full details must be given		
(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
(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 or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No

(c) Whether there is any unsatisfied judgment against him?	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
(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
(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 of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	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
(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
(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

CORPORATE GOVERNANCE REPORT

(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	Yes On 16 February 2022, Debao Property Development Limited ("**Debao Property**") was issued with a notice of compliance by Singapore Exchange Regulation for breaches of Listing Rules in relation to the acquisition of Elite Starhill Sdn. Bhd. by Debao Property as announced in September 2015. Mr. Cheong was the Lead Independent Director of Debao Property at the material time. (23 November 2009 to 30 November 2018).	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(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
(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 of business trust?	Yes	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
Any prior experience as a director of an issuer listed on the Exchange?	Yes	Yes

CORPORATE GOVERNANCE REPORT

If yes, please provide details of prior experience.	• Independent Director of Sinotel Technologies Ltd • Independent Director of China Flexible Packaging Holdings Limited • Lead Independent Director of C&G Environmental Protection Holdings Limited • Lead Independent Director of Debao Property Development Ltd • Independent Director of China Hongxing Sports Limited	Mr Lee was the Independent Director of ISR Capital Limited in 2016 and an Executive Director of Nutryfarm International Limited from November 2021 to April 2022.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a listed issuer as prescribed by the Exchange.	N.A.	N.A.
Please provide details of relevant experience and the NC's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.	N.A.

Mr Cheong and Mr Lee had abstained from making any recommendation and/or participating in any deliberation of the NC in respect of the assessment of their own performance and re-election as Director.

The NC is also responsible for determining annually, the independence of Directors. In doing so, the NC takes into account the definition and criteria set forth in Provision 2.1 of the Code and any other salient factors. The Independent Directors, namely Mr Ng Siew Hoong, Linus, Mr Cheong Keng Chuan, Alfred and Mr Levin Lee Keng Weng, have confirmed that they do not have any relationship with the Company, its related companies, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the directors' independent business judgement with a view to the best interests of the Company. The NC has reviewed and determined that the said Directors are independent.

All Directors are required to declare their board representations. When a Director has multiple listed company board representations, the NC will consider whether the Director is able to adequately carry out his duties as a Director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments. The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group, notwithstanding that some of the Directors have multiple listed company board representations and other principal commitments. The NC and the Board will continue to review from time to time the listed company board representations and other principal commitments of each Director to ensure that the Directors continue to meet the demands of the Group and are able to discharge their duties adequately. In view that the current Board was constituted in 2016, the NC and the Board will review from time to time if there is a need to set a maximum number of listed company directorships a Director should hold.

There is no alternate director on the Board.

Key information regarding the Directors, including their present and past five years' directorships in other listed companies and principal commitments are set out on pages 10 to 14 and below:

CORPORATE GOVERNANCE REPORT

Name of Director	Board Membership	Date of appointment	Date of last re-appointment	Directorships in other listed companies		Principal Commitments
				Current	**Past five years**	**Current**
Dato' Terence Tea Yeok Kian	Executive Chairman and Chief Executive Officer	30 June 2014	30 July 2021	Accrelist Ltd.	EG Industries Berhad (a company listed on Bursa Malaysia)	Accrelist Ltd. WE Components Pte. Ltd. A.M Skincare Pte. Ltd. Accrelist Medical Aesthetics (Serangoon) Pte. Ltd. Accrelist Medical Aesthetics (Raffles City) Pte. Ltd.
Cheong Keng Chuan, Alfred	Lead Independent Director	23 June 2016	26 November 2020 (Due for re-election at the forthcoming AGM)	Giti Tire Corporation (a company listed on Shanghai Stock Exchange)	Debao Property Development Ltd China Flexible Packaging Holdings Limited (delisted) China Hongxing Sports Limited (delisted) C&G Environmental Protection Holdings Limited (delisted)	Deputy Managing Partner, Crowe Horwath First Trust LLP
Ng Siew Hoong, Linus	Independent Director	5 August 2016	30 July 2021	–	–	Partner, Donaldson & Burkinshaw LLP

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Name of Director	Board Membership	Date of appointment	Date of last re-appointment	Directorships in other listed companies		Principal Commitments
				Current	Past five years	Current
Dato' Alex Kang Pang Kiang	Non-Executive and Non-Independent Director	22 October 2020	26 November 2020 (Due for re-election at the forthcoming AGM)	EG Industries Berhad (a company listed on Bursa Malaysia) Thong Guan Industries Berhad (a company listed on Bursa Malaysia) Accrelist Ltd.	–	CEO, EG Industries Berhad
Levin Lee Keng Weng	Independent Director	21 December 2021	(Due for re-election at the forthcoming AGM)	–	Nutryfarm International Limited	Director, Ace Peak Capital Group Private Limited Fund Manager, Sino Pacific Capital Limited

The Board has implemented a collective questionnaire assessment process for assessing its effectiveness as a whole, and of each Board Committee separately, as well as the contribution of the Chairman and each individual Director to the effectiveness of the Board. Each Director was requested to complete evaluation forms to assess the overall effectiveness of the Board as a whole, and of each Board Committee and individual directors. The results of the evaluations are used constructively by the NC to identify potential areas of improvement for the Board to take the appropriate action. The assessment of the Board's performance focused on a set of performance criteria for the Board evaluation which includes the Board structure, strategy and performance, governance on Board risk management & internal controls, information to the Board, Board procedures, Chief Executive Officer and Directors' standard of conduct.

The assessment criteria for each Board Committee focus on the nature of the respective roles and responsibilities of the AC, NC and RC. The annual assessment of individual Directors considers, among others, each Director's attendance as well as generation of constructive debate/participation for meetings of the Board and Board Committees, contribution, initiative, the responsiveness of Director, knowledge of senior management and Company's business, and the Directors' self-assessment.

Following the review of FY2022, the Board is of the view that the Board and its Board Committees operate effectively, and each Director is contributing to the overall effectiveness of the Board.

No external facilitator was engaged for the purpose of Board assessment in FY2022. If the need arises, the NC has full authority to engage an external facilitator to assist the NC to carry out the evaluation process at the Company's expense.

Remuneration Committee

Principle 6: Procedures for Developing Remuneration Policies
Principle 7: Level and Mix of Remuneration
Principle 8: Disclosure on Remuneration

As at the date of this report, the RC comprises of three members, two of whom (including the Chairman) are independent directors. The members of the RC are: -

Mr Cheong Keng Chuan, Alfred	Lead Independent Director	(Chairman)
Mr Ng Siew Hoong, Linus	Independent Director	(Member)
Dato' Alex Kang Pang Kiang	Non-Executive and Non-Independent Director	(Member)

CORPORATE GOVERNANCE REPORT

The key terms of reference of the RC include, to: -

- recommend to the Board a framework of remuneration for the Board and key management personnel of the Group and the specific remuneration packages for each Director (non-executive and independent) as well as for the key management personnel;
- review the Company's obligations arising in the event of termination of the key management personnel's contracts of service, to ensure that such clauses are fair and reasonable and not overly generous; and
- consider the disclosure requirements for Directors' and top 5 key management personnel remuneration as required by the Code.

The Directors are not involved in the discussion relating to, and in deciding, their own remuneration.

In setting remuneration packages, the Company takes into account pay and employment conditions, including termination terms, within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual Directors and key management personnel. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company. The RC has full authority to engage any external professional to advise on matters relating to remuneration as and when the need arises, and the expense of such services shall be borne by the Company. For FY2022, the RC did not seek any external professional advice on the remuneration of the Directors.

The Non-Executive and Independent Directors receive Directors' fees in accordance with their contribution, considering factors such as effort, time spent and responsibilities of the Directors and the need to pay competitive fees to attract, motivate and retain such Directors. Directors' fees are recommended by the Board for approval by the Shareholders at the Company's AGM.

The Group has entered into various letters of employment with all of the key management personnel. Such letters typically provide for the salaries payable to the Key Management Personnel, their working hours, medical benefits, grounds for termination and certain restrictive covenants.

Having reviewed and considered that the variable components of the remuneration packages for the Key Management Personnel are moderate, the RC is of the view that there is no requirement to institute contractual provisions to allow the Company to reclaim incentive components of the remuneration paid in prior years in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss.

Directors' Remuneration

Provision 8.1 of the Code recommends that companies fully disclose the remuneration of each individual Director and the Chief Executive Officer on a named basis.

The Board believes that it is for the benefit of the Company not to disclose in absolute number, the remuneration breakdown of the Directors, due to its sensitive nature. After taking into account the reasons for non-disclosure stated above, the Board is of the view that the current disclosure of the remuneration presented herein in this report is sufficient to provide Shareholders information on the Group's remuneration policies, as well as the level and mix of remuneration. Accordingly, the Board is of the view that the Company complies with Principle 8 of the Code.

CORPORATE GOVERNANCE REPORT

The breakdown (in percentage terms) of the remuneration bands of the directors of the Company for FY2022 is set out in the table below:

Name of Director	Salary	Bonus	Fringe Benefits	Director's fees[1]	Total remuneration
	%	%	%	%	%
More than S$500,000 and below S$1,000,000					
Dato' Terence Tea Yeok Kian	79	13	8	0	100
Less than S$250,000					
Cheong Keng Chuan, Alfred	0	0	0	100	100
Ng Siew Hoong, Linus	0	0	0	100	100
Dato' Alex Kang Pang Kiang	0	0	0	100	100
Levin Lee Keng Weng	0	0	0	100	100

(1) The Director's fees are approved by shareholders at the FY2021 Annual General Meeting.

Key Management Personnel Remuneration

The Company's staff remuneration policy is based on the individual's rank and role, his individual performance, the Company's performance and industry benchmarks gathered from companies in comparable industries.

Provision 8.1 of the Code recommends that companies should name and disclose the remuneration of at least the top five key management personnel (who are not Directors or the Chief Executive Officer and substantial shareholder) in bands of S$250,000 and in aggregate the total remuneration paid to the top five key management personnel (who are not Directors or the Chief Executive Officer and substantial shareholder). As a best practice, companies are encouraged to fully disclose the remuneration of the said top five key management personnel.

The breakdown (in percentage terms) of the remuneration bands of the key management personnel of the Group (who are not Directors or the Chief Executive Officer and substantial shareholder) for FY2022 are set out below:

Name of Key Management Personnel	Salary	Bonus	Fringe benefits	Total remuneration
	%	%	%	%
Above S$250,000 and below S$500,000				
Lee Sang Sup	68	4	28	100
Less than S$250,000				
Sng Ee Lian Eliane	91	8	1	100

Ms Serene Tea Lay Sin, sister of Dato' Terence Tea Yeok Kian, Executive Chairman and Chief Executive Officer and substantial shareholder of the Company, is an employee of the Company whose remuneration exceeded S$100,000 during FY2022. Her remuneration was in the band of S$100,000 to S$150,000.

There are no termination, retirement and post-employment benefits that may be granted to the Directors and the key management personnel.

The Company has a share award scheme known as the "Jubilee Share Award Scheme". No shares have been granted to the employees and Directors during FY2022. Information on the Jubilee Share Award Scheme is set out in the Directors' Statement.

CORPORATE GOVERNANCE REPORT

The remuneration packages and the compensation structure of the key management personnel comprise a fixed salary, bonus and other benefits. The bonus component is based on the performance of the Group as a whole and their individual performance. This is designed to align remuneration with the interests of the Shareholders and link rewards to corporate and individual performance so as to promote the long-term sustainability of the Group.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Directors recognise that they have overall responsibility to ensure proper financial reporting for the Group and the effectiveness of the Group's system of internal controls, including financial, operational, compliance and information technology risks and risk management policies and systems (which include consideration with respect to any sanctions related risk). The AC assists the Board in providing oversight of risk management in the Company. It is responsible for reviewing the adequacy and effectiveness of the Group's risk management systems and internal controls and reporting to the Board annually its observations and on any matters under its purview as well as, where necessary, making recommendations to the Board as it deems fit.

The AC ensures that a review of the effectiveness of the Company's internal controls and risk management framework is conducted at least once a year.

The Management has taken note of the recommendations made by the internal auditors and the Board would implement necessary procedures and processes to further strengthen the internal controls. The Board is not aware of any material inadequacy in the overall internal controls and processes currently in place.

The Board has received assurance from the Executive Chairman and Chief Executive Officer and the Group Financial Controller 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.

In addition, the Executive Chairman and Chief Executive Officer and the key management personnel who are responsible have also given assurance to the Board regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

Based on the work performed by the internal auditors and external auditors during the financial year and the assurance from the Executive Chairman and Chief Executive Officer and the Group Financial Controller, the Board, with the concurrence of the AC, is of the opinion that the system of internal controls and risk management in place are adequate and effective to address the financial, operational, compliance and information technology risks and risk management system for the type and volume of business that the Group currently operates and has confirmed that the Company is not aware of any sanctions related risks or any risks of the Company being subject to sanctions for the current financial year. The system of internal controls and risk management established by the Group provides reasonable assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities.

The independent auditors, during the conduct of their normal audit procedures, may also report on matters relating to internal controls. Any material non-compliance and recommendations for improvement are reported to the AC.

The Board understands that it may establish a separate board risk committee or otherwise assess appropriate means to assist it in carrying out its responsibility of overseeing the Company's risk management framework and policies. The Company does not have a separate board risk committee and will look into the need for the establishment of a separate board risk committee when the need arises.

CORPORATE GOVERNANCE REPORT

Principle 10: Audit Committee

As at the date of this report, the AC comprises of three members, two of whom (including the Chairman) are independent directors. There are no members in the AC who is a former partner or director of the Company's existing auditing firm. There are also no members in the AC who have any financial interest in the Company's existing auditing firm. The members of the AC are: -

Mr Cheong Keng Chuan, Alfred	Lead Independent Director	(Chairman)
Mr Ng Siew Hoong, Linus	Independent Director	(Member)
Dato' Alex Kang Pang Kiang	Non-Executive and Non-Independent Director	(Member)

The key terms of reference of the AC are to: -

- review with the independent/internal auditors the audit plans, their evaluation of the system of internal controls, and their audit report including the scope and results of the external/internal audit, the independence and objectivity of the independent/internal auditors;
- review the financial statements including reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance and position, before submission to the Board for approval;
- review the internal control procedures, its scope and the results and to ensure coordination between the independent/internal auditors and the Management; and review the assistance given by Management to the independent/internal auditors, and discuss problems and concerns, if any, arising from the audits;
- review and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- review the effectiveness of the Company's internal audit function;
- review and discuss with the independent auditor any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results and/or financial position, and the Management's response;
- make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external/internal auditors;
- review interested person transactions (if any) falling within the scope of Chapter 9 of the Catalist Rules;
- review potential conflicts of interest, if any;
- undertake such other review and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and which requires the attention of the AC; and
- generally undertake such other functions and duties as may be required by statute or the Catalist Rules, or by such amendments as may be made from time to time.
- review the assurance from the Executive Chairman and Chief Executive Officer and the Group Financial Controller on the financial records and financial statements;
- making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of the independent auditor; and (ii) the remuneration and terms of engagement of the independent auditor;

The Board considers Mr Cheong, who has practical financial management knowledge and experience, qualified to chair the AC. The Board is satisfied that the AC members collectively have the relevant accounting and related financial management expertise or experience and are appropriately qualified to discharge their responsibilities.

The AC also has explicit authority to investigate any matters within its terms of reference, full access to and cooperation of the Management and full discretion to invite any Director or Key Management Personnel to attend its meetings.

The AC has reviewed the key audit matters disclosed in the independent auditor's report and is of the view that there is no material inconsistency between the audit procedures adopted by the independent auditor and Management's assessment and is satisfied that the key audit matters have been appropriately dealt with.

The AC meets the internal auditors and independent auditor, without the presence of the Management, at least once a year. The AC has reasonable resources to enable it to discharge its function properly.

CORPORATE GOVERNANCE REPORT

As at 31 March 2022, the Company paid S$178,000 to Nexia TS Public Accounting Corporation for its statutory audit services and S$20,700 for the non-audit services provided by Nexia TS Tax Services Pte. Ltd. and Nexia TS Risk Advisory Pte. Ltd.

The AC has reviewed the non-audit services in relation to tax compliance services provided by the independent auditor, Nexia TS Public Accounting Corporation, to the Group and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the independent auditor. The Company is in compliance with Rules 712 and 715 of the Catalist Rules in relation to its appointment of an independent auditor.

The independent auditor has expressed that it will not be seeking re-appointment as auditor of the Company at the forthcoming AGM. The Company is in the midst of identifying a suitable auditing firm and will make further announcement(s) when the new auditor has been identified and convene an extraordinary general meeting to obtain shareholders' approval for the appointment of a new auditor in due course.

The Board recognises the importance of maintaining a system of internal control processes to safeguard Shareholders' investments and the Group's business and assets. The Board notes that no system of internal control could provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities. The annual conduct of audits by the internal auditors assesses the effectiveness of the Group's internal control procedures and provides reasonable assurance to the AC and the Management that the Group's risk management, controls and governance processes are adequate and effective.

The Board is satisfied that the internal audit function is independent, has adequate resources to perform its function effectively and is staffed by suitably qualified and experienced professionals with the relevant experience. The AC will also approve the hiring, removal, evaluation and compensation of the accounting or auditing firm or corporation to which the internal audit function of the Company is outsourced to.

The AC has outsourced the performance of the internal audit functions of the Group to Deloitte Business Advisory Sdn. Bhd. The internal auditor will report directly to the AC and administratively to the Executive Chairman and Chief Executive Officer of the Company. To ensure the adequacy of the internal audit function, the AC had reviewed and approved the internal audit plan before the internal audit commenced. The AC, on an annual basis, will assess the adequacy and effectiveness of the internal audit and the internal auditors' independence, the qualification and experiences of internal audit team assigned and the internal auditors' reports and its relationship with the internal auditors. The AC conducted a review and concluded that the internal audit function is adequately resourced, effective and has appropriate standing within the Group. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including access to the Board, the AC and the Management to perform their internal audit review, where necessary, and have the right to seek information and explanation.

The internal audit work carried out in FY2022 was guided by the International Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors.

The Whistle Blowing Policy which was endorsed by the AC and adopted on 20 May 2011 encourages employees and external parties to raise concerns, in confidence, about possible irregularities in matters of financial reporting or other matters, to the whistle-blowing officers, members of the AC. It aims to provide an avenue for employees and external parties to raise concerns and offer reassurance that they will be protected from reprisals or victimisation for whistle-blowing in good faith within the limits of the law. Details of the whistle-blowing policy and procedure for whistle blowing have been made available to all employees of the Group and external parties.

The AC oversees the administration of the whistle blowing policy. Periodic reports will be submitted to the AC stating the number and the complaints received, the results of the investigations, follow-up actions and unresolved complaints. The AC has the responsibility to ensure there is proper maintenance, regular review and relevant updates of the policy. Revisions, amendments and alterations to the whistle blowing policy are subject to the approval of the AC and the Board prior to implementation. Changes will be notified in writing to the employees when they are implemented.

For FY2022, the AC and the Board noted that there were no reports whistle blowing received and no incidents in relation to whistle-blowing matters have been raised during the year by any staff to indicate possible improprieties in matters of financial reporting, financial control, or any other matters.

The AC meets regularly with the Management and both independent and internal auditors to review auditing and risk management matters and discuss the accounting implications of any major transactions including significant financial reporting issues. It also reviews the internal audit program of the Group to ensure that an effective system of control is maintained in the Group to align it to the changing needs and risk profile of the Group's activities. On a semi-annual basis, the AC reviews the interested persons transactions and the financial results announcement before their submission to the Board for approval. In the event that a member of the Audit Committee is interested in any matter being considered by the AC, he will abstain from reviewing that particular transaction or voting on that particular resolution.

The AC is kept abreast by the Management, the independent auditor and the Company Secretaries of changes to accounting standards, Catalist Rules and other regulations which would have an impact on the Group's business and financial statements.

CORPORATE GOVERNANCE REPORT

SHAREHOLDER RIGHTS AND ENGAGEMENT
MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 11: Shareholder Rights and Conduct of General Meetings
Principle 12: Engagement with Shareholders
Principle 13: Engagement with Stakeholders

The Group's corporate governance culture and awareness promote fair and equitable treatment of all shareholders. All shareholders enjoy specific rights under the Companies Act and the Constitution of the Company. All shareholders are treated fairly and equitably.

The Group respects the equal information rights of all shareholders and is committed to the practice of fair, transparent and timely disclosure.

Shareholders are given the opportunity to participate effectively and vote at general meetings of the Company. At general meetings, Shareholders will be informed of the rules and voting procedures relating to the general meetings.

All shareholders are entitled to attend and vote at general meetings in person or by appointment of proxy(ies). The rules including the voting procedures are set out in the notice of general meetings. In accordance with the Constitution of the Company, shareholders may appoint one or two proxies to attend and vote at general meetings in their absence. The proxy forms must be deposited with the Company not less than forty-eight (48) hours before the time set for the general meetings.

A Relevant Intermediary[1] may appoint more than 2 proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified). An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investors**") (as may be applicable) may attend and cast his vote(s) at the general meetings in person. CPF and SRS Investors who are unable to attend the general meetings but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the general meetings to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the general meetings.

In light of the COVID-19 situation, the forthcoming AGM of the Company to be held in July 2022 will be held by way of electronic means. Shareholders will not be able to attend the AGM in person but may participate at the AGM by watching and/or listening to the proceedings via a Live Webcast/Live Audio Feed. Shareholders will also be given the opportunity to submit their questions related to the resolutions to be tabled for approval in advance of the AGM. The responses to those substantial and relevant questions received from the Shareholders will be published via SGXNET and the Company's website before the AGM.

The Board is mindful of the obligation to provide regular, effective and fair communication with the Shareholders. Information is communicated to the Shareholders on a timely basis and is made through annual reports that are prepared and issued to all shareholders, half-yearly results announcements, press releases and disclosures to the SGX-ST via SGXNET. The Company's Annual Report is sent to all Shareholders and made available to other investors upon request. The Company's Annual Report is also accessible through the Company's website.

