

EUROSPORTS  
GLOBAL



**POWERING  
AHEAD**

ANNUAL REPORT 2024