The Board welcomes the views of shareholders on matters affecting the Company, whether at shareholders' meetings or on an ad-hoc basis. Shareholders are informed of shareholders' meetings through notices published in the newspapers and reports and/or circulars sent to all shareholders.

All Directors will be available at the general meetings of shareholders, and the independent auditor is also present to address shareholders' queries about the conduct of the 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.

All Shareholders receive reports or circulars of the Company including notice of the general meeting by post or electronically within the mandatory period. The notice of the general meeting is announced through SGXNET and published in the newspapers within the same period.

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1 A Relevant Intermediary is:

(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; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities 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.

CORPORATE GOVERNANCE REPORT

Each distinct issue is proposed as a separate resolution at general meetings. All resolutions proposed at general meetings shall be to put vote by way of a poll pursuant to Rule 730A(2) of the Catalist Rules. An independent external consultant is also appointed as a scrutineer for the poll voting process. Prior to the commencement of the general meeting of shareholders, the scrutineer would review the proxies and the proxy process. A proxy verification process agreed upon with the scrutineer is also in place. Votes cast for, or against, each resolution will be tallied and disclosed at the meeting announcement with detailed results showing the numbers and percentage of votes cast for or against for each resolution will be released via SGXNet after the general meetings. The Company currently does not provide for voting in absentia at the general meetings as the integrity of the information and authentication of the identity of Shareholders and other related security issues remain as a concern to the Company.

The Company prepares minutes of general meetings incorporating the substantial and relevant comments or queries from shareholders relating to the agenda of the meetings and responses from the Board and Management. Such minutes will not be published on the corporate website but will be made available to Shareholders upon their request.

Notwithstanding, the Company will publish the minutes of its forthcoming AGM within one month from the AGM via SGXNet and the Company's website, in accordance with the Guidance on the Conduct of General Meetings Amid Evolving COVID-19 situation issued by the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and the SGX-ST.

The Company and the Group regularly engage its stakeholders through various mediums and channels to ensure that the business interests are aligned with those of the stakeholders, to understand and address the concerns so as to improve services and products' standards, as well as to sustain business operations for long-term growth.

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

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

The Company engages Waterbrooks Consultants Pte. Ltd. ("**Investor Relations**") as its dedicated investor relation team to handle investors' queries and assist on all matters related to investor relations.

To enhance and encourage communication with Shareholders and investors, the Company provides the contact information of its Investor Relations in its press releases. Shareholders and investors can send their enquiries to the Company's Investor Relations who can be reached by email or telephone.

Dividend Policy

The Company currently does not have a fixed dividend policy. The declaration and payment of future dividends will depend upon the factors outlined below as well as any other factors deemed relevant by the Directors:

- the Group's operating results;
- financial conditions;
- the Group's projected level of capital expenditure and other investment plans;
- restrictions on the payment of dividends imposed on the Company by the Company's financing arrangements (if any); and
- dividend yields of comparable companies (if any) listed in Singapore.

No dividend was proposed in respect of FY2022 as the Company needs to conserve its cash and strengthen its financial position as the Company requires the funds for its working capital needs.

DEALINGS IN SECURITIES

The Company has adopted its own internal compliance code and the best practices guide in line with Rule 1204(19) of the Catalist Rules with regards to dealing in the Company's securities by the Directors and officers. The Company, Directors, 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 periods commencing one month before the half-year and full-year financial results and ending on the day of the announcement, or when they are in possession of price-sensitive information that is not publicly available. In addition, the Directors, Management and officers of the Group are also discouraged from dealing in the Company's securities on short-term considerations and are expected to observe insider trading laws at all times.

CORPORATE GOVERNANCE REPORT

INTERESTED PERSON TRANSACTIONS

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

The Board and the AC will review all interested person transactions to be entered to ensure that the relevant rules under Chapter 9 of the Catalist Rules are complied with.

There was no interested person transaction greater than S$100,000 for FY2022. The Group does not have a general mandate from its shareholders for interested person transactions.

MATERIAL CONTRACTS

There were no material contracts of the Company or its subsidiary corporations involving the interests of any Director or controlling shareholders which are either still subsisting as at 31 March 2022 or if not then subsisting, entered into since the end of the previous financial year.

NON-SPONSOR FEES

There were no non-sponsor fees paid to the Company's sponsor, Evolve Capital Advisory Private Limited in FY2022.

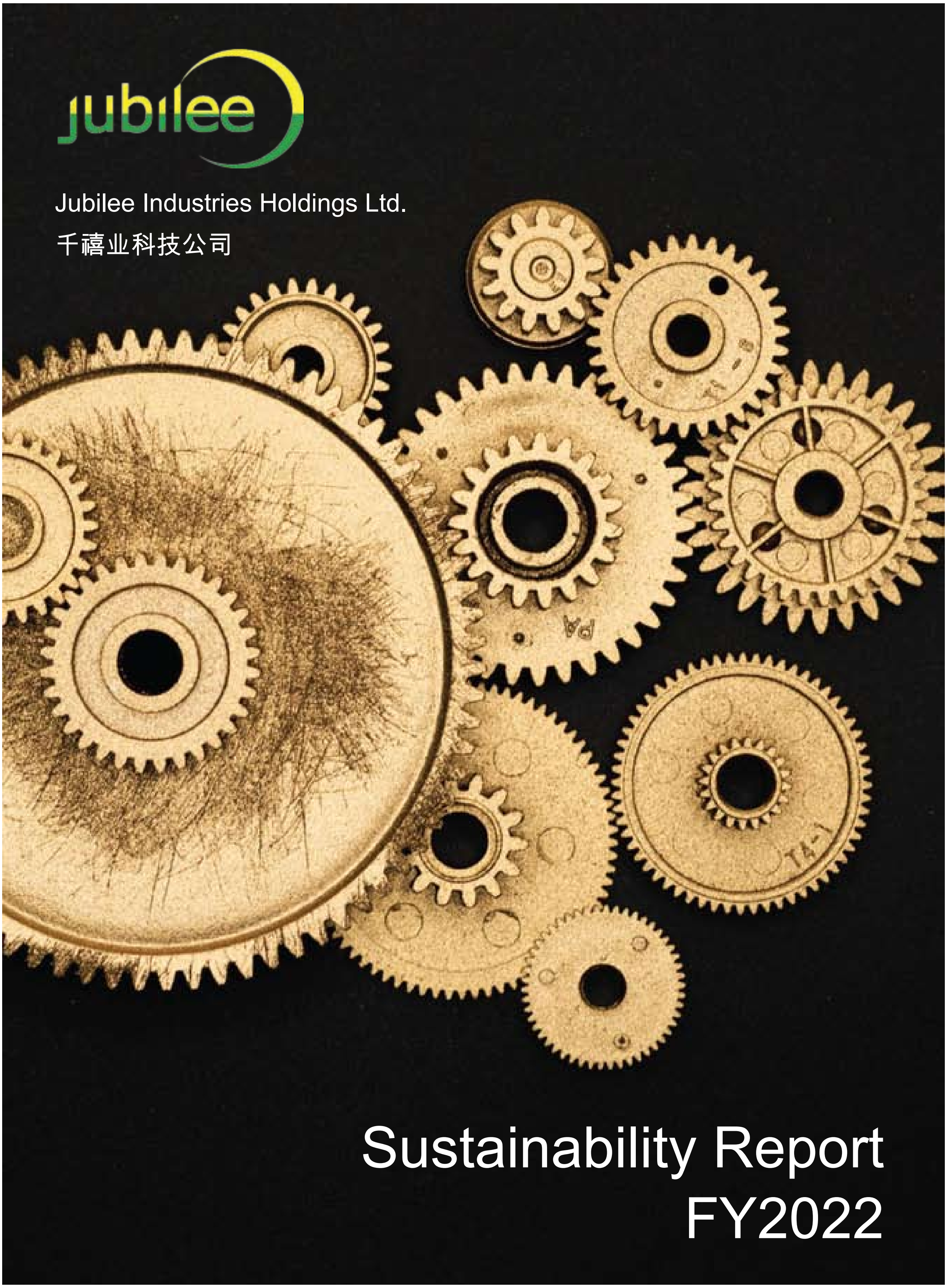
USE OF PROCEEDS FROM SHARE PLACEMENT

On 4 August 2021, the Company issued 30,000,000 new ordinary shares which entitles one share to one warrant share in the capital of the Company by way of a new placement at a placement price of S$0.05 cents per ordinary share and an exercise price of S$0.05 cents per warrant share, raising a net proceed of approximately S$3.0 million.

As at 31 March 2022, the net proceeds of S$3.0 million from the issuance of 30,000,000 new ordinary shares at S$0.05 per share and the conversion of 30,000,000 warrants to new shares of the Company at the issue price of S$0.05 per warrant share have been utilised as follows:-

	Amount allocated S$'000	**Amount utilised S$'000**	**Balance S$'000**
General working capital	2,700	2,425	275
Repayment of loan to ultimate holding company	300	300	–
Total	3,000	2,725	275

SUSTAINABILITY REPORT



SUSTAINABILITY REPORT

Board Statement

The Board of Directors (the "**Board**") of Jubilee Industries Holdings Ltd. ("**Jubilee**" or the "**Company**", and together with its subsidiary, the "**Group**" or "**We**") are pleased to present our fifth Sustainability Report for the financial year ended 31 March 2022 ("**FY2022**"). This report serves as an account of our enduring efforts to meet the interests of our stakeholders and ensure the long-term success of the Group.

As a one-stop solutions provider within the Electronic Manufacturing Services space, we are committed to embedding sustainability into every aspect of our operations. Sustainability has always been central to our Group ethos, and we are excited to share our sustainability performance over the past year, across the Economic, Environmental, Social and Governance ("**EESG**") topics assessed to be material to our stakeholders and our business.

The Covid-19 pandemic has revealed the vulnerabilities of many industries and continued to present businesses with unprecedented challenges through FY2022. In the face of this, it propels us to consider sustainable enhancements to our operational processes and management policies that could improve our safety, productivity, and operational efficiency. With rising logistics and raw material costs as well as continued lockdowns in China, one of the Group's key markets, it has been imperative for the Group to hone our long-term business strategy and bolster the resilience of our operations against these external headwinds.

Despite these extraordinary challenges, we are proud to report that Jubilee continues to reap positive results from our efforts to deepen our business partnerships while maintaining a diversified customer mix and product portfolio. In FY2022, we recorded revenue of S$231.1 million, a remarkable 59.4% increase from last year ("**FY2021**"). While our Mechanical Business Unit ("**MBU**") benefitted from higher sales for our consumer and construction products as well a higher demand for our tool fabrication services in Malaysia and Indonesia, the Electronic Business Unit ("**EBU**") profited from higher sales amidst an ongoing global chip shortage and supply chain disruptions.

The Board is heartened by the Group's positive performance this past year and we will continue to work with the management to identify, monitor, and assess EESG-related risks and opportunities proactively.

On this note, we would also like to extend our sincere gratitude to all our stakeholders for their unwavering support over the past few years. We would also like to thank all our valued customers for placing their trust in us, and our staff for their hard work and dedication.

Together, we can mould a more sustainable future.

SUSTAINABILITY REPORT

About This Report

This report covers Jubilee's management approach and performance on material EESG topics across our operations in Singapore, our Group's headquarters, and key overseas subsidiaries, from 1 April 2021 to 31 March 2022. It has been prepared in compliance with Rules 711A and 711B of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

This report has been prepared in accordance with the Core option of the Global Reporting Initiative ("**GRI**") Standards. As the most widely adopted international sustainability reporting standard, the GRI standards provide us with a framework by which we can measure, understand and communicate critical sustainability issues with stakeholders in a transparent and credible manner. As such, we have sought to incorporate the GRI principles of stakeholder inclusiveness, sustainability context, materiality, and completeness in this report.

Stakeholder Inclusiveness	Sustainability Context	Materiality	Completeness
We actively engage our stakeholders and respond to their expectations and interests	We consider the wider context of sustainability when assessing our ESG impact	We focus on issues our stakeholders care about that significantly affects our growth	We disclose all ESG information our stakeholders need to review our performance

The group has relied on internal verification to ensure the accuracy of the performance data disclosed in this report. We have not obtained external assurance in the preparation of this report and will consider doing so in the future.

We will continue to publish our sustainability report, to be read in conjunction with our Annual Report, on a yearly basis on our corporate website, at http://www.jihldgs.com/investor-relations-2/annual-report/. Physical copies of this report will not be printed, to reduce the paper used in the production of this report.

We welcome any comments, questions or suggestions on this report and our sustainability performance from our valued stakeholders. Please reach out to us via http://www.jihldgs.com/contact-us/.

SUSTAINABILITY REPORT

Organisational Profile

Established in 1993, Jubilee has been listed on the SGX-Catalist since 10 July 2009. Over the years, the Group has grown to become a one-stop solutions provider of electronic components, precision plastic injection moulding, and mould design and fabrication services.

Headquartered in Singapore, Jubilee's production facilities span across Malaysia and Indonesia, and our products are sold to customers in Singapore, Malaysia, Indonesia, Vietnam, India, the People's Republic of China, the United States of America and various countries across Europe.

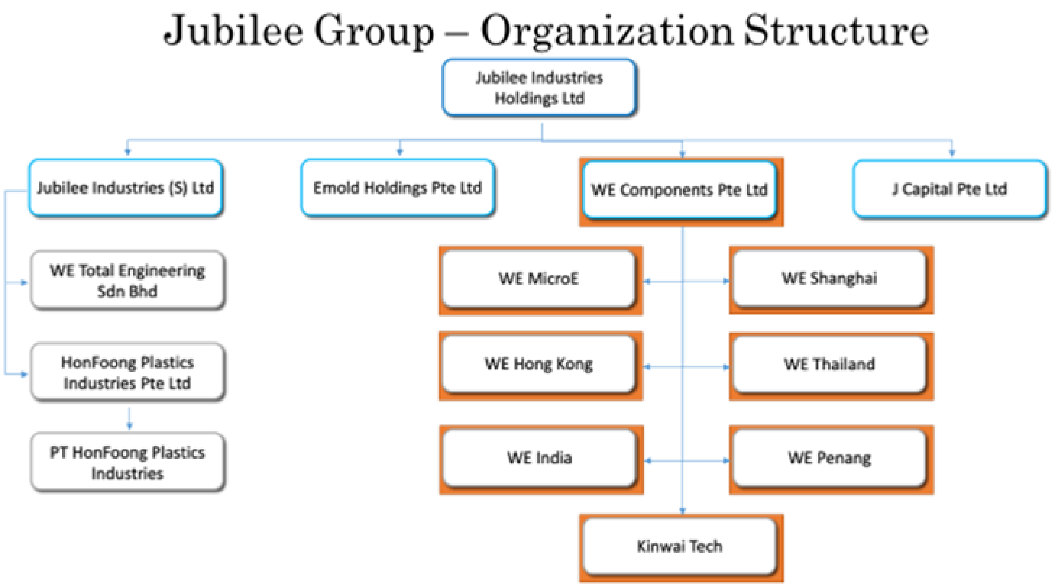
Since acquiring the WE Components Group in 2016, Jubilee has been able to cover the full capability spectrum of the supply-value chain within the Electronic Manufacturing services industry, with two main business segments:

1. Mechanical Business Unit ("**MBU**"), which engages primarily in precision plastic injection moulding ("**PPIM**") and mould design and fabrication ("**MDF**") services; and

2. Electronics Business Unit ("**EBU**"), which distributes integrated electronic components.

Armed with our vertically integrated capabilities and cost-efficient manufacturing locations, we are driven by our core values in precision, innovation, and aesthetics to provide high-quality products for our customers efficiently and reliably.

As of 31 Mar 2022, our Group Structure is as follows:



Jubilee contracts local and foreign suppliers, sub-contractors, vendors, and other industry professionals for our business. We engage with approximately 200 suppliers for our day-to-day operations, with many of them being based in Singapore. We have quarterly reviews with our suppliers to maintain visibility on associated risks in their supply chain. In addition, we periodically conduct supplier assessment exercises with key suppliers as part of our sustainability reporting processes.

SUSTAINABILITY REPORT

Our Sustainability Approach

Jubilee is committed to creating long-term sustainable value for our stakeholders, by upholding the highest standards of corporate governance and maintaining transparency and accountability as we conduct our business.

We closely abide by SGX-ST's Code of Corporate Governance 2018 and have put in place a Whistle Blowing Policy to encourage employees and external parties to raise concerns, in confidence, about possible irregularities in matters of financial reporting or other matters, to members of the Board's Audit Committee. Additional details on our corporate governance framework and anti-corruption policies can be found in the Corporate Governance Report section of our Annual Report.

The Board works closely with senior management to set the Group's strategic priorities, with due consideration given to our stakeholders' concerns and the impact of each EESG issue. With oversight from senior management, departments across the Group put in place initiatives and the appropriate policies and procedures to monitor material EESG factors, and to improve upon our year-on-year sustainability performance.

In this way, we achieve a balance between delivering long-term value to our stakeholders and minimising any negative impacts our business operations might have on society and the environment.

SUSTAINABILITY REPORT

Stakeholder Engagement

We believe that fostering positive relationships with our stakeholders is key to building a forward-thinking and resilient business that can thrive in the long run.

While maintaining open communication channels with the community at large, we regularly reach out to key stakeholders that can significantly impact or be impacted by our business practice to understand their concerns.

Stakeholders	Engagement Channels	Concerns and Priorities
Employees	Induction and orientation Annual performance appraisal On-the-job training	Fair employment opportunities Career progression and personal growth Safe and healthy working environment
Customers	Enquiry and feedback channel	Quality of products and services Fast turnaround rate and reliable
Suppliers	Quarterly reviews Supplier assessment exercises	Minimize downtime of technological and/or structural support High standard of business ethics
Shareholders	Annual General Meeting Internal circulars to shareholders	High standard of corporate governance Profitability and sustainable returns
Regulators	Periodic notices on SGX-ST portal Closed-door discussions	Compliance with regulations Timely reporting and resolution of issues

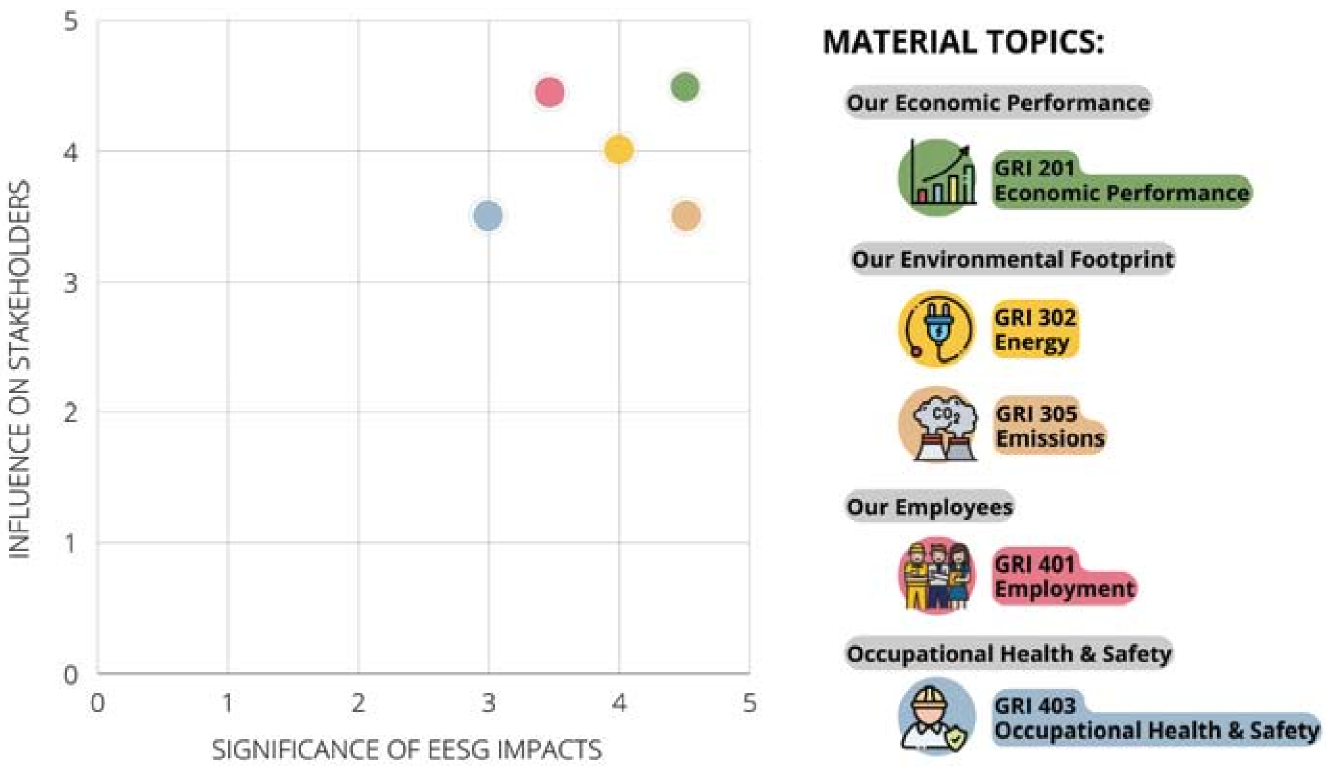
The invaluable feedback our stakeholders provide during such engagements helps us determine our material topics and identify our focus areas, guiding us along our sustainability journey.

SUSTAINABILITY REPORT

Materiality Assessment

By reviewing the feedback we received during our stakeholder engagement process, we were able to identify and prioritise sustainability topics that matter most to Jubilee and our stakeholders, based on how well-aligned they are with our Group's sustainability objectives and strategic direction.

In FY2022, we reviewed the material issues identified last year and reassessed them for their continued relevance to the Group. Through this process, we shortlisted a total of five material topics for disclosure, as reflected in the following Materiality Matrix.



The Board and senior management have validated the material topics for this year's reporting and determined that most of the material topics identified last year remain relevant to our business and stakeholders. In line with global concerns on climate change and in preparation for upcoming revisions to the GRI Universal Standards, we will no longer report on Environmental Compliance as a standalone material topic and will be including new material topics, Energy and Emissions, within the scope of our annual sustainability report.

As and when significant changes to our business environment or strategic objectives occur, the Board will reconsider the continued relevance of these material topics to Jubilee.

SUSTAINABILITY REPORT

Our Economic Performance

We are committed to delivering positive economic value for our stakeholders in the long term. We formulate a sustainable economic growth strategy by steadily assessing our key performance indicators over the year, evaluating our past performance, and identifying what resources are available to spur our future growth. Our goal is to embrace prudent management structure while diligently improving our production performance. We also constantly seek new opportunities to further strengthen our market position and provide more value to our customers.

Jubilee managed to deliver robust financial results in FY2022, recording an overall turnover of S$231.1 million, a 59.4% increase in revenue from the previous financial year. This can largely be attributed to the Group's ongoing efforts to expand our supplier base and grow our product portfolio. In response to the Covid-19 pandemic, the Group has also employed various strategies to streamline our operations across both business units, and this has contributed to a leaner operating model.

Our MBU manufactures precision plastic injection moulds in Malaysia and Indonesia and distributes them regionally. Notably, our MBU recently partnered with a Singapore medical tool company, which enhanced our reputation in mould fabrication for quality medical devices.

Propelled by the higher demand for semiconductor chips, particularly in Hong Kong and China, our EBU has increased its turnover by 67.4% this year. The global shortage in semiconductor chips, amidst accelerated rates of technology adoption, had been further aggravated by the Covid-19 pandemic, which had led to supply chain disruptions and heavily affected manufacturing activity in China and across the globe.

Business Segment	Revenue		Gross Profit	
	FY2022 S$'000	FY2021 S$'000	FY2022 S$'000	FY2021 S$'000
MBU	30,423	25,140	838	2,172
EBU	200,650	119,856	6,438	5,313
Total	231,073	144,996	7,276	7,485

However, owing to higher costs for raw materials, transportation, and logistics, our overall gross profit margin declined by 2.0% from 5.2% in FY2021 to 3.2% in FY2022. In addition, there has also been a reduction in the amount of grants received under government schemes to support businesses amid the Covid-19 pandemic, from S$0.5 million in FY2021 to S$0.1 million in FY2022.

For more information on our financial performance and business expenses, please refer to the Operations and Financial Review section of the Annual Report.

SUSTAINABILITY REPORT

As a Group, we believe that inclusive growth and value creation are keys to long-term stability. While our perpetual target is to deliver revenue growth to our stakeholders each year, we note the persistent social and economic uncertainties that continue to plague the global business landscape – the Covid-19 re-emergence in China and the prevailing global geopolitical tensions, which are only two of many factors resulting in escalating oil prices and steep inflation.

Nevertheless, the Group will seek different ways to effectively position ourselves as preferred suppliers for our targeted customers within the MBU and EBU market segments. Jubilee hopes to remain a trusted manufacturing partner and to live up to our stakeholders' expectations in providing quality services and delivering a wide range of products reliably.

SUSTAINABILITY REPORT

Our Environmental Footprint

As an organisation committed to mitigating our environmental impact and doing our part in tackling climate change, our environmental strategy includes:

– Proactively working towards adopting eco-friendly practices in the workplace;

– Embracing energy-efficient green technology in our manufacturing sites; and

– Minimising unnecessary waste in our daily operations.

We regularly review our environmental policies to ensure that our business conduct and operational practices are broadly aligned with these goals. At the same time, we go the extra mile in encouraging our business partners, along the supply chain, to engage in responsible environmental practices themselves.

Energy, Water & Emissions

We actively engage our employees in reducing the resource consumption of all factory machinery and office equipment. Across all manufacturing sites, we have put in place standard operating procedures for staff to follow, thus ensuring that all equipment is subject to a regular maintenance schedule and as and when possible, upgraded to optimise their performance and efficiency.

In the office, we endorse the use of Singapore Green Label-certified office supplies and LED lighting, and we encourage our employees to switch off all lights and electrical appliances in the office when not in use. To further increase water and energy savings, we have installed high-efficiency water fittings like self-closing taps and dual-flush toilets within the company premises.

The Group recognises the importance of monitoring and reporting on our climate-related performance and for the first time, we are disclosing information on our Group's carbon emissions and resource consumption rates, as follows:

Year	Energy		Water		Emissions	
	Energy consumed (kWh)	Energy intensity ratio (kWh/S$)	Water consumed (m^3)	Water intensity ratio (m_3/S$'000)	Carbon emissions ($kgCO_2e$)	Emission intensity ratio ($kgCO_2e$/S$)
FY2022	11,416,731	0.0494	123,045	0.5326	4,663,735	0.0202
FY2021	10,106,271	0.0697	78,932	0.5444	4,128,412	0.0285

The emissions reported in the table are based on the reporting requirements of the World Resources Institute ("WRI") and World Business Council for Sustainable Development ("WBCSD") 'Greenhouse Gas ("GHG") Protocol Corporate Accounting and Reporting Standard'. The equivalent CO_2 emissions from electricity use are calculated based on the average operating margin grid emission factor published by Singapore's Energy Market Authority for 2019.

SUSTAINABILITY REPORT

As our business operations recovered from the initial impact of the pandemic, our manufacturing activity resumed, and our overall environmental footprint increased accordingly. Nevertheless, we note a decrease in resource intensity ratios between FY2022 and FY2021, indicating that our usage of resources has become slightly more efficient year-on-year. Our annual revenue is applied as a component of the intensity ratio as our resource usage is tied closely to the sales made by the Group.

The Group is conscious that our products require significant energy input to manufacture. In fact, 98.2% of all energy consumed and carbon emissions generated can be directly attributed to the manufacturing operations of two of our subsidiaries, PT Honfoong Plastic Industries and WE Total Engineering Sdn Bhd, based in Indonesia and Malaysia, respectively.

Nevertheless, we constantly endeavour to reduce our environmental footprint, and we plan to source for sustainable solutions that can help us achieve significant increases in water and energy efficiency and further reductions in carbon emissions. In this way, we seek to actively address the environment-related concerns our stakeholders have raised over the past years.

SUSTAINABILITY REPORT

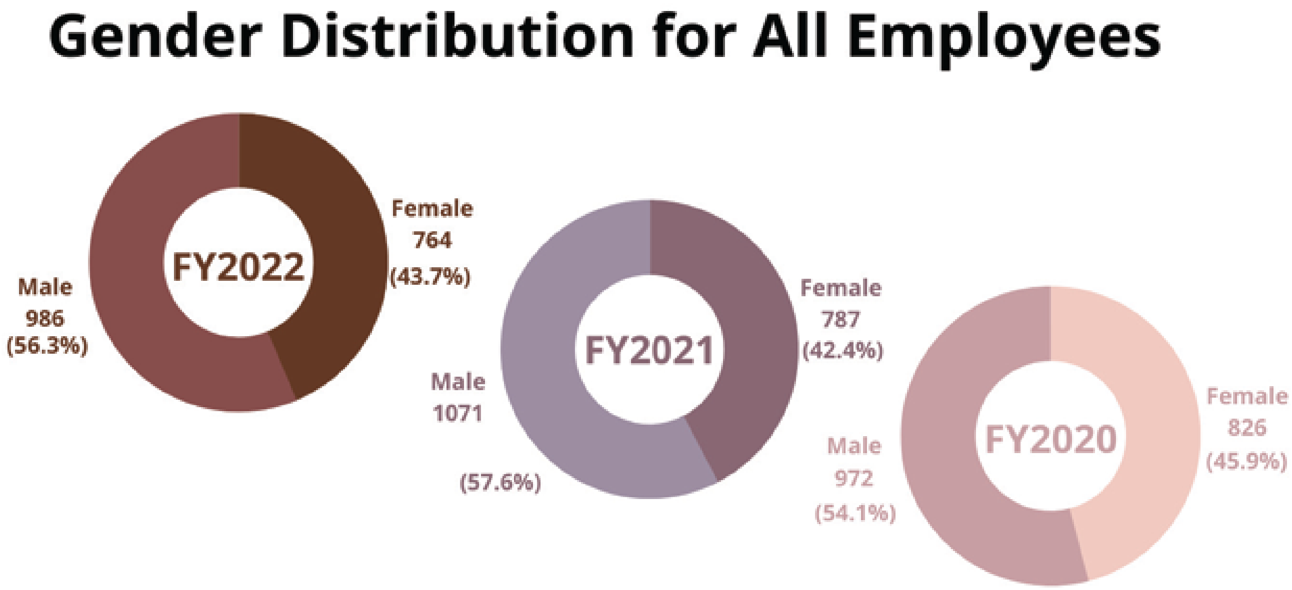
Our Employees

Our people are our most valuable resource. At Jubilee, we believe that investing in our employees' professional growth and personal well-being is vital to our business sustainability, and we take pride in creating the best possible working environment for our staff.

As an equal-opportunity employer, we are committed to having a diverse and inclusive workplace. Our Human Resource Management Policy, implemented across the Group, helps us attract and retain employees by providing fair employment opportunities are provided to all our employees, regardless of age, race, or gender.

We value each of our employee's contributions, and we provide opportunities for them to demonstrate their skills, expertise, and experience in the workplace. During employees' annual performance appraisals, we evaluate their performance, recognise their contributions, and identify areas in which they may further develop their skills. In this way, we can effectively identify, assess, and reward our employees' work performance every year. This is in line with our vision to forge a healthy organisational culture that promotes transparency, teamwork, trust, and respect.

Gender Diversity in the Workplace



At Jubilee, we recognise that a healthy workforce is also a productive workforce. This informs our policy to offer basic life insurance, accessible healthcare options, and parental leave to full-time employees in the Group. We aim to promote work-life balance for our workers, by closely monitoring their working hours to ensure that all employees do not exceed their maximum allowable overtime hours.

While most of our employees are local and thus do not require lodging, the Group does provide a small minority of our factory staff (less than 1%) with affordable accommodation options. To ensure that the accommodation provided meets the needs of our workers, we constantly seek feedback from them on what can be improved. In addition, we conduct regular inspections of these accommodations to confirm that workers' living conditions are maintained at a reasonable standard.

SUSTAINABILITY REPORT

As of 31 March 2022, Jubilee had a total of 1,750 employees, of which 83 were new employee hires, and 190 staff resigned during the financial year. This marks an increase in overall turnover rates (FY2022: 10.9%, FY2021: 6.7%), and a decrease in the rate of new employee hires (FY2022: 4.7%, FY2021: 8.2%).

A breakdown of new employee hires and resigned employees by gender is as follows:

Gender	FY2022		FY2021		FY2020	
	Female	Male	Female	Male	Female	Male
New Employees	59	24	35	117	35	52
Resigned Employees	82	108	81	43	26	41

A further breakdown of new employee hires by age group is as follows:

New Employee Hires						
Age Groups	FY2022		FY2021		FY2020	
	Number	%	Number	%	Number	%
21 to 30	40	48.2	48	31.6	42	48.3
31 to 45	39	47.0	96	63.2	38	43.7
46 to 60	4	4.8	8	5.3	7	8.0
Above 60	0	0	0	0	0	0

Overall, we are heartened by how our new employee hires have become more balanced in gender and age in FY2022, though we also note that more can be done to bolster staff retention rates across the Group. Over the coming years, we seek continuous improvement in our employment performance as a Group, as measured by these indices.

Jubilee aims to sustain our efforts to uphold fair employment practices, support our employees' health and wellness, and foster a culture of collaboration and open communication in the workplace. At the same time, we will periodically review our employment policies to ensure that they remain compliant with all applicable employment legislation and relevant to the communicated needs of our employees.

Occupational Health & Safety

Safety is our perennial top priority, and we see it as our responsibility to provide a safe, healthy, and conducive working environment for all our employees. The Group consistently upholds high safety standards and strives to promote an accident-free safety culture across the organisation.

Jubilee's Occupational Health and Safety policies were developed with reference to globally recognised health and safety practices, and they are consistently implemented at all levels of the organisation. We have engaged an independent auditor to review our policies and safety checks, to ascertain the adequacy of our safety management practices and ensure compliance with local authority standards. In recognition of our quality management systems, Jubilee has also achieved ISO9001:2015 certification for their precision plastic injection moulding, and mould design & fabrication services.

We regularly assess the occupational health risks and safety hazards that our employees are exposed to in their work, and we implement additional precautionary measures and operational protocols to mitigate these risks, thus safeguarding the health and safety of our employees. To effectively enhance our health and safety risk management capabilities, the Group has appointed a certified officer to assist management in identifying potential hazards, assessing the likelihood and potential severity of such risks, and overseeing the implementation of mitigating safety measures.

We are a firm believer in preventative action, and we work towards eliminating safety hazards and health risks from the workplace, with a specific focus on our manufacturing operations. We require all employees working in factories to be fully equipped with the appropriate personal protective equipment, and we take extra care to monitor high-risk activities and to report the occurrence of near-miss incidents as and when they occur. We also encourage our employees to report any unsafe behaviour they observe to the management immediately. Such an approach allows us to identify and analyse the root cause behind work-related accidents and occupational illnesses, and to strengthen workplace safety by putting in place mitigating measures before accidents occur.

We also place great emphasis on raising workplace safety awareness among our employees, for they play an equally important role in making their workplace a zero-accident one. We frequently remind our employees to be mindful of the different health risks and safety hazards they may face in their line of work and emphasise that they should always adhere to standard operating procedures and workplace safety rules that have been put in place. Safety-related training is conducted on a regular basis to educate our employees on precautionary measures they can undertake to protect themselves and their co-workers. To ensure that all employees are familiar with evacuation protocols, we also conduct fire evacuation drill exercises throughout the year.

SUSTAINABILITY REPORT

During the Covid-19 pandemic, the Group managed the safe resumption of work by allowing our employees to work from home, or if working on-site was necessary, by having staggered working hours, enforcing social distancing rules, using SafeEntry for contact tracing, and conducting a daily temperature screening. We also encouraged all employees to visit the doctor immediately when unwell. These precautionary measures help us to ensure that the health and well-being of our workforce are protected.

With these measures in place, we are pleased to disclose that we were able to maintain our record of having zero cases of recordable work-related injuries or ill health, zero cases of high-consequence work-related injuries, and zero cases of fatalities resulting from a work-related injury or ill health, for all employees and workers.

Moving forward, we will continue to maintain and review our existing Occupational Health and Safety policies through regular engagement with our employees and workers, to identify, minimise, and control the potential impact of any safety issue that may arise in our course of work. In this way, we hope to maintain our record of zero workplace incidents in the years to come.

Global Reporting Initiative (GRI) Content Index

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102-2 Activities, brands, products, and services	Corporate Profile, page 2
102-3 Location of headquarters	Corporate Profile, page 2
102-4 Location of operations	Corporate Profile, page 2
102-5 Ownership and legal form	Corporate Profile, page 2
102-6 Markets served	Corporate Profile, page 2
102-7 Scale of the organisation	Corporate Profile, page 2 Our Employees, page 49
102-8 Information on employees and other workers	Our Employees, page 49
102-9 Supply chain	Corporate Profile, page 2
102-10 Significant changes to the organisation and its supply chain	No significant changes
102-11 Precautionary principle or approach	Our Sustainability Approach, page 42
102-12 External initiatives	No significant external initiatives
102-13 Membership of associations	No membership of associations
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102-14 Statement from senior decision maker	Board Statement, page 39
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102-16 Values, principles, standards, and norms of behaviour	Our Sustainability Approach, page 42
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102-18 Governance structure	Board of Directors, page 10 Our Sustainability Approach, page 42
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102-40 List of stakeholder groups	Stakeholder Engagement, page 43
102-41 Collective bargaining agreements	Not applicable
102-42 Identifying and selecting stakeholders	Stakeholder Engagement, page 43
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102-44 Key topics and concerns raised	Stakeholder Engagement, page 43
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102-46 Defining report content and topic boundaries	About This Report, page 40
102-47 List of material topics	Materiality Assessment, page 44
102-48 Restatements of information	No restatements
102-49 Changes in reporting	No changes
102-50 Reporting period	1 April 2021 to 31 March 2022
102-51 Date of most recent report	15 July 2021
102-52 Reporting cycle	Annual
102-53 Contact point for questions regarding the report	About This Report, page 40
102-54 Claims of reporting in accordance with the GRI Standards	About This Report, page 40
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Global Reporting Initiative (GRI) Content Index

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103-2 The management approach and its components	
103-3 Evaluation of the management approach	
201-1 Direct Economic value generated and distributed	
201-4 Financial assistance received from government	
Energy	
103-1 Explanation of the material topic and its boundaries	Our Environmental Footprint, page 47
103-2 The management approach and its components	
103-3 Evaluation of the management approach	
302-1 Energy consumption within the organisation	
302-3 Energy intensity	
Emissions	
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103-2 The management approach and its components	
103-3 Evaluation of the management approach	
305-2 Energy indirect (Scope 2) GHG emissions	
305-4 GHG emissions intensity	
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103-2 The management approach and its components	
103-3 Evaluation of the management approach	
401-1 New employee hires and employee turnover	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	
Occupational Health and Safety	
103-1 Explanation of the material topic and its boundaries	Occupational Health & Safety, page 51
103-2 The management approach and its components	
103-3 Evaluation of the management approach	
403-1 Occupational health and safety management	
403-2 Hazard identification, risk assessment, and incident investigation	
403-5 Worker training on occupational health and safety	
403-8 Workers covered by an occupational health and safety management system	
403-9 Work-related injuries	
403-10 Work-related ill health	

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited consolidated financial statements of the Group for the financial year ended 31 March 2022 and the statement of financial position of the Company as at 31 March 2022.

In the opinion of the directors,

(a) the statement of financial position of the Company and the consolidated financial statements of the Group are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2022 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Dato' Terence Tea Yeok Kian
Cheong Keng Chuan Alfred
Ng Siew Hoong Linus
Dato' Kang Pang Kiang
Levin Lee Keng Weng (Appointed on 21 December 2021)

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporation, except as follows:

	Holdings registered in name of director or nominee		**Holdings in which director is deemed to have an interest**	
	As at 31 March 2022	As at 1 April 2021	As at 31 March 2022	As at 1 April 2021
The Company				
(Number of ordinary shares)				
Terence Tea Yeok Kian	172,500	172,500	166,818,931	166,818,931
The immediate and ultimate holding corporation – Accrelist Ltd.				
(Number of ordinary shares)				
Terence Tea Yeok Kian	64,436,056	64,436,056	2,271,900	2,271,900

Terence Tea Yeok Kian, who by virtue of his deemed interest of not less than 20% of the issued capital of the Company, is deemed to have interests in the shares of all subsidiary corporations, which is derived through shares held by Accrelist Ltd. and through shares held by his spouse in Accrelist Ltd.

The directors' interests in the ordinary shares of the Company as at 21 April 2022 were the same as those as at 31 March 2022.

DIRECTORS' STATEMENT

Share plans

(a) Jubilee Share Award Scheme ("JSAS")

The Jubilee Share Award Scheme (the "Scheme") for key management personnel and employees of the Group was approved by members of the Company at an Extraordinary General Meeting held on 21 November 2014.

The Scheme represents the right of a selected key management personnel and employees of the Group (the "Selected Person") to receive fully paid shares free of charge, upon the Selected Person achieving Performance Targets. Performance Targets set under the Scheme are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The Performance Targets are stretched targets aimed at sustaining long-term growth. Examples of Performance Targets to be set include targets based on criteria such as sales growth, earnings per share, share price and return on investment.

The aggregate number of shares to be delivered pursuant to the vesting of the Scheme on any date, when added to the number of shares issued and/or issuable under any other share-based incentive plans of the Company, shall not exceed 15% of the total number of issued shares of the Company (excluding treasury shares) on the day preceding that date.

The Scheme is designed to provide an opportunity for employees and certain directors to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to those who have contributed to the success and development of the Group. As at the date of this report, there were no outstanding options exercisable arising from the Scheme and no shares have been granted during the financial year ended 31 March 2022 and 2021.

During the financial year, there were no share awards granted to controlling shareholders of the Company or their associates (as defined in the SGX-ST Listing Manual Section B: Rules of Catalist) and no participant has received 5% or more of the total number of shares available under the Scheme.

No awards have been issued during the financial year end 31 March 2022 and there were no awards outstanding as at beginning and end of the financial year 31 March 2022.

(b) Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiary corporations.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company or its subsidiary corporations.

As at the end of the financial year 31 March 2022, there were no unissued shares of the Company or its subsidiary corporations under option.

DIRECTORS' STATEMENT

Audit committee ("AC")

The members of the AC at the end of the financial year were as follows:

Cheong Keng Chuan Alfred (Chairman)
Ng Siew Hoong Linus
Kang Pang Kiang

As at the date of this statement, the AC comprises all non-executive directors who are all independent, except for Mr Kang Pang Kiang who is the director of a subsidiary corporation, WE Total Engineering Sdn. Bhd. until 30 June 2021.

The AC carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act. In performing those functions, the AC carried out the followings:

– Reviewing the scope and the results of audit undertaken by the independent auditor to ensure that there is a balance between maintenance of their objectivity and cost effectiveness;
– Reviewing the financial statements and other announcements to members and the Singapore Exchange Securities Trading Limited ("SGX-ST"), prior to submission to the Board;
– Conducting investigation into any matter within the AC's scope of responsibility and review any significant findings of investigations;
– Assessing the independence and objectivity of the independent auditor;
– Recommending to the Board on the appointment and re-appointment of the independent auditor;
– Reviewing the assistance given by the Company's officers to the independent auditor; and
– Reviewing transactions falling within the scope of Chapter 9 of the Catalist Rules.

The AC also has explicit authority to investigate any matters within its term of reference, full access to and cooperation by management and full discretion to invite any director or executive officer to attend its meetings and reasonable resources to enable it to discharge its functions properly.

In performing its functions, the AC meets the independent auditor, without the presence of the management, at least once a year to review the overall scope of the independent audit, and the assistance given by the management to the independent auditor. The AC has reasonable resources to enable it to discharge its functions properly.

Nexia TS will not be seeking re-appointment as Independent Auditor of the Company.

On behalf of the directors

Dato' Terence Tea Yeok Kian
Director

Cheong Keng Chuan Alfred
Director

12 October 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Jubilee Industries Holdings Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Jubilee Industries Holdings Ltd. (the "Company") and its subsidiary corporations (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (continued)

Key audit matter	How our audit addressed the matter
Revenue Recognition (Refer to Note 2.2 and Note 4 to the financial statements) The Group's revenue is primarily generated from: (i) sale of electronic components and provision of precision plastic injection moulding services which is recognised when the Group satisfied its performance obligation by transferring the control of the promised goods to the customers, which is when the goods are delivered to the destination specified by the customers, typically refers to the incoterms specified in the contract; and (ii) provision of design, fabrication and sale of precision plastic injection moulds where the Group is restricted contractually from directing the moulds for another use as they are being produced and the Group has enforceable right to payment for performance completed to-date, revenue is recognised over time based on percentage of completion which is measured by reference to the stages of mould manufacturing process completed to-date. During the financial year ended 31 March 2022, the Group recognised revenue of S$231,073,000. We focused on this area as a key audit matter as there is a presumed fraud risk with regards to revenue recognition and revenue is one of the key performance indicators of the Group. The potential existence of management override controls and large volume of transactions also increase the risk of material misstatement in the amount of revenue reported.	In obtaining sufficient audit evidence, the following procedures have been performed: • Obtained samples of contracts with customers and reviewed the terms and conditions, along with discussion with management, to assess the Group's revenue recognition policy in accordance with SFRS(I) 15, in particular the identification of performance obligations, and the timing of revenue recognition (i.e. at a point in time or over time). • Discussed with management on the processes involved in the sales cycle for each revenue stream and performed walkthrough tests to validate our understanding. • Performed test of controls over the sales cycle to ascertain the effectiveness of such key controls. • Performed test of details and sales cut-off tests to ascertain that the sales have been accurately recognised in the appropriate financial year. • Reviewed the adequacy of disclosures in the notes to the financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of Jubilee Industries Holdings Ltd.

Key Audit Matters (continued)

Key audit matter	How our audit addressed the matter
Valuation of inventories (Refer to Note 2.17, Note 3(b) and Note 16 to the financial statements) As at 31 March 2022, the carrying amount of inventories amounted to S$19,017,000, representing approximately 26% of the Group's total assets. In determining the net realisable value of ("NRV") obsolete inventories, management based on the recent selling price of the transacted sales and orders received from customers. In addition, management also considered the future outlook of the economic environment. Accordingly, the Group recorded an inventory written-down of S$1,965,000 for the current financial year (2021: S$667,000). We focused on this area as the estimation of the NRV of inventories involved a high level of management judgement. The determination of the NRV of inventories is based on current market conditions and historical sales experience. This requires significant management's judgement in assessing the market positioning of the Group's products which are dependent on factors such as customer specification requirements and demands in response to the industry life cycles.	In obtaining sufficient audit evidence, the following procedures have been performed: • Reviewed the Group's costing approach and the appropriateness of the costing methods used for each type of inventory (raw materials, work-in-progress, finished goods and trading goods). • Performed NRV test to ascertain that inventory is not stated in excess of its NRV. • Reviewed that appropriateness of the Group's policy for identifying slow-moving or obsolete inventories and the adequacy of the amount of inventories written-down.

Other Information

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

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

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Jubilee Industries Holdings Ltd.

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Jubilee Industries Holdings Ltd.

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

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

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

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

Report on other Legal and Regulatory Requirements

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

The engagement director on the audit resulting in this independent auditor's report is Teh Yeu Horng.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore
12 October 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

	Note	Group 2022 S$'000	Group 2021 S$'000
Revenue	4	231,073	144,996
Cost of sales		(223,797)	(137,511)
Gross profit		7,276	7,485
Other income			
- Interest income from bank deposits		18	18
- Others	5	175	732
Other (losses)/gains- net			
- Impairment loss on financial assets, at amortised cost	32(b)	(490)	(304)
- Fair value (loss)/gain on financial assets, at FVPL		(2,193)	2,675
- Loss on deemed disposal of an associated company		–	(3,804)
- Others	6	102	884
Expenses			
- Distribution and marketing		(481)	(367)
- Administrative		(9,030)	(7,888)
- Finance	9	(451)	(767)
Share of loss of associated company	19	–	(312)
Loss before income tax		(5,074)	(1,648)
Income tax expense	10(a)	(118)	(121)
Net loss		(5,192)	(1,769)
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Losses	28(b)(i)	(475)	(348)
- Reversal due to deemed disposal of associated company	28(b)(i)	–	(174)
Share of associated company's fair value gains on financial assets, at FVOCI			
- Fair value gains	28(b)(ii)	–	194
- Reversal due to deemed disposal of associated company	28(b)(ii)	–	(16)
Items that will not be reclassified subsequently to profit or loss:			
Re-measurement of defined benefits obligation	23(a)(i)	(7)	(89)
Financial assets, at fair value through other comprehensive income ("FVOCI")			
- Fair value gains – equity investment	28(b)(ii)	–	507
Other comprehensive (loss)/income, net of tax		(482)	74
Total comprehensive loss		(5,674)	(1,695)
Net loss attributable to:			
Equity holders of the Company		(4,804)	(1,812)
Non-controlling interests		(388)	43
		(5,192)	(1,769)
Total comprehensive loss attributable to:			
Equity holders of the Company		(5,286)	(1,738)
Non-controlling interests		(388)	43
		(5,674)	(1,695)
Loss per share attributable to equity holders of the Company (cents per share)			
- Basic and diluted	11	(1.65)	(0.72)

The accompanying notes are an integral part of these financial statements

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 31 March 2022

	Note	Group 2022 S$'000	Group 2021 S$'000
ASSETS			
Current assets			
Cash and cash equivalents	12	6,641	7,687
Financial assets, at fair value through profit or loss ("FVPL")	13	7,070	9,263
Trade and other receivables	15	24,174	28,411
Inventories	16	19,017	15,176
Other current assets	17	8,074	7,985
		64,976	68,522
Non-current assets			
Financial assets, at fair value through other comprehensive income ("FVOCI")	14	47	47
Investment in associated company	19	–	–
Property, plant and equipment	20	7,398	7,059
Intangible assets	22	1,006	1,383
		8,451	8,489
Total assets		73,427	77,011
LIABILITIES			
Current liabilities			
Trade and other payables	23	30,511	31,712
Current income tax liabilities	10(b)	185	390
Borrowings	24	9,216	6,680
		39,912	38,782
Non-current liabilities			
Borrowings	24	212	2,278
Deferred income tax liabilities	10(c)	57	76
		269	2,354
Total liabilities		40,181	41,136
NET ASSETS		**33,246**	**35,875**
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	25	77,474	74,429
Treasury shares	25	(736)	(736)
Statutory reserve	26	2,257	2,257
Capital reserve	27	(142)	(142)
Other reserves	28	859	1,334
Accumulated losses		(47,412)	(42,601)
		32,300	34,541
Non-controlling interests	18	946	1,334
TOTAL EQUITY		**33,246**	**35,875**

The accompanying notes are an integral part of these financial statements

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2022

	Note	Company 2022 S$'000	Company 2021 S$'000
ASSETS			
Current assets			
Cash and cash equivalents	12	415	107
Financial assets, at fair value through profit or loss ("FVPL")	13	7,040	9,225
Trade and other receivables	15	3,645	3,176
Other current assets	17	*	13
		11,100	12,521
Non-current assets			
Financial assets, at fair value through other comprehensive income ("FVOCI")	14	47	47
Investments in subsidiary corporations	18	25,250	39,656
Investment in associated company	19	–	–
Property, plant and equipment	20	–	–
Intangible assets	22	–	–
		25,297	39,703
Total assets		36,397	52,224
LIABILITIES			
Current liabilities			
Trade and other payables	23	13,286	14,230
Borrowings	24	3,137	1,122
		16,423	15,352
Non-current liabilities			
Borrowings	24	–	2,000
Total liabilities		16,423	17,352
NET ASSETS		**19,974**	**34,872**
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	25	77,474	74,429
Treasury shares	25	(736)	(736)
Capital reserve	27	(142)	(142)
Other reserves	28	22	22
Accumulated losses	29	(56,644)	(38,701)
TOTAL EQUITY		**19,974**	**34,872**

**Less than S$1,000*

The accompanying notes are an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2022

		Attributable to equity holders of the Company								
	Note	Share capital S$'000	Treasury shares S$'000	Statutory reserve S$'000	Capital reserve S$'000	Other reserves S$'000	Accumulated losses S$'000	Total S$'000	Non-controlling interests S$'000	Total equity S$'000
2022										
Beginning of financial year		74,429	(736)	2,257	(142)	1,334	(42,601)	34,541	1,334	35,875
Loss for the financial year		–	–	–	–	–	(4,804)	(4,804)	(388)	(5,192)
Other comprehensive loss for the financial year		–	–	–	–	(475)	(7)	(482)	–	(482)
Total comprehensive loss for the financial year		–	–	–	–	(475)	(4,811)	(5,286)	(388)	(5,674)
Issuance of ordinary shares	25	3,045	–	–	–	–	–	3,045	–	3,045
End of financial year		77,474	(736)	2,257	(142)	859	(47,412)	32,300	946	33,246
2021										
Beginning of financial year		74,429	(736)	2,257	(142)	109	(39,638)	36,279	1,291	37,570
(Loss)/profit for the financial year		–	–	–	–	–	(1,812)	(1,812)	43	(1,769)
Other comprehensive (loss)/income for the financial year		–	–	–	–	163	(89)	74	–	74
Total comprehensive income/(loss) for the financial year		–	–	–	–	163	(1,901)	(1,738)	43	(1,695)
Transfer upon disposal of financial assets, at FVOCI	28(b)(ii)	–	–	–	–	1,062	(1,062)	–	–	–
End of financial year		74,429	(736)	2,257	(142)	1,334	(42,601)	34,541	1,334	35,875

Other reserves, statutory reserve and capital reserve are non-distributable.

The accompanying notes are an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2022

	Note	Group 2022 S$'000	Group 2021 S$'000
Cash flows from operating activities			
Net loss		(5,192)	(1,769)
Adjustments for:			
- Amortisation and depreciation	7	1,476	1,618
- Dividend income	5	(9)	(91)
- Fair value loss/(gain) on financial assets, at FVPL	13	2,193	(2,675)
- Gain on disposal of property, plant and equipment	6	(12)	(804)
- Gains on unrealised foreign exchange		(503)	(351)
- Income tax expense	10(a)	118	121
- Interest income - bank deposits		(18)	(18)
- Interest expense	9	451	767
- Inventories written-down	7	1,965	667
- Loss on deemed disposal of an associated company	19	–	3,804
- Loss on disposal of associated company	6	–	439
- Share of loss of associated company	19	–	312
		469	2,020
Changes in working capital:			
- Trade and other receivables		4,237	1,078
- Inventories		(5,806)	(6,761)
- Other current assets		(89)	30
- Trade and other payables		(1,156)	9,400
Cash (used in)/generated from operations		(2,345)	5,767
Interest paid		(2)	(25)
Income tax paid	10(b)	(342)	(228)
Net cash (used in)/provided by operating activities		(2,689)	5,514
Cash flows from investing activities			
Additions to property, plant and equipment		(1,156)	(495)
Disposal of investments in associated company		–	1,252
Proceeds of disposal of property, plant and equipment		61	412
Dividend received		9	91
Interest received		18	18
Net cash (used in)/provided by investing activities		(1,068)	1,278
Cash flows from financing activities			
Issuance of ordinary shares		3,000	–
Drawdown/(repayment) of bank borrowings – net		421	(5,400)
Repayment of lease liabilities		(352)	(440)
Interest paid		(449)	(762)
Short-term bank deposits pledged		–	(1,133)
Net cash provided by/(used in) financing activities		2,620	(7,735)

The accompanying notes are an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2022

	Note	Group 2022 S$'000	Group 2021 S$'000
Net decrease in cash and cash equivalents		(1,137)	(943)
Cash and cash equivalents			
Beginning of financial year		5,227	6,167
Effect of currency translation on cash and cash equivalents		2	3
End of financial year	12	4,092	5,227

Reconciliation of liabilities arising from financing activities

	1 April 2021 S$'000	Proceeds from borrowings S$'000	Principal and interest payments S$'000	Non-cash changes: Addition during the year S$'000	Non-cash changes: Interest expense S$'000	Non-cash changes: Foreign exchange movement S$'000	31 March 2022 S$'000
Bank borrowings	6,045	643	(617)	–	395	–	6,466
Lease liabilities	541	–	(386)	340	34	–	529
Loan from non-related party	2,000	–	(20)	–	20	–	2,000
	8,586	643	(1,023)	340	449	–	8,995

	1 April 2020 S$'000	Proceeds from borrowings S$'000	Principal and interest payments S$'000	Non-cash changes: Addition during the year S$'000	Non-cash changes: Interest expense S$'000	Non-cash changes: Foreign exchange movement S$'000	31 March 2021 S$'000
Bank borrowings	11,445	839	(6,906)	–	667	–	6,045
Lease liabilities	644	–	(475)	343	35	(6)	541
Loan from non-related party	2,020	–	(60)	–	40	–	2,000
	14,109	839	(7,441)	343	742	(6)	8,586

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

1 Corporate information

Jubilee Industries Holdings Ltd. (the "Company") is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and incorporated and domiciled in Singapore. The address of its registered office is at 10 Ubi Crescent, Ubi Techpark Lobby E, #03-94/95/96, Singapore 408564.

The principal activity of the Company is investment holding. The principal activities of the subsidiary corporations are disclosed in Note 18 to the financial statements.

The immediate and ultimate holding corporation is Accrelist Ltd., a company incorporated in Singapore and listed on Singapore Exchange Securities Trading Limited ("SGX-ST").

2 Summary of significant accounting policies

2.1 Basis of preparation

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

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

Impact of COVID-19

In early 2022, lockdowns were imposed in certain regions of the People's Republic of China in response to localised outbreak of COVID-19. This has resulted a retardation of demands of the Group's electronic components distribution business.

Set out below is the impact of COVID-19 on the Group's financial performance reflected in this set of financial statements for the financial year ended 31 March 2022:

(i) The Group has assessed that the going concern basis of preparation for this set of financial statements remain appropriate.

(ii) The Group has considered the market conditions (including the impact of COVID-19) as at the reporting date, in making estimates and judgements on the recoverability of assets as at 31 March 2022.

The Group will continue to keep a vigilant watch on the challenges that may arise from the ongoing COVID-19 pandemic and uncertainties in the wider macro environment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Going concern

During the financial year ended 31 March 2022, the Group incurred a net loss of S$5,192,000 (2021: $1,769,000) and net cash used in operating activities of S$2,689,000 (2021: net cash provided by operating activities of S$5,514,000). The directors of the Company have assessed that the going concern basis of preparation for this set of financial statements remains appropriate due to:

(a) The Group has sufficient cash to fund the operations of the Group as the Group is in net current assets position of S$25,064,000 as at 31 March 2022; and

(b) On 21 June 2022, the Company entered into a sale and purchase agreement to dispose 14% equity interest of a subsidiary corporation, WE Components Pte Ltd. for a total cash consideration of US$2,100,000 (equivalent to S$2,835,000). The proceed from the disposal will be utilised for general working capital purposes and the expansion of the Group's business.

Interpretations and amendments to published standards effective in 2021

On 1 April 2021, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Revenue recognition

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

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

(a) Electronic components distribution business units ("EBU")

Sale of goods - distribution of electronic components

Revenue is recognised at a point in time when the Group satisfies its performance obligation by transferring the control of promised goods to the customer, which is when the goods are delivered to the destination specified by the customer, typically referring to the incoterms specified in the contract. Revenue is measured based on consideration specified in the contract with a customer to which the Group expects to be entitled in exchange for transferring promised goods to a customer.

(b) Mechanical business unit ("MBU")

(i) <u>Provision of precision plastic injection moulding services ("PPIM")</u>

Revenue is recognised at a point in time when the Group satisfies its performance obligation by transferring the control of promised goods to the customer, which is when the goods are delivered to the destination specified by the customer, typically referring to the incoterms specified in the contract. Revenue is measured based on consideration specified in the contract with a customer to which the Group expects to be entitled in exchange for transferring promised goods to a customer.

2 Summary of significant accounting policies (continued)

2.2 Revenue recognition (continued)

(b) Mechanical business unit ("MBU") (continued)

(ii) Design, fabrication and sale of precision plastic injection mould ("MDF")

The Group manufactures and supplies moulds for manufacturers. As the Group is restricted contractually from directing the moulds for another use as they are being produced and the Group has enforceable right to payment for performance completed to-date, revenue is recognised over time, based on the stages of mould manufacturing process completed to-date.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon the achievement of specified manufacturing milestones. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently recognised in profit or loss as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relate less the costs that relate directly to providing the goods and that have not been recognised as an expense.

(c) Service income

Service income is recognised at a point in time, i.e. when services are rendered.

(d) Interest income

Interest income is recognised using the effective interest method.

(e) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

2.3 Government grants

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 Summary of significant accounting policies (continued)

2.4 Group accounting

(a) Subsidiary corporations

(i) Consolidation

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the asset transferred. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary corporation's net results of operations and its net assets, which are attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary corporation, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes contingent consideration arrangement and any pre-existing equity interest in the subsidiary corporation measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

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

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

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

When the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree is less than the fair value of the identifiable net assets of the subsidiary corporation acquired, the difference – often referred to as "bargain purchase" – is recognised in profit or loss.

2 Summary of significant accounting policies (continued)

2.4 Group accounting (continued)

(a) Subsidiary corporations (continued)

(iii) Disposals

When a change in the Group ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the subsidiary corporation's assets and liabilities, including any goodwill, are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

The accounting policies for investments in subsidiary corporations are disclosed in Note 2.8 to the financial statements.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary corporation that does not result in a loss of control over the subsidiary corporation are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interests and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associated company

Associated companies are entities over which the Group has significant influence but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

Investment in associated company is accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investment in associated company is initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated company represents the excess of the cost of acquisition of the associated company over the Group's share of the fair value of the identifiable net assets of the associated company and is included in the carrying amount of the investment.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of its associated company's post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated company are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company equals to or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company. If the associated company subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 Summary of significant accounting policies (continued)

2.4 Group accounting (continued)

(c) Associated company (continued)

(ii) Equity method of accounting (continued)

Unrealised gains on transactions between the Group and its associated company is eliminated to the extent of the Group's interest in the associated company. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated company is changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associated company is derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated company is a financial asset, the retained equity interest is measured at fair value. The differences between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

The accounting policies for investments in associated company are disclosed in Note 2.8 to the financial statements.

2.5 Property, plant and equipment

(a) Measurement

(i) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

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

(b) Depreciation

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

	Useful Lives
Leasehold properties	Over respective lease terms of 20 years
Buildings	Over respective lease terms from 2 to 3 years
Plant and machinery	5 - 10 years
Motor vehicles	5 years
Office equipment and tools	5 years
Furniture and electrical fittings	5 years
Renovations	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

2 Summary of significant accounting policies (continued)

2.5 Property, plant and equipment (continued)

(c) Subsequent expenditure

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

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other gains/(losses) – net".

2.6 Intangible assets

(a) Acquired computer software licenses

Acquired computer software licenses are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Direct expenditure including employee costs, which enhances or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Computer software licenses are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of five years.

(b) Distribution rights

Distribution rights acquired are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 2 years and 8 years, which is the shorter of their estimated useful lives and period of contractual rights.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

2.7 Borrowing costs

Borrowing costs included interest in respect of lease liabilities recognised in accordance with SFRS(I) 16 are recognised in profit or loss using the effective interest method.

2.8 Investments in subsidiary corporations and associated company

Investments in subsidiary corporations and associated company are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 Summary of significant accounting policies (continued)

2.9 Impairment of non-financial assets

Property, plant and equipment
Right-of-use assets
Intangible assets
Investments in subsidiary corporations and associated company

Property, plant and equipment, right-of-use assets, intangible assets and investments in subsidiary corporations and associated company are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing of these assets, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as revaluation decrease.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2.10 Financial assets

(a) Classification and measurement

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

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

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

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

<u>At initial recognition</u>

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

2 Summary of significant accounting policies (continued)

2.10 Financial assets (continued)

(a) Classification and measurement (continued)

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents and trade and other receivables. Depending on the Group's business model for managing the asset and the cash flow characteristics of the asset, the subsequent measurement are as follows:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "Other gains/(losses) – net". Interest income from these financial assets is recognised using the effective interest rate method and presented in "Interest income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "Other gains/(losses) – net".

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investment are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "Other gains/(losses) – net", except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "Dividend income".

(b) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The credit risk note details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 Summary of significant accounting policies (continued)

2.10 Financial assets (continued)

(c) Recognition and derecognition

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

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

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

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss is there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Group are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash flow received from the financial institution is recorded as borrowings.

2.11 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiary corporations. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiary corporations fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Intra-group transactions are eliminated on consolidation.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's statement of financial position.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiary corporations' borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's statement of financial position.

2 Summary of significant accounting policies (continued)

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.14 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially measured at fair value, and subsequently carried at amortised cost using the effective interest method.

2.15 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the reporting date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

The fair values of current financial assets and liabilities carried at amortised costs approximate their carrying amounts.

2.16 Leases

When the Group is the lessee:

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

(i) Right-of-use assets

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

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

Right-of-use assets are presented within "property, plant and equipment".

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 Summary of significant accounting policies (continued)

2.16 Leases (continued)

When the Group is the lessee: (continued)

(ii) Lease liabilities

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

Lease payments include the following:

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

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

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

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

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

(iii) Short term and low value leases

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

2.17 Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost of raw materials, work-in-progress, finished goods and trading goods are determined using the weighted average basis, except for cost of work-in-progress for MDF projects, which are determined on a specific identification basis.

Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and applicable variable selling expenses. The amount of any write-down of inventories to net realisable value shall be recognised as an expense in the period the write-down occurs. The amount of any reversal of write-down of inventories, arising from an increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2 Summary of significant accounting policies (continued)

2.18 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

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

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

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

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

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred income tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised.

2.19 Provisions

Provisions for warranty, restructuring costs and legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Restructuring provisions comprise employee termination payments. Provisions are not recognised for future operating losses.

Other provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 Summary of significant accounting policies (continued)

2.20 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) *Defined benefit plans*

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the reporting date less than fair value of the plan assets, together with adjustments for unrecognised past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality corporate bonds that are denominated in the currency and the country in which the benefits will be paid, and have tenures approximately to that of the related post-employment benefit obligations.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period when they arise. The experience adjustments are not to be reclassified to profit or loss in a subsequent period.

Past service costs are recognised immediately in profit or loss.

(c) *Share-based compensation*

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

At each reporting date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

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 share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

(d) *Short-term compensated absences*

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

2 Summary of significant accounting policies (continued)

2.21 Currency translation

(a) *Functional and presentation currency*

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

(b) *Transactions and balances*

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

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

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of comprehensive income within "finance expenses". All other foreign exchange gains and losses impacting profit or loss are presented in the consolidated statement of comprehensive income within "Other gains/(losses) - net".

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

(c) *Translation of Group entities' financial statements*

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

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 Summary of significant accounting policies (continued)

2.23 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the statement of financial position. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.24 Share capital and treasury shares

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

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

3 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Impairment of trade receivables

As at 31 March 2022, the carrying amount of trade receivables relating to the Group's different revenue segments – EBU and MBU before impairment loss is S$19,352,000 (2021: S$22,624,000). The Group has recognised loss allowance of trade receivables of S$1,497,000 (2021: S$1,007,000).

The Group uses a provision matrix to measure the lifetime expected credit loss ("ECL") allowance for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances. The forecast economic conditions and Group's historical credit loss experience may also not be representative of customer's actual default in the future. The information about the ECL on the Group's trade receivables are disclosed in Note 32(b) to the financial statements.

(b) Inventories written-down

As at 31 March 2022, the carrying amount of inventory is S$19,017,000 (2021: S$15,176,000). Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Based on the assessment, the Group recorded inventories write-down of S$1,965,000 during the current financial year (2021: S$667,000) after identifying the inventories which became obsolete due to technological advances.

4 Revenue

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product lines and geographical regions. Revenue is attributed to countries by location of customers.

	At a point in time S$'000	Over time S$'000	Total S$'000
2022			
Electronic components distribution business unit ("EBU")			
- People's Republic of China	137,393	–	137,393
- United States of America	1,383	–	1,383
- India	4,380	–	4,380
- Singapore	16,958	–	16,958
- Malaysia	4,861	–	4,861
- Indonesia	379	–	379
- Taiwan	12,169	–	12,169
- Thailand	10,066	–	10,066
- Vietnam	9,621	–	9,621
- Other countries	3,440	–	3,440
	200,650	–	200,650
Mechanical business unit ("MBU")			
- Singapore	8,944	191	9,135
- Malaysia	6,616	366	6,982
- Indonesia	12,624	–	12,624
- Other countries	1,601	81	1,682
	29,785	638	30,423
	230,435	638	231,073

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

4 **Revenue** (continued)

(a) Disaggregation of revenue from contracts with customers (continued)

	At a point in time S$'000	Over time S$'000	Total S$'000
2021			
Electronic components distribution business unit ("EBU")			
- People's Republic of China	58,171	–	58,171
- United States of America	426	–	426
- India	7,713	–	7,713
- Singapore	13,746	–	13,746
- Malaysia	4,303	–	4,303
- Indonesia	435	–	435
- Taiwan	2,574	–	2,574
- Thailand	9,236	–	9,236
- Vietnam	21,445	–	21,445
- Other countries	1,807	–	1,807
	119,856	–	119,856
Mechanical business unit ("MBU")			
- Singapore	6,734	84	6,818
- Malaysia	5,547	656	6,203
- Indonesia	10,790	157	10,947
- Other countries	1,101	71	1,172
	24,172	968	25,140
	144,028	968	144,996

(b) Contract assets

	Group 2022 S$'000	Group 2021 S$'000
Contract assets		
- MBU contracts (Note 15)	64	28

Contract assets relating to MBU contracts increased due to more projects completed as at financial year end.

Unsatisfied performance obligations

	Group 2022 S$'000	Group 2021 S$'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 March		
- MBU contracts	64	28

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

5 Other income

	Group	
	2022	**2021**
	S$'000	**S$'000**
Bad debt recovered	–	54
Dividend income on financial assets, at FVOCI	9	91
Government grants [(a)]	95	498
Service income	45	44
Others	26	45
	175	732

[(a)] Included in government grant of S$23,000 (S$448,000) was recognised Jobs Support Scheme (the "JSS") during the financial year. The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

6 Other (losses)/gains - net

	Group	
	2022	**2021**
	S$'000	**S$'000**
Currency exchange gains - net	90	519
Gain on disposal of property, plant and equipment	12	804
Loss on partial disposal of associated company	–	(439)
	102	884

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

7 Expenses by nature

	Group	
	2022	2021
	S$'000	S$'000
Amortisation of intangible assets (Note 22(c))	377	386
Depreciation of property, plant and equipment (Note 20)	1,099	1,232
Total amortisation and depreciation	1,476	1,618
Bad debts written off	–	40
Changes in inventories	(5,806)	(6,761)
Commission expenses	273	134
Directors' fees	123	33
Employee compensation (Note 8)	12,123	10,509
Fees on audit services paid/payable to:		
- Auditor of the Company	182	187
- Other auditors*	59	46
Fees on non-audit services paid/payable to auditor of the Company	28	56
Total fees on audit and non-audit services	269	289
Freight charges	1,012	745
Inventories written-down	1,965	667
Purchase of inventories	215,909	132,817
Professional fees	728	467
Rental expenses (Note 21(c))	264	183
Sub-contractor fee	347	566
Travelling, transportation and entertainment	308	301
Utilities	2,468	2,162
Workshop, repair and maintenance	641	1,036
Other expenses	1,208	960
Total cost of sales, administrative, and distribution and marketing expenses	233,308	145,766

* Includes the member firms of Nexia International network.

8 Employee compensation

	Group	
	2022	2021
	S$'000	S$'000
Wages and salaries	10,887	9,698
Employer's contribution to defined contribution plans including Central Provident Fund ("CPF")	604	511
Defined benefits obligation (Note 23)	115	(149)
Other short-term benefits	517	449
	12,123	10,509

9 Finance expenses

	Group	
	2022	**2021**
	S$'000	**S$'000**
Interest expense:		
- Bank overdraft	2	25
- Bank borrowings	395	667
- Lease liabilities (Note 21(b))	34	35
- Loan from a non-related party	20	40
	451	767

10 Income tax expense

(a) Income tax expense

	Group	
	2022	**2021**
	S$'000	**S$'000**
Tax expense attributable to profit is made up of:		
Profit for the financial year:		
- Singapore	–	28
- Foreign	136	114
	136	142
Deferred income tax (Note 10(c))	(19)	(20)
Under/(over) provision in prior financial year		
Current income tax:		
- Singapore	1	(1)
	118	121

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

10 Income tax expense (continued)

(a) *Income tax expense (continued)*

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2022	**2021**
	S$'000	**S$'000**
Loss before income tax	(5,074)	(1,648)
Less: Share of loss of associated company, net of tax (Note 19)	–	312
Loss before income tax and share of loss of associated company	(5,074)	(1,336)
Tax calculated at tax rate of 17% (2021: 17%)	(863)	(227)
Effects of:		
- Different tax rate in other countries	91	277
- Expenses not deductible for tax purposes	1,321	1,529
- Income not subject to tax	(425)	(992)
- Tax exemption	–	(7)
- Utilisation of previously unrecognised capital allowances and tax losses	(236)	(792)
- Deferred tax assets not recognised	241	391
- Under/(over) provision in prior financial year	1	(1)
- Others	(12)	(57)
	118	121

(b) *Movement in current income tax liabilities*

	Group	
	2022	**2021**
	S$'000	**S$'000**
Beginning of financial year	390	477
Income tax paid	(342)	(228)
Current income tax	136	142
Under/(over) provision in prior financial year	1	(1)
End of financial year	185	390

10 Income tax expense (continued)

(c) *Deferred income taxes*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority. The amounts, determined after appropriate offsetting, are shown on the consolidated statement of financial position as follows:

	Group	
	2022	**2021**
	S$'000	**S$'000**
Deferred tax liabilities	57	76

Movement in deferred income tax liabilities account is as follows:

	Group	
	2022	**2021**
	S$'000	**S$'000**
Fair value of property, plant and equipment		
Beginning of financial year	76	96
Tax credited to profit or loss (Note 10(a))	(19)	(20)
End of financial year	57	76

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses and capital allowances of approximately S$22,320,000 (2021: S$22,541,000) and S$2,358,000 (2021: S$2,106,000) respectively at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses and capital allowances have no expiry date except for tax losses amounted to approximately S$9,645,000 (2021: S$9,283,000) and S$2,030,000 (2021: S$2,988,000) which can only be carried forward up to 5 and 7 years respectively.

11 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

	2022	**2021**
	S$'000	**S$'000**
Net loss attributable to equity holders of the Company	(4,804)	(1,812)
Weighted average number of ordinary shares outstanding for basic earnings per share	291,835	253,437
Basic and diluted loss per share (cents per share)	(1.65)	(0.72)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

12 Cash and cash equivalents

	Group		Company	
	2022	**2021**	**2022**	**2021**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Cash and bank balances	4,525	5,599	415	107
Short-term bank deposits	2,116	2,088	–	–
	6,641	7,687	415	107

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2022	**2021**
	S$'000	**S$'000**
Cash and bank balances (as above)	6,641	7,687
Less: Bank deposits pledged for banking facilities	(2,116)	(2,088)
Bank overdrafts (Note 24)	(433)	(372)
Cash and cash equivalents per consolidated statement of cash flows	4,092	5,227

Bank deposits are pledged with financial institutions to secure:

(i) certain banking facilities which will be utilised for funding of the working capital of the Group; and

(ii) bank borrowings of the Group as disclosed in Note 24 to the financial statements.

13 Financial assets, at FVPL

	Group		Company	
	2022	**2021**	**2022**	**2021**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Beginning of financial year	9,263	33	9,225	–
Reclassification from investment in associated company (Note 19)	–	6,555	–	6,555
Fair value (loss)/gain	(2,193)	2,675	(2,185)	2,670
End of financial year	7,070	9,263	7,040	9,225
Listed equity securities				
- Singapore	30	38	–	–
- Malaysia	7,040	9,225	7,040	9,225
	7,070	9,263	7,040	9,225

The instruments are all mandatorily measured at fair value through profit or loss.

Part of the listed equity securities in Malaysia amounting to S$5,744,000 (2021: S$7,550,000) has been pledged as security for the Group's and the Company's margin facility account as disclosed in Note 24 to the financial statements. Under the terms and conditions of the Letter of Offer, the Group and the Company is prohibited from disposing of the securities or subjecting it to further changes without furnishing a replacement security of similar value.

14 Financial assets, at FVOCI

	Group and Company	
	2022	2021
	S$'000	S$'000
Beginning of financial year	47	529
Fair value gains recognised in other comprehensive income (Note 28(b)(ii))	–	507
Reclassified to investment in associated company (Note 19)	–	(989)
End of financial year	47	47

Financial assets, at FVOCI are analysed as follows:

	2022	2021
Listed securities - Malaysia		
- Quoted equity securities (Note a)	47	47

(a) The Group and the Company held shares as below listed companies in Malaysia:

(i) held 15,300 (2021: 15,300) shares in the manufacturing and marketing of steel coils, and

(ii) held 342,000 (2021: 342,000) shares in real estate development.

The Group has elected to measure the above financial assets at FVOCI due to management's intention to hold these financial assets for strategic investment purpose.

15 Trade and other receivables

	Group		Company	
	2022	2021	2022	2021
	S$'000	S$'000	S$'000	S$'000
Trade receivables				
- Non-related parties	19,288	22,596	–	–
Contract assets (Note 4(b))	64	28	–	–
	19,352	22,624	–	–
Less: Loss allowance (Note 32(b))				
- Non-related parties	(1,497)	(1,007)	–	–
Trade receivables - net	17,855	21,617	–	–
Non-trade receivables				
- Non-related parties	791	1,036	–	–
- Subsidiary corporations	–	–	3,652	3,183
- Immediate and ultimate holding corporation	4,879	5,160	–	–
- Related parties	50	61	–	–
	5,720	6,257	3,652	3,183
Less: Loss allowance (Note 32(b))				
- Subsidiary corporations	–	–	(7)	(7)
Non-trade receivables - net	5,720	6,257	3,645	3,176
Advance to suppliers	599	537	–	–
	24,174	28,411	3,645	3,176

The non-trade receivables due from subsidiary corporations, immediate and ultimate holding corporation and related parties are unsecured, interest-free and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

16 Inventories

	Group	
	2022	**2021**
	S$'000	**S$'000**
Raw materials	2,228	2,126
Work-in-progress	104	198
Finished goods	1,702	1,292
Trading goods	14,983	11,560
	19,017	15,176

The cost of inventories recognised as an expense and included in "cost of sales" amounted to S$212,068,000 (2021: S$126,723,000).

17 Other current assets

	Group		Company	
	2022	**2021**	**2022**	**2021**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Deposits	724	641	–	12
Prepayments	50	44	*	1
Properties held-in-trust (Note a)	7,300	7,300	–	–
	8,074	7,985	–	13

**Less than S$1,000*

(a) The acquisition of WE Components Pte. Ltd. ("WEC") and its subsidiary corporations ("WEC Group") from Accrelist Ltd. ("Vendor") was completed on 31 January 2015. The acquisition excluded the sale of properties ("Excluded Properties") held by WEC. Prior to completion as at 31 January 2015, the Company entered into a Second Supplemental Agreement with the Vendor to amend the terms of the sale and purchase agreement ("SPA"). The Second Supplemental Agreement provides that following the completion of acquisition, the Company and the Vendor shall mutually agree in writing on the terms and conditions of such transfer of the Excluded Properties from WEC at the consideration amounting to S$7,300,000 whereby the Vendor shall, at its own cost and expense, transfer the Excluded Properties to itself or its nominees within 12 months after completion, and if required by the bankers, the Vendor or its nominees continue to provide third party security by way of mortgage over the Excluded Properties to the bankers, in relation to loans provided by each of the banks to WEC, pursuant to the term loan letter dated 2 May 2008 and the revised banking facilities letter dated 1 October 2013.

As the loans provided by each financial institution to WEC for the Excluded Properties were not directly transferable to the Vendor, the Excluded Properties continued to be presented as "non-current assets classified as held-for-sale" on the statements of financial position as at 1 April 2018.

On 31 March 2019, WEC had agreed in-principal to accept the terms of the new financing from another financial institution with the Excluded Properties to be pledged as collateral to secure the banking facilities.

In addition, WEC became an indirect subsidiary corporation of the Vendor following the conversion of the convertible loan issued by the Company. In view of these events, management has assessed that it was not highly probable that the Excluded Properties can be transferred within the next 12 months and as the Vendor remained to have the rights over the Excluded Properties, which can be exercised anytime at the agreed consideration of S$7,300,000, management was of the view that the Excluded Properties shall be reclassified as "Properties held-in-trust" under other current assets and measured as cost.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

18 Investments in subsidiary corporations

	Company	
	2022	**2021**
	S$'000	**S$'000**
Equity investments at cost		
Beginning of financial year	74,766	45,966
Additions (Note a)	–	31,800
Transfers (Note b)	–	(3,000)
End of financial year	74,766	74,766
Allowance for impairment loss		
Beginning of financial year	35,110	21,510
Impairment losses (Note c)	14,406	13,600
End of financial year	49,516	35,110
Net carrying amount	25,250	39,656

(a) On 30 September 2020, the Company has subscribed 13,600,000 ordinary shares of its subsidiary corporation - Jubilee Industries (S) Pte. Ltd. by way of capitalisation of S$13,600,000 on the amount due from its subsidiary corporation.

On 8 October 2020, the Company has subscribed 18,200,000 ordinary shares of its subsidiary corporation - WE Components Pte. Ltd. by way of capitalisation of S$18,200,000 on the amount due from its subsidiary corporation.

(b) On 30 October 2020, the Company performed an internal restructuring exercise by transferring its entire shareholding in Honfoong Plastic Industries Pte. Ltd. to a wholly-owned subsidiary corporation of the Company, WE Total Engineering Sdn. Bhd.

On 4 February 2021, Jubilee Industries (S) Pte. Ltd. has exercised capital reduction by reducing 29,464,346 ordinary shares in the subsidiary corporation, WE Total Engineering Sdn. Bhd.'s amounted to RM29,464,346 equivalent to S$11,474,474.

(c) The impairment test assessment was carried out by management as at 31 March 2022 and 2021 for its subsidiary corporation - WE Component Pte. Ltd. (2021: Jubilee Industries (S) Pte. Ltd.).

(i) The recoverable amount of WE Components Pte. Ltd. was determined based on the fair value less cost of disposal which has indicated that the recoverable amount for the investment is lower than it's carrying amount. Consequently, due to offer price received from the buyer after the reporting date (Note 35), the Company recognised impairment of investments in subsidiary corporations amounted to S$14,406,000.

(ii) Jubilee Industries (S) Pte. Ltd. impairment based on recoverable amount was determined by value-in-use which has indicated that the recoverable amount for the investment is lower than it's carrying amount. Consequently, due to weak business outlook, the cost of investments for the subsidiary corporation had been fully impaired.

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For the financial year ended 31 March 2022

18 Investments in subsidiary corporations (continued)

Details of subsidiary corporations are as follows:

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares directly held by Group	
			2022	2021	2022	2021
			%	%	%	%
Held by the Company						
Jubilee Industries (S) Pte Ltd [a]	Manufacturer and dealer of precision plastic and metal mould	Singapore	100	100	100	100
E'Mold Holding Pte. Ltd. [a]	Investment holding	Singapore	100	100	100	100
J Capital Pte. Ltd. [a]	Investment holding	Singapore	100	100	100	100
WE Components Pte. Ltd. [a]	Trading in electronic components	Singapore	100	100	100	100
Held by subsidiary corporations						
We Total Engineering Sdn. Bhd. [b] (Audited by Soong & Associates)	Manufacturer and dealer of precision plastic and metal mould	Malaysia	100	100	100	100
E'Mold Manufacturing (Kunshan) Co. Ltd [d]	Manufacturer and dealer of precision plastic and metal mould	People's Republic of China	100	100	100	100
WE Components (Shanghai) Co Ltd [b] (Audited by Shangzi Certified Public Accountants Co., Ltd)	Trading in electronic components	People's Republic of China	100	100	100	100
WE Components Co Ltd [b] (Audited by BZY Audit (Thailand) Limited)	Trading in electronic components	Thailand	100	100	100	100
WE Components (Hong Kong) Limited [c]	Trading in electronic components	Hong Kong	100	100	100	100
WE Components (Shenzhen) Co Ltd [d]	Trading in electronic components	People's Republic of China	100	100	100	100
Kin Wai Technology Ltd. [d]	Trading in electronic components	British Virgin Islands/People's Republic of China	100	100	100	100
WE Microelectronics Pte. Ltd. [a]	Trading in electronic components	Singapore	100	100	100	100

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For the financial year ended 31 March 2022

18 Investments in subsidiary corporations (continued)

Details of subsidiary corporations are as follows: (continued)

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares directly held by Group	
			2022	2021	2022	2021
			%	%	%	%
Held by subsidiary corporations (continued)						
WE Components (Penang) Sdn Bhd [(b)] (Audited by Moore Stephens Associates PLT)	Trading in electronic components	Malaysia	100	100	100	100
WE Components India Pvt Ltd [(b)] (Audited by Arts & Co)	Trading in electronic components	India	100	100	100	100
Honfoong Plastic Industries Pte Ltd [(a)]	Manufacturer and dealer of precision plastic and metal mould	Singapore	70	70	70	70
PT Honfoong Plastic Industries [(e)]	Manufacturer and dealer of precision plastic and metal mould	Indonesia	100	100	70	70

(a) Audited by Nexia TS Public Accounting Corporation, Singapore, a member firm of Nexia International.

(b) Audited by other independent auditors other than member firms of Nexia International for local statutory audit purposes. Their names are indicated as above.

(c) Audited by Fan, Chan & Co. Limited, a member firm of Nexia International for consolidation purposes.

(d) The subsidiary corporations are dormant and do not require an audit. They are not significant to the Group.

(e) Audited by Nexia KPS – Kanaka Puradiredja, Suhartono, a member firm of Nexia International for local statutory audit purpose. For the purpose of preparing the consolidated financial statements, financial statements of PT Honfoong Plastic Industries have been audited by Nexia TS Public Accounting Corporation.

As required by Rule 715 of the Listing Manual of The Singapore Exchange Securities Trading Limited, the audit committee and the board of directors of the Company have satisfied themselves that the appointment of different auditors for certain of its overseas subsidiary corporations would not compromise the standard and effectiveness of the audit of the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

18 Investments in subsidiary corporations (continued)

Significant restrictions

Cash and cash equivalents of S$504,000 (2021: S$510,000) are held in the People's Republic of China and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

Carrying value of non-controlling interests

	2022 S$'000	2021 S$'000
Honfoong Plastic Industries Pte Ltd and its subsidiary corporation ("Honfoong Group")	946	1,334

Summarised financial information of Honfoong Group

Set out below are the summarised financial information of Honfoong Group. These are presented before inter-company eliminations.

Summarised statement of financial position

	2022 S$'000	2021 S$'000
Current		
Assets	5,707	5,111
Liabilities	(9,375)	(6,607)
Total current net liabilities	(3,668)	(1,496)
Non-current		
Assets	1,482	936
Liabilities	(34)	(15)
Total non-current net assets	1,448	921
Net liabilities	(2,220)	(575)

Summarised statement of comprehensive income

	2022 S$'000	2021 S$'000
Revenue	22,061	17,831
(Loss)/profit before income tax	(1,217)	345
Income tax expense	(132)	(114)
Net (loss)/profit	(1,349)	231
Other comprehensive loss	(7)	(89)
Total comprehensive (loss)/income	(1,356)	142
Total comprehensive (loss)/income allocated to non-controlling interests	(388)	42

18 Investments in subsidiary corporations (continued)

Summarised cash flows statement

	2022 S$'000	2021 S$'000
Net cash provided by operating activities	1,426	2,046
Net cash used in investing activities	(1,049)	(523)
Net cash used in financing activities	(40)	(212)

19 Investment in associated company

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Beginning of financial year	–	11,316	–	10,934
Reclassified from financial assets, at FVOCI (Note 14)	–	989	–	989
Disposals	–	(1,828)	–	(1,828)
Share of loss	–	(312)	–	–
Share of other comprehensive income	–	194	–	–
Reclassified to financial assets, at FVPL (Note 13)	–	(6,555)	–	(6,555)
Loss on deemed disposal	–	(3,804)	–	(3,540)
End of financial year	–	–	–	–

During the financial year ended 31 March 2021, management has assessed that the Group has lost its significant influence over the associated company, EG Industries Berhad ("EG") as the Group no longer has representation on the Board of EG. Accordingly, the investment in EG was derecognised as an associated company.

The Group recognised the share of profit and share of other comprehensive income until the date that significant influence ceased. The difference between the carrying amount of the retained interest at the date when significant influence was lost and its fair value was recognised in profit or loss in the financial year ended 31 March 2021. The retained interest in EG is classified as financial asset and measured at fair value through profit or loss as disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

20 Property, plant and equipment

	Leasehold properties S$'000	Buildings S$'000	Plant and machinery S$'000	Motor vehicles S$'000	Office equipment and tools S$'000	Furniture and electrical fittings S$'000	Renovations S$'000	Total S$'000
Group								
2022								
Cost								
Beginning of financial year	5,720	864	11,772	514	1,139	348	4,707	25,064
Currency translation differences	–	(5)	(63)	(2)	(10)	(3)	(18)	(101)
Additions	–	340	945	–	31	–	180	1,496
Disposals	–	(670)	(105)	–	–	–	–	(775)
End of financial year	5,720	529	12,549	512	1,160	345	4,869	25,684
Accumulated depreciation								
Beginning of financial year	819	767	10,645	199	967	329	4,204	17,930
Currency translation differences	–	(5)	(55)	(1)	(10)	(3)	(17)	(91)
Depreciation charge (Note 7)	281	190	330	85	58	2	153	1,099
Disposals	–	(670)	(56)	–	–	–	–	(726)
End of financial year	1,100	282	10,864	283	1,015	328	4,340	18,212
Accumulated impairment losses								
Beginning of financial year	–	–	75	–	–	–	–	75
Currency translation differences	–	–	(1)	–	–	–	–	(1)
End of financial year	–	–	74	–	–	–	–	74
Net book value								
End of financial year	4,620	247	1,611	229	145	17	529	7,398

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

20 Property, plant and equipment (continued)

	Leasehold properties	Buildings	Plant and machinery	Motor vehicles	Office equipment and tools	Furniture and electrical fittings	Renovations	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Group								
2021								
Cost								
Beginning of financial year	5,720	871	14,036	611	2,520	352	4,402	28,512
Currency translation differences	–	(7)	(91)	(2)	(12)	(4)	(22)	(138)
Additions	–	–	297	106	101	–	334	838
Disposals	–	–	(2,470)	(201)	(1,470)	–	(7)	(4,148)
End of financial year	5,720	864	11,772	514	1,139	348	4,707	25,064
Accumulated depreciation								
Beginning of financial year	538	412	12,822	318	2,376	329	4,168	20,963
Currency translation differences	–	(4)	(83)	(1)	(11)	(3)	(21)	(123)
Depreciation charge (Note 7)	281	359	370	83	72	3	64	1,232
Disposals	–	–	(2,464)	(201)	(1,470)	–	(7)	(4,142)
End of financial year	819	767	10,645	199	967	329	4,204	17,930
Accumulated impairment losses								
Beginning of financial year	–	–	82	–	–	–	–	82
Currency translation differences	–	–	(1)	–	–	–	–	(1)
Disposals	–	–	(6)	–	–	–	–	(6)
End of financial year	–	–	75	–	–	–	–	75
Net book value								
End of financial year	4,901	97	1,052	315	172	19	503	7,059

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

20 Property, plant and equipment (continued)

(a) During the financial year ended 31 March 2021, certain bank overdrafts of the Group were secured on the leasehold properties of the Group with carrying amounts of S$393,000 as disclosed in Note 24 to the financial statements. The security has been discharged during the financial year ended 31 March 2022.

(b) Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 21(a) to the financial statements.

	Company	
	2022	**2021**
	S$'000	**S$'000**
Office equipment		
Cost		
Beginning and end of financial year	5	5
Accumulated depreciation		
Beginning of financial year	5	4
Depreciation charge	–	1
End of financial year	5	5
Net book value		
End of financial year	–	–

21 Leases

Nature of the leasing activities – The Group as lessee

Buildings

The Group leases buildings for its production and back office operations in Malaysia, China, Thailand, India and Indonesia. The Group is restricted from assigning and subleasing the buildings to third parties.

Plant and machinery

The Group leases plant and machinery to fulfil the operation needs. There are no externally imposed covenant on these lease arrangements.

Motor vehicles

The Group leases motor vehicles for the purpose of daily operations. There are no externally imposed covenant on these lease arrangements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

21 Leases (continued)

(a) Carrying amounts

ROU assets classified within property, plant and equipment

	Buildings S$'000	Plant and machinery S$'000	Motor vehicles S$'000	Total S$'000
Group				
2022				
Cost				
Beginning of financial year	864	251	384	1,499
Currency translation differences	(5)	(2)	(2)	(9)
Additions	340	–	–	340
Disposals	(670)	–	–	(670)
End of financial year	529	249	382	1,160
Accumulated depreciation				
Beginning of financial year	767	31	105	903
Currency translation differences	(5)	–	(1)	(6)
Depreciation charge	190	31	79	300
Disposals	(670)	–	–	(670)
End of financial year	282	62	183	527
Carrying amount				
End of financial year	247	187	199	633
2021				
Cost				
Beginning of financial year	871	–	294	1,165
Currency translation differences	(7)	(1)	(1)	(9)
Additions	–	252	91	343
End of financial year	864	251	384	1,499
Accumulated depreciation				
Beginning of financial year	412	–	38	450
Currency translation differences	(3)	–	–	(3)
Depreciation charge	358	31	67	456
End of financial year	767	31	105	903
Carrying amount				
End of financial year	97	220	279	596

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

21 Leases (continued)

(b) Interest expense

	Group 2022 $	Group 2021 $
Interest expense on lease liabilities (Note 9)	34	35

(c) Lease expense not capitalised in lease liabilities

	Group 2022 $	Group 2021 $
Lease expense		
- short-term leases	262	176
- low-value leases	2	7
Total (Note 7)	264	183

(d) Total cash outflow for all the leases was S$650,000 (2021: S$658,000).

(e) Future cash outflow which are not capitalised as lease liabilities.

Extension options

The leases for certain properties contain extension period, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise the extension option. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The extension option is exercisable by the Group and not by the lessor.

22 Intangible assets

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Composition:				
Computer software licenses (Note (a))	–	–	–	–
Distribution rights (Note (b))	1,006	1,383	–	–
	1,006	1,383	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

22 Intangible assets (continued)

(a) Computer software licenses

	Group		Company	
	2022	**2021**	**2022**	**2021**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Cost				
Beginning of financial year	399	719	266	266
Disposals	–	(320)	–	–
End of financial year	399	399	266	266
Accumulated amortisation				
Beginning of financial year	399	710	266	266
Amortisation charge	–	9	–	–
Disposals	–	(320)	–	–
End of financial year	399	399	266	266
Net book value				
End of financial year	–	–	–	–

(b) Distribution rights

	Group	
	2022	**2021**
	S$'000	**S$'000**
Cost		
Beginning and end of financial year	3,327	3,327
Accumulated impairment		
Beginning of financial year	1,944	1,567
Amortisation charge	377	377
End of financial year	2,321	1,944
Net book value		
End of financial year	1,006	1,383

(c) Amortisation expense included in the consolidated statement of comprehensive income is analysed as follows:

	2022	**2021**
	S$'000	**S$'000**
Administrative expenses (Note 7)	377	386

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

23 Trade and other payables

	Group		Company	
	2022	2021	2022	2021
	S$'000	S$'000	S$'000	S$'000
Trade payables				
- Non-related parties	18,189	23,752	–	–
Non-trade payables				
- Non-related parties	1,541	1,670	263	488
- Immediate and ultimate holding corporation	1,882	2,202	7,525	7,791
- Subsidiary corporations	–	–	5,296	5,815
	3,423	3,872	13,084	14,094
Accrued operating expenses	1,950	1,332	202	136
Defined benefits obligation (Note (a))	1,778	1,624	–	–
Deposit received (Note (b))	4,529	–	–	–
Advances received from customers	642	1,132	–	–
	30,511	31,712	13,286	14,230

The non-trade payables due to immediate and ultimate holding corporation and subsidiary corporations are unsecured, interest-free and payable on demand.

(a) *Defined benefits obligation*

Obligation recognised in the consolidated statement of financial position for:

	Group	
	2022	2021
	S$'000	S$'000
Post-employment benefits	1,532	1,373
Other long-term employment benefits	246	251
	1,778	1,624
Expenses charged to profit or loss:		
Defined benefits (Note 8)	115	(149)
Re-measurement recognised in other comprehensive income for:		
Defined benefits	7	89
The amount recognised in the consolidated statement of financial position is determined as follows:		
Present value of unfunded obligations/liability recognised in the consolidated statement of financial position	1,778	1,624

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

23 Trade and other payables (continued)

(a) *Defined benefits obligation* (continued)

(i) The movement in the post-employment benefits obligation is as follows:

	Group	
	2022	**2021**
	S$'000	**S$'000**
<u>Present value of obligation</u>		
Beginning of financial year	1,624	1,789
Currency translation differences	32	(105)
Current service cost	115	174
Past service cost	–	(323)
	115	(149)
Re-measurements:		
- Actuarial loss	7	89
End of financial year	1,778	1,624

The significant actuarial assumptions used are as follows:

	Group	
	2022	**2021**
	%	**%**
Discount rate	7.6	7.8
Salary growth rate	8.0	8.0
Mortality rate*	TMI 4 (2019)	TMI 4 (2019)
Disability rate	10.0	10.0

* Based on Indonesia Mortality Table

The carrying amount of pension obligation will not have significant changes if the significant actuarial assumptions used has been higher or lower by 1% from management's estimates.

The above sensitivity analysis is based on a change in discount rate assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the reporting date) has been applied as when calculating the post-employment benefits liability recognised within the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

23 Trade and other payables (continued)

(b) *Deposit received*

Included in deposit received are the following:

(i) On 26 November 2021, the Company entered a non-binding memorandum of understanding ("MOU") to disposal of the entire equity interest in a subsidiary corporation, WE Components Pte. Ltd. Following to the execution of the MOU, the Group received an upfront payment from the purchaser of US$1,846,000 (equivalent to S$2,499,000). On 21 June 2022, the MOU has lapsed and the parties have no intention to proceed with the transaction. Thus, the deposit will be refundable to the purchaser.

(ii) On 7 March 2022, the Company received a deposit consideration of US$1,500,000 (equivalent to S$2,030,000) as set out in the sale and purchase agreement ("S&P") to dispose 14% equity interest of a subsidiary corporation, WE Components Pte. Ltd.. The transaction finalised on 21 June 2022 as disclosed in Note 35 to the financial statements.

24 Borrowings

	Group		Company	
	2022	**2021**	**2022**	**2021**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Current				
Bank overdrafts (Note 12)	433	372	–	–
Bank borrowings	6,466	6,045	1,137	1,122
Lease liabilities	317	263	–	–
Loan from non-related party	2,000	–	2,000	–
	9,216	6,680	3,137	1,122
Non-current				
Lease liabilities	212	278	–	–
Loan from non-related party	–	2,000	–	2,000
	212	2,278	–	2,000
Total borrowings	9,428	8,958	3,137	3,122

The loan from non-related party is unsecured, bears interest of 2% per annum and shall be repaid 3 years after the advance date, which falls on 23 August 2022.

The exposure of the borrowings of the Group to interest rate changes and the contractual repricing dates at the reporting date are as follows:

	Group		Company	
	2022	**2021**	**2022**	**2021**
	S$'000	**S$'000**	**S$'000**	**S$'000**
6 months or less	6,899	6,417	1,137	1,122

24 Borrowings (continued)

(a) Security granted

Bank overdrafts of the Group are secured by the Group's certain bank deposits of S$1,418,000 (2021: S$1,412,000) as disclosed in Note 12 to the financial statements, corporate guarantee by the Company, debenture of the subsidiary corporations and certain leasehold properties of the Group as disclosed in Note 20 to the financial statements.

Bank borrowings of the Group and of the Company are secured by the financial assets, at FVPL of S$5,210,000 (2021: S$6,847,000) as disclosed in Note 13 to the financial statements and secured by the corporate guarantee by the immediate and ultimate holding corporation.

(b) *Fair value of non-current borrowings*

	Group	
	2022	2021
	S$'000	S$'000
Loan from non-related party	–	1,914

The fair value is determined from the cash flow analysis, discounted at market borrowing rate of an equivalent instrument at the reporting date which the directors expect to be available to the Group as follows:

	Group	
	2022	2021
	%	%
Loan from non-related party	–	5.25

The fair value is within level 2 of the fair value hierarchy.

25 Share capital and treasury shares

	Number of ordinary shares		Amount	
	Issued share capital	Treasury shares	Share capital	Treasury shares
	'000	'000	S$'000	S$'000
Group and Company				
2022				
Beginning of financial year	256,858	(3,421)	74,429	(736)
Issuance of ordinary shares	60,900	–	3,045	–
End of financial year	317,758	(3,421)	77,474	(736)
2021				
Beginning and end of financial year	256,858	(3,421)	74,429	(736)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25 Share capital and treasury shares (continued)

On 4 August 2021, the Company issued 30,000,000 ordinary shares (together with 30,000,000 warrants) and 900,000 introducer shares at a subscription price of S$0.05 per share, for a total cash consideration of S$1,545,000.

On 23 August 2021, 30,000,000 warrants were converted into ordinary shares at a subscription price of S$0.05 per share, for a total cash consideration of S$1,500,000.

The newly issued shares rank pari passu in all respects with the previously issued shares.

26 Statutory reserve

In accordance with the relevant laws and regulations of the People's Republic of China ("PRC"), companies in the PRC are required to set aside general funds by way of appropriation from their statutory net profit, as reported in the PRC statutory financial statements, at a rate to be determined by the directors of the Group. The directors have decided that 5% to 10% of the statutory net profit, as reported in the statutory financial statements of the subsidiary corporation in PRC, be appropriated each year to the general reserve funds.

The reserve funds may be used to offset accumulated losses or increase the registered capital of the subsidiary corporation, subject to the approval from the PRC authorities, and are not available for dividend distribution to the shareholders.

27 Capital reserve

On 15 June 2012, the Company's wholly-owned subsidiary corporation, E'Molding Plastics Industries Pte Ltd was amalgamated to another wholly-owned subsidiary corporation, Jubilee Industries (S) Pte. Ltd. The effect of the amalgamation is that Jubilee Industries (S) Pte. Ltd. took over all rights and obligations of E'Molding Plastics Industries Pte Ltd.

28 Other reserves

(a) *Composition*

	Group		**Company**	
	2022	**2021**	**2022**	**2021**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Currency translation reserve	837	1,312	–	–
Fair value reserve	22	22	22	22
	859	1,334	22	22

28 Other reserves (continued)

(b) *Movements:*

(i) Currency translation reserve

	Group	
	2022	2021
	S$'000	S$'000
Beginning of financial year	1,312	1,834
Net currency translation differences of financial statements of:		
- foreign subsidiary corporations - losses	(475)	(348)
Reclassification upon deemed disposal of associated company	–	(174)
End of financial year	837	1,312

(ii) Fair value reserve

	Group		Company	
	2022	2021	2022	2021
	S$'000	S$'000	S$'000	S$'000
Beginning of financial year	22	(1,725)	22	(1,547)
Fair value gains on financial assets, at FVOCI (Note 14)	–	507	–	507
Share of associated company's fair value gains on financial asset, at FVOCI	–	194	–	–
Reclassification upon disposal of financial assets, at FVOCI (Note 29)	–	1,062	–	1,062
Reclassification upon deemed disposal of associated company	–	(16)	–	–
End of financial year	22	22	22	22

29 Accumulated losses

Movement in accumulated losses of the Company is as follows:

	2022	2021
	S$'000	S$'000
Beginning of financial year	(38,701)	(35,253)
Net loss during the financial year	(17,943)	(2,386)
Transfer upon disposal of financial assets (Note 28(b)(ii))	–	(1,062)
End of financial year	(56,644)	(38,701)

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For the financial year ended 31 March 2022

30 Contingencies

Financial support

The Company provides financial support to certain subsidiary corporations to enable these subsidiary corporations to operate as going concerns and to meet their liabilities as and when they fall due. No liabilities are recognised by the Company as it is considered unlikely that there will be significant outflows of resources made by the Company as a result of the financial support provided.

31 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties.

(a) *Sales and purchases of goods and services*

Related parties comprise mainly companies which are controlled by the Group's key management personnel and their close family members.

There is no sales and purchases of goods and services with related parties for both financial years.

Outstanding balances at 31 March 2022, arising from sale/purchase of goods and services, are unsecured and receivable/payable within 12 months from reporting date and are disclosed in Notes 15 and 23 to the financial statements respectively.

(b) *Key management personnel compensation*

Key management personnel compensation is as follows:

	Group	
	2022	**2021**
	S$'000	**S$'000**
Directors' fee	123	33
Wages and salaries	820	1,059
Employer's contribution to defined contribution plans including Central Provident Fund ("CPF")	12	5
Other short-term benefits	109	183
	1,064	1,280
Analysed as:		
Directors of the Company	731	893
Other key management personnel	333	387
	1,064	1,280

32 Financial risk management

Financial risk factors

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

It is the Group's policy that no trading in derivative financial instruments shall be undertaken.

The overall business strategies of the Group, its tolerance for risk and its general risk management philosophy are determined by the management in accordance with prevailing economic and operating conditions. In determining its risk management policies, the management ensures that an acceptable balance is made between the cost of risks occurring and the cost of managing the risks.

The Board of Directors ("BOD") reviews and agrees policies for managing each of these risks and they are summarised below.

(a) Market risk

(i) Currency risk

Entities in the Group provide services and sell goods in several countries, and as a result, transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as United States Dollar ("USD") and Ringgit Malaysia ("MYR"). To manage the currency risk, the Group relies on natural hedging as a risk management tool.

In addition, the Group is also exposed to currency translation risk to the net assets of the Group's foreign operations.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Company does not have significant exposure to currency risk as it operates only in Singapore. Revenue and expenses are predominantly denominated in Singapore Dollar.

The Group's currency exposure based on the information provided to key management is as follows:

	SGD S$'000	USD S$'000	MYR S$'000	Others S$'000	Total S$'000
Group					
2022					
Financial assets					
Cash and cash equivalents	1,519	2,900	1,156	1,066	6,641
Trade and other receivables	5,929	16,421	1,121	104	23,575
Other current assets	322	–	245	157	724
Financial assets, at FVPL	30	–	7,040	–	7,070
Financial assets, at FVOCI	–	–	47	–	47
	7,800	19,321	9,609	1,327	38,057
Financial liabilities					
Trade and other payables	6,437	20,744	987	1,701	29,869
Borrowings	2,427	4,056	2,780	165	9,428
	8,864	24,800	3,767	1,866	39,297
Net financial (liabilities)/assets	(1,064)	(5,479)	5,842	(539)	(1,240)
Less: Net financial assets/ (liabilities) denominated in respective entities' functional currencies	91	(284)	174	554	535
Currency exposure of financial (liabilities)/assets	(973)	(5,763)	6,016	15	(705)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32 Financial risk management (continued)

(a) *Market risk* (continued)

(i) Currency risk (continued)

The Group's currency exposure based on the information provided to key management is as follows: (continued)

	SGD S$'000	USD S$'000	MYR S$'000	Others S$'000	Total S$'000
Group					
2021					
Financial assets					
Cash and cash equivalents	639	4,935	981	1,132	7,687
Trade and other receivables	6,966	19,084	1,718	106	27,874
Other current assets	326	–	231	84	641
Financial assets, at FVPL	38	–	9,225	–	9,263
Financial assets, at FVOCI	–	–	47	–	47
	7,969	24,019	12,202	1,322	45,512
Financial liabilities					
Trade and other payables	6,283	20,882	1,605	1,810	30,580
Borrowings	3,072	3,764	2,102	20	8,958
	9,355	24,646	3,707	1,830	39,538
Net financial (liabilities)/assets	(1,386)	(627)	8,495	(508)	5,974
Less: Net financial assets/ (liabilities) denominated in respective entities' functional currencies	657	(258)	(278)	574	695
Currency exposure of financial (liabilities)/assets	(729)	(885)	8,217	66	6,669

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32 Financial risk management (continued)

(a) *Market risk* (continued)

(i) Currency risk (continued)

If the USD and MYR change against the SGD by 3% (2021: 3%) with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset position to the financial performance of the Group will be as follows:

	Increase/(decrease) Net profit	
	2022	**2021**
	S$'000	**S$'000**
USD against SGD		
- Strengthened	(143)	(22)
- Weakened	143	22
MYR against SGD		
- Strengthened	150	205
- Weakened	(150)	(205)

The Company is not exposed to significant foreign currency risk as it has no significant transactions denominated in foreign currencies for the financial years ended 31 March 2022 and 2021.

(ii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group's and the Company's interest rate risk mainly arises from bank borrowings at variable rates. The Group and the Company manages its interest rate risk by keeping bank borrowing to the minimum required to sustain the operations of the Group and the Company.

If the interest rates increase/decrease by 1% (2021: 1%) with all other variables including tax rate being held constant, net profit of the Group and the Company would have been lower/higher by S$57,000 and S$9,000 (2021: S$53,000 and S$9,000) respectively.

(iii) Price risk

The Group is exposed to equity securities price risk arising from the investments held by the Group which are classified as financial assets, at FVOCI and at FVPL. To manage its price risk arising from investment in equity securities, the Group diversifies its portfolio with the limits set by the BOD.

32 Financial risk management (continued)

(a) *Market risk* (continued)

(iii) Price risk (continued)

If prices for equity securities listed in Malaysia had changed by 10% (2021: 10%) with all other variables including tax rate being held constant, the effects would have been:

	Increase/(decrease) Net profit		Increase/(decrease) Other comprehensive income	
	2022	2021	2022	2021
	S$'000	S$'000	S$'000	S$'000
Group and Company				
Listed in Malaysia				
- increased by	584	766	–	4
- decreased by	(584)	(766)	–	(4)

(b) *Credit risk*

Credit risk refers to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and trade and other receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history and obtaining cash deposits where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the management based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the management.

The trade receivables of the Group comprise 4 debtors (2021: 3 debtors) that individually represented 5 - 10% (2021: 6 - 14%) of the Group's total trade receivables.

The credit risk for trade receivables based on the information provided to key management is as follows:

	Group	
	2022	2021
	S$'000	S$'000
By geographical areas		
Singapore	2,305	2,407
United States of America	1,006	1,362
Malaysia	3,232	3,011
People's Republic of China	2,841	3,792
India	397	2,125
Indonesia	569	1,141
Taiwan	1,609	467
Thailand	3,379	4,330
Vietnam	672	1,708
Other countries	1,845	1,274
	17,855	21,617

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32 Financial risk management (continued)

(b) Credit risk (continued)

The credit risk for trade receivables based on the information provided to key management is as follows: (continued)

	Group 2022 S$'000	Group 2021 S$'000
By types of customers		
Non-related parties		
- Multi-national companies	9,273	10,764
- Other companies	8,582	10,853
	17,855	21,617

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position except as follows:

	Company 2022 S$'000	Company 2021 S$'000
Corporate guarantees provided to banks on borrowings of certain subsidiary corporations	7,835	8,245

The movement in credit loss allowance are as follows:

	Trade receivables S$'000	Other receivables S$'000	Total S$'000
Group			
As at 1 April 2020	722	–	722
Loss allowance recognised during the financial year	304	–	304
Written off	(11)	–	(11)
Currency translation difference	(8)	–	(8)
As at 31 March 2021 (Note 15)	1,007	–	1,007
Loss allowance recognised during the financial year	490	–	490
As at 31 March 2022 (Note 15)	1,497	–	1,497
Company			
As at 1 April 2020	–	13,631	13,631
Reversal	–	(13,624)	(13,624)
As at 31 March 2021 and 31 March 2022 (Note 15)	–	7	7

32 Financial risk management (continued)

(b) *Credit risk* (continued)

(i) Trade receivables

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables. In measuring the expected credit losses ("ECL"), trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Based on the historical credit loss experience, the Group considers a financial asset as in default if the counterparty fails to make contractual payments within 180 days when they fall due which is derived based on the Group's historical information, and write-off the financial asset when there is no reasonable ground to recover the receivables after all enforcement activity has been taken by the Group.

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 are set out in the provision matrix as follows:

	Gross amount S$'000	Loss allowance S$'000	Carrying amount S$'000
Group			
2022			
EBU			
Not past due	10,814	–	10,814
< 30 days past due	2,476	–	2,476
30 days to 60 days past due	225	–	225
60 days to 90 days past due	25	–	25
90 days to 180 days past due	92	–	92
180 days to 365 days past due	–	–	–
> 365 days past due	1,482	(1,463)	19
	15,114	(1,463)	13,651
MBU			
Not past due	2,559	–	2,559
< 30 days past due	552	–	552
30 days to 60 days past due	354	–	354
60 days to 90 days past due	190	–	190
90 days to 180 days past due	194	–	194
180 days to 365 days past due	168	–	168
> 365 days past due	237	(50)	187
	4,254	(50)	4,204

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32 Financial risk management (continued)

(b) *Credit risk* (continued)

(i) Trade receivables (continued)

	Gross amount S$'000	Loss allowance S$'000	Carrying amount S$'000
Group			
2021			
EBU			
Not past due	13,480	–	13,480
< 30 days past due	1,424	–	1,424
30 days to 60 days past due	444	–	444
60 days to 90 days past due	48	–	48
90 days to 180 days past due	38	–	38
180 days to 365 days past due	9	–	9
> 365 days past due	1,977	(973)	1,004
	17,420	(973)	16,447
MBU			
Not past due	3,112	–	3,112
< 30 days past due	965	–	965
30 days to 60 days past due	403	–	403
60 days to 90 days past due	239	–	239
90 days to 180 days past due	332	–	332
180 days to 365 days past due	129	(29)	100
> 365 days past due	24	(5)	19
	5,204	(34)	5,170

(ii) Other receivables

The Group and the Company use the general approach for assessment of ECLs for these financial assets. Under the general approach, the loss allowance is measured at an amount equal to 12-months ECL at initial recognition.

At each reporting date, the Group and the Company assess whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, the loss allowance is measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, the loss allowance is measured at an amount equal to 12-months ECLs.

As at 31 March 2022, the Group performed an assessment of impairment using the 12-months ECL basis on these financial assets. The Group concluded the loss allowance is adequate.

32 Financial risk management (continued)

(b) *Credit risk* (continued)

(iii) Non-trade receivables from subsidiary corporations

Non-trade receivables from subsidiary corporations are provided mainly for short term funding requirements. Impairment on these balances has been measured on the 12-month expected loss basis. The Company concluded that the loss allowance provided for non-trade receivables from subsidiary corporations is adequate.

(iv) Cash and cash equivalents

The Group and the Company held cash and cash equivalents with reputable licensed financial institutions with high credit-ratings and considered to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

(c) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash to finance the Group and the Company's operations and development activities. The Group manages the liquidity risk by maintaining a level of cash and cash equivalents deemed adequate to finance the Group's business operations and development activities. The Group's objective is to maintain a balance between continuing of funding and flexibility through the use of borrowings.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year	**Between 1 and 5 years**
	S$'000	**S$'000**
Group		
2022		
Trade and other payables	29,869	–
Lease liabilities	445	230
Borrowings	9,019	–
	39,333	230
2021		
Trade and other payables	30,580	–
Lease liabilities	265	293
Borrowings	6,432	2,085
	37,277	2,378

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32 Financial risk management (continued)

(c) *Liquidity risk* (continued)

	Less than 1 year S$'000	Between 1 and 5 years S$'000
Company		
2022		
Trade and other payables	13,286	–
Borrowings	3,137	–
Financial guarantees contracts	7,835,177	–
	7,851,600	–
2021		
Trade and other payables	14,230	–
Borrowings	1,122	2,085
Financial guarantees contracts	8,245,363	–
	8,260,715	2,085

(d) *Capital risk*

Management monitors capital based on a gearing ratio. The Group has positive net assets and maintain low bank borrowings. Future decisions to raise capital and funds will be made with the objective to maintain positive working capital structure.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as trade and other payables plus borrowings less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Net debt	33,298	32,983	16,008	17,245
Total equity	33,246	35,875	19,974	34,872
Total capital	66,544	68,858	35,982	52,117
Gearing ratio	50%	48%	44%	33%

The Group and the Company are not subject to any externally imposed capital requirements.

(e) *Fair value measurements*

The table below presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

32 Financial risk management (continued)

(e) *Fair value measurements* (continued)

Group	Level 1
	S$'000
2022	
Financial assets, at FVPL	7,070
Financial assets, at FVOCI	47
	7,117
2021	
Financial assets, at FVPL	9,263
Financial assets, at FVOCI	47
	9,310

Company	Level 1
	S$'000
2022	
Financial assets, at FVPL	7,040
Financial assets, at FVOCI	47
	7,087
2021	
Financial assets, at FVPL	9,225
Financial assets, at FVOCI	47
	9,272

There were no transfer between Level 1 and Level 2 during both financial years.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

(f) *Financial instruments by category*

The carrying amounts of the different categories of financial instruments are as follows:

	Group		Company	
	2022	2021	2022	2021
	S$'000	S$'000	S$'000	S$'000
Financial assets at amortised cost	30,940	36,196	4,060	3,296
Financial assets, at FVPL	7,070	9,263	7,040	9,225
Financial assets at FVOCI	47	47	47	47
Financial liabilities at amortised cost	39,297	39,538	16,423	17,352

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

33 Segment information

Management has determined the operating segments based on the reports reviewed by the Executive Committee ("Exco") that are used to make strategic decisions. The Exco is the Group's chief operating decision maker and comprises the Non-Executive Directors, the Financial Controller, and the department heads of each business within each geographical segment.

The Exco considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the five primary geographic areas: United States of America, Singapore, Malaysia, People's Republic of China and Europe. All geographic locations are engaged in the provision of MBU and EBU. The Group's businesses are organised and managed into 2 business segments, namely (1) MBU, which comprise of the provision of precision plastic injection moulding services ("PPIM") and Design, fabrication and sale of precision plastic injection moulds ("MDF") and (2) EBU, which related to distribution of electronic components and products, services and solutions to industrial and commercial users.

The segment information provided to the Exco for the reportable segments and reconciliation to the consolidated statements of comprehensive income are as follows:

	MBU S$'000	EBU S$'000	Others S$'000	Total S$'000
2022				
Sales				
Revenue – external parties	30,423	200,650	–	231,073
Gross profit	838	6,438	–	7,276
Other income				
- Interest	16	2	–	18
- Others	106	59	10	175
Other losses - net				
- Impairment loss on financial assets at amortised cost	–	(490)	–	(490)
- Fair value loss on financial assets, at FVPL	–	–	(2,193)	(2,193)
- Others	(120)	25	197	102
Expenses				
- Distribution and marketing	(315)	(162)	(4)	(481)
- Administrative	(2,525)	(5,232)	(1,273)	(9,030)
- Finance	(60)	(298)	(93)	(451)
(Loss)/profit before income tax	(2,060)	342	(3,356)	(5,074)
Depreciation of property, plant and equipment	964	135	–	1,099
Amortisation of intangible assets	–	377	–	377

33 Segment information (continued)

The segment information provided to the Exco for the reportable segments and reconciliation to the consolidated statements of comprehensive income are as follows: (continued)

	MBU S$'000	EBU S$'000	Others S$'000	Total S$'000
2021				
Sales				
Revenue – external parties	25,140	119,856	–	144,996
Gross profit	2,172	5,313	–	7,485
Other income				
- Interest	2	15	1	18
- Others	285	284	163	732
Other losses - net				
- Impairment loss on financial assets at amortised cost	(34)	(270)	–	(304)
- Fair value gain on financial assets, at FVPL	–	–	2,675	2,675
- Loss on deemed disposal of an associated company	–	–	(3,804)	(3,804)
- Others	694	96	94	884
Expenses				
- Distribution and marketing	(159)	(206)	(2)	(367)
- Administrative	(2,187)	(4,314)	(1,387)	(7,888)
- Finance	(105)	(532)	(130)	(767)
Share of loss of associated company	–	–	(312)	(312)
Profit/(loss) before income tax	668	386	(2,702)	(1,648)
Depreciation of property, plant and equipment	1,056	175	1	1,232
Amortisation of intangible assets	9	377	–	386

As the amounts of total assets and liabilities for each reportable segment are not regularly provided to Exco, such information is not presented in the segment information.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

33 Segment information (continued)

Geographical information

The Group's two business segments operate in four main geographical areas:

- United States of America – the operations in this area are principally the provision of PPIM and MDF and distribution of electronic components
- People's Republic of China – the operations in this area are principally the provision of PPIM and MDF and distribution of electronic components
- India – the operations in this area are principally the distribution of electronic components
- ASEAN (comprising Singapore, Malaysia, Indonesia, Thailand and Vietnam) - the operations in these areas are principally the provision of PPIM and MDF and distribution of electronic components. The Company is also headquartered and has operations in this region.
- Other countries – the operations in this area are principally the provision of PPIM and MDF and distribution of electronic components.

	Non-current assets	
	2022	**2021**
	S$'000	**S$'000**
Malaysia	664	963
Singapore	1,318	1,702
Indonesia	6,367	5,807
Other countries	102	17
	8,451	8,489

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

Revenue of approximately S$64,071,000 (2021: S$11,964,000) is derived from a single external customer. This revenue is attributable to the EBU segment in People's Republic of China (2021: EBU segment in People's Republic of China).

34 New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2022 and which the Group has not early adopted:

Amendments to SFRS(I) 1-1 Presentation of Financial Statements:

Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

34 New or revised accounting standards and interpretations (continued)

Amendments to SFRS(I) 1-16 Property, Plant and Equipment:

Proceeds before Intended Use (effective for annual periods beginning on or after 1 January 2022)

The amendment to SFRS(I) 1-16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets:

Onerous Contracts – Cost of Fulfilling a Contract (effective for annual periods beginning on or after 1 January 2022)

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the costs of fulfilling it and any compensation or penalties arising from failure to fulfil it. The amendment to SFRS(I) 1-37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts.

The Group does not expect any significant impact arising from applying these amendments.

35 Significant events after the financial year ended

(a) On 21 June 2022, the Company entered into a sale and purchase agreement to dispose 14% equity interest of a subsidiary corporations, WE Components Pte. Ltd. ("WEC") for a total cash consideration of US$2,100,000 (equivalent to S$2,835,000).

(b) On 11 October 2022, the Company entered into a shareholder agreement and granted call options to the buyer:

  (i) The first option shall be exercised by disposal of 56% equity interest of WEC for total cash consideration of US$8,400,000 (equivalent of S$11,340,000). The first call option is exercisable from 21 June 2022 to 31 January 2023.

  (ii) The second option shall be exercised by disposal of 30% equity interest of WEC for total cash consideration of US$5,400,000 (equivalent of S$7,290,000). The second option exercisable from 1 February 2023 to 31 July 2023.

  The above-mentioned call options granted to the buyer is subject for approval of the Company's shareholders and regulators.

36 Authorisation of financial statements

These financial statements were authorised for issued in accordance with a resolution of the Board of Directors of the Company on 12 October 2022.

STATISTICS OF SHAREHOLDINGS

As at 28 September 2022

Issued and fully paid-up capital	:	S$79,626,063.56
Number of Issued Shares (excluding Treasury Shares)	:	314,337,373
Number/Percentage of Treasury Shares	:	3,420,500 (1.09 %)
Voting rights	:	One vote per share
Class of Shares	:	Ordinary Shares

Distribution of shareholdings as at 28 September 2022

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
1 – 99	60	6.87	801	0.00
100 – 1,000	48	5.49	21,726	0.01
1,001 – 10,000	223	25.51	1,188,380	0.38
10,001 – 1,000,000	518	59.27	45,928,111	14.61
1,000,001 and above	25	2.86	267,198,355	85.00
Total	**874**	**100.00**	**314,337,373**	**100.00**

Twenty Largest Shareholders as at 28 September 2022

No.	Name of Shareholders	No. of Shares	% of Shares
1	ACCRELIST LTD	166,818,931	53.07
2	LEONG TUCK WENG	13,899,000	4.42
3	PHILLIP SECURITIES PTE LTD	13,750,615	4.37
4	WONG LIANG TONG	10,416,666	3.31
5	NG CHUEN GUAN (HUANG JUNYUAN)	10,000,000	3.18
6	PEK HAK BIN	7,101,257	2.26
7	ONG ERIC	6,328,800	2.01
8	CHENG LAM HUAT (ZHUANG NANFA)	3,800,000	1.21
9	TAN ENG CHUA EDWIN	3,656,350	1.16
10	YAP KOK FONG	3,400,000	1.08
11	CITIBANK NOMINEES SINGAPORE PTE LTD	2,931,250	0.93
12	TOH SOON HUAT	2,781,100	0.88
13	GOH BEE LAN	2,600,000	0.83
14	JUN YUAN HOLDINGS PTE LTD	2,437,500	0.78
15	DBS NOMINEES (PRIVATE) LIMITED	2,320,640	0.74
16	TAN KENG SOON	2,250,000	0.72
17	WONG LIANG YEO	2,083,333	0.66
18	LIM XIU QING JOYCE (LIN XIUQING JOYCE)	1,900,000	0.60
19	GOH GEK LIANG	1,630,000	0.52
20	KOH CHENG POH	1,338,888	0.43
	Total	**261,444,330**	**83.16**

Based on the information available to the Company as at 28 September 2022, approximately 46.88 % of the issued ordinary shares of the Company is held by the public and, therefore, the Company has complied with Rule 723 of the Listing Manual – Section B: Rules of Catalist of Singapore Exchange Securities Trading Limited.

STATISTICS OF SHAREHOLDINGS

As at 28 September 2022

Substantial Shareholders

(As recorded in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
	No. of Shares	**%**	**No. of Shares**	**%**
Accrelist Ltd	166,818,931	53.07	–	–
Dato' Terence Tea Yeok Kian[1]	172,500	0.05	166,818,931	53.07

[1] Dato' Terence Tea Yeok Kian is deemed to be interested in 166,818,931 Shares held by Accrelist Ltd, pursuant to Section 7 of the Companies Act 1967 by virtue of his and his spouse's shareholdings in Accrelist Ltd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of **JUBILEE INDUSTRIES HOLDINGS LTD.** (the "**Company**") will be held by way of electronic means on Friday, 28 October 2022 at 10:00 a.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 March 2022, together with the Auditors' Report thereon.

(Resolution 1)

2. To approve the payment of Directors' fees of up to S$180,000 for the financial year ending 31 March 2023, to be paid half-yearly in arrears. (2022: S$180,000.)

(Resolution 2)

3. To re-elect Mr Cheong Keng Chuan, Alfred, who is retiring by rotation in accordance with Regulation 89 of the Company's Constitution, as a Director of the Company. *[See Explanatory note (i)]*

(Resolution 3)

4. To note the retirement of Mr Kang Pang Kiang, who is retiring pursuant to Regulation 89 of the Company's Constitution and is not seeking for re-election.

5. To re-elect Mr Levin Lee Keng Weng, who is retiring pursuant to Regulation 88 of the Company's Constitution, as a Director of the Company. *[See Explanatory note (ii)]*

(Resolution 4)

6. To note that Nexia TS Public Accounting Corporation will not be seeking re-appointment as Independent Auditor of the Company. *[See Explanatory (iii)]*

7. To transact any other ordinary business which may be properly transacted at an annual general meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolutions as an Ordinary Resolution, with or without any modifications:

8. **Authority to grant awards and issue shares pursuant to the Jubilee Share Award Scheme**

"That approval be and is hereby given to the Directors to: (a) offer and grant awards ("**Awards**") in accordance with the provisions of the Jubilee Share Award Scheme (the "**JSAS**"); and (b) issue and allot from time to time such number of fully paid up shares in the capital of the Company as may be required to be issued pursuant to the vesting of Awards under the JSAS, provided that the aggregate number of shares to be issued or issuable pursuant to the JSAS and any other share-based schemes of the Company shall not exceed fifteen per cent (15%) of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) from time to time." *[See Explanatory Note (iv)]*

(Resolution 5)

9. **Renewal of the Share Buyback Mandate**

"That:-

(a) for the purposes of Sections 76C and 76E of the Companies Act, the Directors of the Company be authorised to exercise all the powers of the Company to purchase or otherwise acquire issued ordinary shares fully paid in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:-

(i) on-market purchase(s) (each a "**Market Share Purchase**"), transacted on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

NOTICE OF ANNUAL GENERAL MEETING

(ii) off-market purchase(s) (each an "**Off-Market Share Purchase**") effected pursuant to an equal access scheme in accordance with Section 76C of the Companies Act;

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

(b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buyback Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Companies Act;

(c) unless varied or revoked by the members of the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution, and expiring on the earlier of:

(i) the date on which the next annual general meeting of the Company is held or the date by which such annual general meeting is required by law to be held;

(ii) the date on which pursuant to the Share Buyback Mandate is carried out to the full extent mandated; or

(iii) the date on which the authority conferred in the Share Buyback Mandate is varied or revoked by the shareholders in a general meeting

(d) in this Ordinary Resolution:

"**Maximum Limit**" means ten percent (10%) of the total number of Shares (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Ordinary Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding treasury shares and subsidiary holdings that may be held by the Company from time to time);

"**Relevant Period**" means the period commencing from the date on which this annual general meeting and expiring on the date the next annual general meeting is held or on the date by which such annual general meeting is required to be held, whichever is the earlier, after the date of this Ordinary Resolution; and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Share Purchase, one hundred and five per cent (105%) of the Average Closing Price; and

(ii) in the case of an Off-Market Share Purchase, one hundred and twenty per cent (120%) of the Average Closing Price,

where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period;

NOTICE OF ANNUAL GENERAL MEETING

"**day of the making of offer**" means the date on which the Company makes an offer for the purchase or acquisition of Shares from the holder of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"**market days**" means a day on which the SGX-ST is open for trading in securities; and

(e) any of the Directors of the Company are hereby authorised to complete and do all such acts and things (including without limitation; to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents), as they and/or he may consider desirable, expedient, or necessary to give effect to the transactions contemplated by this Ordinary Resolution." *[See Explanatory Note (v)]*

(Resolution 6)

10. **Authority to issue and allot shares in the capital of the Company**

"That pursuant to Section 161 of the Companies Act 1967 of Singapore ("**Companies Act**") and subject to Rule 806 of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:-

I. (a) allot and issue shares in the capital of the Company ("**Shares**") whether by way of a bonus issue, rights issue or otherwise; and/or

(b) 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; and or

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

II. (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 while this Resolution was in force, provided that:-

1. the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) 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 existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company (as calculated in accordance with sub-paragraph (2) below);

2. (subject to such manner of calculation as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the 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) at the time this Ordinary Resolution is passed, after adjusting for:-

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

(b) new Shares arising from exercising share options or vesting of share awards provided that the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares;

Adjustments in accordance with sub-paragraphs (2)(a) and (2)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution.

NOTICE OF ANNUAL GENERAL MEETING

3. in exercising the authority conferred by this Ordinary Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by SGX-ST), the Companies Act and the Constitution for the time being of the Company; and

4. (unless revoked or varied by the Company in a general meeting), the authority conferred by this Ordinary Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or by the date by which the next annual general meeting of the Company is required by law to be held or the date such authority is varied or revoked by the Company in a general meeting, whichever is the earliest." *[See Explanatory Note (vi)]*

(Resolution 7)

By Order of the Board

Siau Kuei Lian
Sng Ee Lian Eliane
Company Secretaries

Singapore, 12 October 2022

Explanatory Notes:

(i) Mr Cheong Keng Chuan, Alfred, if re-elected, will remain as the Lead Independent Director of the Company, Chairman of the Audit and Remuneration Committees and a member of the Nominating Committee. Mr Cheong will be considered independent pursuant to Rule 704(7) of the Catalist Rules. Please refer to the Corporate Governance Report on pages 23 to 27 in the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

(ii) Mr Levin Lee Keng Weng, if re-elected, will remain as the Independent Non-Executive Director of the Company and a member of the Nominating Committee. Mr Lee will be considered independent pursuant to Rule 704(7) of the Catalist Rules. Please refer to the Corporate Governance Report on pages 23 to 27 in the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

(iii) Nexia TS Public Accounting Corporation has expressed that it will not be seeking re-appointment as Independent Auditor of the Company ("**Auditor**"). The Company is in the midst of identifying a suitable auditing firm and will make further announcement(s) when the new Auditor has been identified and convene an extraordinary general meeting to obtain shareholders' approval for the appointment of new Auditor in due course.

(iv) Ordinary Resolution 5, if passed, will authorise the Directors to offer and grant Awards and to issue shares in the capital of the Company to selected employees of the Group, pursuant to the JSAS (which was approved by shareholders at the Extraordinary General Meeting held on 21 November 2014), provided that the aggregate number of shares to be issued pursuant to the JSAS shall not exceed fifteen per cent (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

(v) Ordinary Resolution 6, if passed, will authorise the Directors of the Company to make purchases or otherwise acquire the Company's issued Shares from time to time subject to and in accordance with the guidelines set out in the Circular accompanying this Notice. The authority will expire at the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier unless previously varied or revoked at a general meeting. Please refer to the Circular dated 12 October 2022 for more details.

(vi) Ordinary Resolution 7, if passed, will authorise the Directors of the Company, from the date of this Annual General Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held or the date such authority is varied or revoked by the Company in a general meeting, whichever is the earliest, to allot and issue Shares, make or grant Instruments convertible into new ordinary shares and to issue new ordinary shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), may be issued other than on a *pro-rata* basis to existing shareholders of the Company.

Notes:

<u>General</u>

1. Pursuant to the COVID-19 (Temporary Measures) Act 2020 (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the AGM will be held by way of electronic means and the members will NOT be allowed to attend the AGM in person. However, an alternative arrangement has been provided to allow the members to participate and vote in the AGM via electronic means.

NOTICE OF ANNUAL GENERAL MEETING

2. Alternative arrangements relating to, among others, attendance, submission of questions in advance, or "live" at the AGM and/or voting at the AGM (i) "live" by the member or his/her/its duly appointed proxy(ies) (other than the Chairman of the AGM) via electronic means; or (ii) by appointing the Chairman of the AGM as a proxy to vote on the member's behalf at the AGM are set out in this Notice of AGM. The Notice of AGM is also made available on SGXNet at the following URL: https://www.sgx.com/securities/company-announcements and the Company's website at the following URL: https://www.jihldgs.com.

Participation in AGM proceedings via "Live Webcast/Live Audio Feed"

3. A member will be able to participate at the AGM by watching the AGM proceedings via a "live" audio-video webcast via mobile phones, tablets or computers or by listening to the proceedings through a "live" audio-only feed via telephone ("**Live Webcast/Live Audio Feed**"). In order to do so, a member must pre-register by **10.00 a.m. on 25 October 2022** ("**Pre-registration Deadline**"), at the following URL: https://globalmeeting.bigbangdesign.co/jubilee/ ("**Pre-registration Website**") for the Company to authenticate his/her/its status as members.

4. To pre-register the Live Webcast/Live Audio Feed, kindly access the Pre-registration Website, using either the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox.

5. Following the authentication of his/her/its status as a member, such member will receive an email with instructions on how to access the Live Webcast/Live Audio Feed of the proceedings of the AGM by **12.00 p.m. on 27 October 2022**.

6. Members who do not receive an email by **12.00 p.m. on 27 October 2022**, but have registered by the Pre-registration Deadline, may contact the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd., at email address: shareregistry@incorp.asia with the following details included: (1) the full name of the member, and (2) his/her/its identification/registration number.

7. Investors who hold Shares through depository agents (as defined in Section 81SF of the Securities and Futures Act 2001) and wish to watch the Live Webcast or listen to the Live Audio Feed of the AGM must approach their respective depository agents to pre-register by **5.00 p.m. on 18 October 2022** in order to allow sufficient time for their respective depository agents to in turn register their interest with the Company.

Submission of Questions in advance of or "live" at the AGM

8. Members may submit substantial and relevant textual questions related to the resolutions to be tabled for approval for the AGM in advance of, or "live" at, the AGM.

How to submit questions in advance of AGM

9. If a member wishes to submit questions related to the resolutions tabled for approval at the AGM, all questions must be submitted no later than **20 October 2022** through any of the following means:

   (a) via the Pre-registration Website; or

   (b) in hard copy by depositing the same at the registered office of the Company at 10 Ubi Crescent #03-94-96 Ubi Techpark Singapore 408564.

   and provide particulars as follows:

   – Full name (for individuals) / company name (for corporates) as per CDP/CPF/SRS Account records;
   – NRIC or Passport Number (for individuals) / Company Registration Number (for corporates);
   – Contact number and email address; and
   – The manner in which you hold shares in the Company (e.g. via CDP/CPF/SRS)

   Please note that the Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

10. The Company will endeavour to address all substantial and relevant questions received from Members by 24 October 2022, 10.00 a.m. via SGXNet and on our corporate website. The Company will also address any subsequent clarifications sought or follow-up questions at the AGM in respect of substantial and relevant matters. The responses from the Board and the Management of the Company shall thereafter be published on SGXNET, together with the minutes of the AGM, within one (1) month after the conclusion of the AGM.

How to submit questions "live" at the AGM

11. Members may submit textual questions "live" at the AGM in the following manner:

   (a) Members or where applicable, their appointed proxy(ies) and Investors who have pre-registered and are verified to attend the AGM can ask questions relating to the ordinary resolutions tabled for approval at the AGM "live" at the AGM, by typing in and submitting their questions through the chatbox function via the audio-visual webcast platform during the AGM within a certain prescribed time limit.

   (b) Members who wish to appoint a proxy(ies) (other than the Chairman of the AGM) to ask questions "live" at the AGM on their behalf must, in addition to completing and submitting an instrument appointing a proxy(ies), ensure that their proxy(ies) pre-register separately via the registration link before the Pre-registration Deadline.

NOTICE OF ANNUAL GENERAL MEETING

(c) Members (including CPF and SRS Investors) or, where applicable, their appointed proxy(ies) must access the AGM proceedings via the Live Webcast in order to ask questions "live" at the AGM, and will not be able to do so via the Live Audio Feed of the AGM proceedings.

(d) The Company will, during the AGM itself, address as many substantial and relevant questions (which are related to the resolutions to be tabled for approval at the AGM) which have not already been addressed prior to the AGM, as well as those received "live" at the AGM itself, as reasonably practicable. Where there are substantially similar questions, the Company will consolidate such questions; consequently, not all questions may be individually addressed.

Submission of instrument appointing a proxy(ies) to vote, or vote "live", at the AGM

12. Members who wish to exercise their voting rights at the AGM may:

(a) (where such members are individuals) vote "live" via electronic means at the AGM or (where such shareholders are individuals or corporates) appoint a proxy(ies) (other than the Chairman of the AGM)# to vote "live" via electronic means at the AGM on their behalf; or

For the avoidance of doubt, CPF and SRS investors will not be able to appoint third-party proxy(ies) (i.e. persons other than the Chairman of the AGM) to vote "live" at the AGM on their behalf.

(b) (where such shareholders are individuals or corporates) appoint the Chairman of the AGM as their proxy to vote on their behalf at the AGM.

- Members (including CPF and SRS Investors) and, where applicable, appointed proxy(ies), who wish to vote "live", at the AGM must first pre-register at the Pre-registration Website via the URL: https://globalmeeting.bigbangdesign.co/jubilee/.

- Members (whether individual or corporate) appointing the Chairman of the AGM as proxy must give specific instructions as to his manner of voting, or abstentions from voting, in the proxy form, failing which the appointment for that resolution will be treated as invalid.

13. A member who is not a Relevant Intermediary*, entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the AGM of the Company. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the form of proxy. A proxy need not be a member of the Company.

14. The Proxy Form for the AGM can be assessed at the Company's website at the following URL: https://www.jihldgs.com, and is made available with this Notice of AGM on SGXNet at the following URL: https://www.sgx.com/securities/company-announcements on the same day.

15. The Proxy Form must be submitted to the Company in the following manner:

(a) by depositing a hard copy by post at the office of the Company's Share Registrar at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; or

(b) by sending a scanned PDF copy by email to shareregistry@incorp.asia

in either case, no later than **10.00 a.m. on 26 October 2022** ("**Proxy Deadline**").

16. A member who wishes to submit an instrument of proxy must first **download, complete and sign the proxy form**, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

17. **Members are strongly encouraged to submit the completed proxy form electronically via email.**

18. The instrument appointing the proxy or proxies must be executed under the hand of the appointor or attorney duly authorised in writing. Where the instrument appointing the proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or by an officer duly authorised. Where the instrument appointing the proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.

19. The Company shall be entitled to reject the instrument appointing the proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy or proxies (including any related attachment or supporting documents) (such as in the case where the appointor submits more than one instrument appointing the proxy or proxies).

20. Investors who hold their Shares through relevant intermediaries* as defined in Section 181 of the Companies Act 1967 of Singapore (including CPF investors, SRS investors and holders under depository agents) and who wish to exercise their votes should approach their respective relevant intermediaries (including their respective CPF agent banks, SRS approved banks or depository agents) to submit their voting instructions by **5.00 p.m. 18 October 2022** (being seven (7) working days before the AGM) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf no later than the Proxy Deadline.

NOTICE OF ANNUAL GENERAL MEETING

21. In the case of a member whose Shares are entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), the Company may reject any instrument appointing the proxy or proxies lodged if such member, being appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

No despatch of physical copies

22. The following documents are made available to members on **12 October 2022** together with this Notice of AGM via SGXNet at the following URL: https://www.sgx.com/securities/company-announcements and the Company's website at the following URL: https://www.jihldgs.com:

    (a) Annual Report for the financial year ended 31 March 2022 ("**Annual Report**");
    (b) Proxy Form in relation to the AGM; and
    (c) Circular to Shareholders in connection to the Proposed Renewal of Share Buyback Mandate.

23. There will be no despatch of printed copies of the Annual Report, Notice of AGM, Proxy Form and Circular to Shareholders. Members are advised to check SGXNet at the URL: https://www.sgx.com/securities/company-announcements and the Company's website at the URL: https://www.jihldgs.com for the aforesaid documents.

*A Relevant Intermediary is:

(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; or

(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.

NOTICE OF ANNUAL GENERAL MEETING

Personal Data Privacy:

By (a) submitting details for the registration to observe the proceedings of the AGM via the Live Webcast/Live Audio Feed, or (b) submitting the Proxy Form appointing the proxy(ies), speak and vote at the AGM and/or any adjournment thereof, or (c) submitting any question prior to the AGM in accordance with this notice, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

(i) processing and administration by the Company (or its agents or service providers) of the appointment of the proxy(ies) for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof);

(ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to observe the proceedings of the AGM and providing them with any technical assistance where necessary;

(iii) addressing relevant and substantial questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions; and

(iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines by the relevant authorities.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared for the AGM. Accordingly, the member's personal data and its proxy's and/or representative's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the abovementioned purposes and retained for such period as may be necessary for the Company's verification and record purposes.

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*This Notice has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this Notice.*

This Notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Notice, including the correctness of any of the statements or opinions made or reports contained in this Notice.

The details of the contact person for the Sponsor are:-

Name : Mr Jerry Chua (Registered Professional, Evolve Capital Advisory Private Limited)
Address : 138 Robinson Road, Oxley Tower, #13-02, Singapore 068906
Tel : (65) 6241 6626

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JUBILEE INDUSTRIES HOLDINGS LTD.

(Company Registration No. 200904797H)
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. Pursuant to the COVID-19 (Temporary Measures) Act 2020 (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the Annual General Meeting of the Company will be held by way of electronic means.
2. A member will not be able to attend the AGM in person. Alternative arrangements relating to the attendance of the AGM through electronic means, as well as conduct of the AGM and relevant guidance with full details are set out in the Notice of AGM dated 12 October 2022, which can be accessed via the SGX website at: https://www.sgx.com/securities/company-announcements.
3. An investor who holds Shares under the Central Provident Fund Investment Scheme ("CPF Investors") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) and who wishes to appoint the Chairman of the AGM as proxy should inform their respective CPF Agent Banks and/or SRS Operators to submit their votes at least 7 working days before the AGM.
4. This Proxy Form is not valid for use by CPF Investors and/or SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

ANNUAL GENERAL MEETING
PROXY FORM

(Please see notes overleaf before completing this Form)

I/We*, ________________ (Name) ________________ (NRIC/Passport No./Company Regn. No.)

of ________________________________ (Address)

being a member/members* of **JUBILEE INDUSTRIES HOLDINGS LTD.** (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Email Address^	Proportion of Shareholdings	
			No. of Shares	%
Address				

and/or (delete as appropriate)

Name	NRIC/Passport No.	Email Address^	Proportion of Shareholdings	
			No. of Shares	%
Address				

^ Appointed proxy(ies) will have to pre-register at the Pre-registration Website which is accessible from the URL: https://globalmeeting.bigbangdesign.co/jubilee/ in order to access the Live Webcast or Live Audio Feed of the Annual General Meeting proceedings.

or if no proxy is named, the Chairman of the Annual General Meeting as my/our* proxy/proxies* to attend and vote for me/us* on my/our* behalf at the Annual General Meeting of the Company to be held by way of electronic means on 28 October 2022 at 10.00 a.m. (the "**AGM**") and at any adjournment thereof. I/We* direct my/our* proxy/proxies* to vote for or against, or abstain from voting the Resolutions to be proposed at the AGM as indicated hereunder. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as proxy of that resolution will be treated as invalid.**

(If you wish to exercise all your votes "For", "Against" or to "Abstain" from voting, please indicate with a tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.)

No.	Ordinary Resolutions relating to:	For	Against	Abstain
ORDINARY BUSINESS				
1	Adoption of the Directors' Statement and the Audited Financial Statements for the financial year ended 31 March 2022, together with the Independent Auditors' Report thereon			
2	Approval of Directors' fees of up to S$180,000 for the financial year ending 31 March 2023, to be paid half-yearly in arrears			
3	Re-election of Mr Cheong Keng Chuan, Alfred as a Director of the Company			
4	Re-election of Mr Levin Lee Keng Weng as a Director of the Company			
SPECIAL BUSINESS				
5	Authority to grant awards and issue shares pursuant to the Jubilee Share Award Scheme			
6	Approval of the proposed renewal of Share Buyback Mandate			
7	Authority to issue and allot shares in the capital of the Company			

Dated this __________ day of ______________ 2022

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

____

Signature of Shareholder(s)
and/or Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

**Delete where inapplicable*

Notes :

The Proxy Form will be published on the Company's website at the URL https://www.jihldgs.com and will also be made available on the SGXNet at the URL https://www.sgx.com/securities/company-announcements. There will be no despatch of printed copies of the Annual Report, Notice of Annual General Meeting, Proxy Form and Circular to Shareholders.

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing the proxy or proxies shall be deemed to relate to all the Shares held by you.

2. **Members will not be able to attend the AGM in person.** If a member (individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it may:

   (a) (where the member is an individual) vote "live" via electronic means at the AGM or (where the member is an individual or corporate) appoint a proxy(ies) (other than the Chairman of the AGM)# to vote "live" via electronic means at the AGM on his/her/its behalf; or

   # For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e. persons other than the Chairman of the AGM) to vote "live" at the AGM on their behalf.

   (b) (where a member is an individual or corporate) appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM.

   In appointing the Chairman of the AGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment for that resolution will be treated as invalid.

3. A member of the Company who is not a Relevant Intermediary entitled to attend and vote at AGM of the Company is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

4. Where a member who is not a Relevant Intermediary 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 may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).

6. Subject to paragraph (7) below, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Live Webcast of the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.

7. An investor who holds Shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**") (as may be applicable) and wishes to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by **5.00 p.m. 18 October 2022**) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf no later than the Proxy Deadline.

8. This Proxy Form must be submitted to the Company in the following manner:

   (a) by depositing a hard copy at the office of the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd., at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; or

   (b) by sending a scanned PDF copy by email to shareregistry@incorp.asia

   in either case, not later than **10.00 a.m. 26 October 2022** ("**Proxy Deadline**")**, and failing which, this Proxy Form will not be treated as valid**.

9. A member who wishes to submit an instrument of proxy must first **download, complete and sign the proxy form**, before submitting it by depositing to the address provided above, or scanning and sending it by email to the email address provided above.

10. **Members are strongly encouraged to submit completed proxy form electronically via email.**

11. The instrument appointing the proxy or proxies must be executed under the hand of the appointor or attorney duly authorised in writing. Where the instrument appointing the proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or by an officer duly authorised. Where the instrument appointing proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.

12. The Company shall be entitled to reject the instrument appointing the proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy or proxies (including any related attachment or supporting documents). In addition, in the case of a member whose Shares are entered against his/her/its name in the Depository Register, the Company may reject any instrument appointing the proxy or proxies lodged if such member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting this proxy form, the member accepts and agrees to the personal data privacy terms as set out in the Notice of Annual General Meeting dated 12 October 2022.

CORPORATE INFORMATION

JUBILEE INDUSTRIES HOLDINGS LTD.
Company Registration No. 200904797H

BOARD OF DIRECTORS

Dato' Terence Tea Yeok Kian
Executive Chairman and Chief Executive Officer

Cheong Keng Chuan Alfred
Lead Independent Director

Ng Siew Hoong Linus
Independent Director

Dato' Kang Pang Kiang, Alex
Non-Executive and Non-Independent Director

Levin Lee Keng Weng
Independent Director

AUDIT COMMITTEE

Cheong Keng Chuan Alfred	Chairman
Ng Siew Hoong Linus	Member
Dato' Kang Pang Kiang, Alex	Member

REMUNERATION COMMITTEE

Cheong Keng Chuan Alfred	Chairman
Ng Siew Hoong Linus	Member
Dato' Kang Pang Kiang, Alex	Member

NOMINATING COMMITTEE

Ng Siew Hoong Linus	Chairman
Dato' Terence Tea Yeok Kian	Member
Cheong Keng Chuan Alfred	Member
Levin Lee Keng Weng	Member

JOINT COMPANY SECRETARIES

Siau Kuei Lian
Sng Ee Lian Eliane

REGISTERED OFFICE

10 Ubi Crescent Ubi Techpark
Lobby E #03-95 Singapore 408564
Tel: (65) 6311 2968/6311 2969
Fax: (65) 6311 2905
Website: www.jihldgs.com

CATALIST SPONSOR

Evolve Capital Advisory Private Limited
138 Robinson Road
Oxley Tower, #13-02
Singapore 068906

INDEPENDENT AUDITOR

Nexia TS Public Accounting Corporation
80 Robinson Road, #25-00
Singapore 068898
Director-in-Charge: Teh Yeu Horng
(Appointed since financial year ended 31 March 2022)

SHARE REGISTRAR

In.Corp Corporate Services Pte. Ltd.
30 Cecil Street
#19-08 Prudential Tower
Singapore 049712

PRINCIPAL BANKER

United Overseas Bank Limited
80 Raffles Place, UOB Plaza 1
Singapore 048624

Standard Chartered Bank (Singapore) Limited
6 Battery Road
Singapore 049909

Maybank Singapore Limited
2 Battery Road
Singapore 049907

Jubilee Industries Holdings Ltd.
千禧业科技公司

10 Ubi Crescent #03-94/95/96
Ubi Techpark Lobby E, Singapore 408564
Tel: (65) 6311 2968/6311 2969
Fax: (65) 6311 2905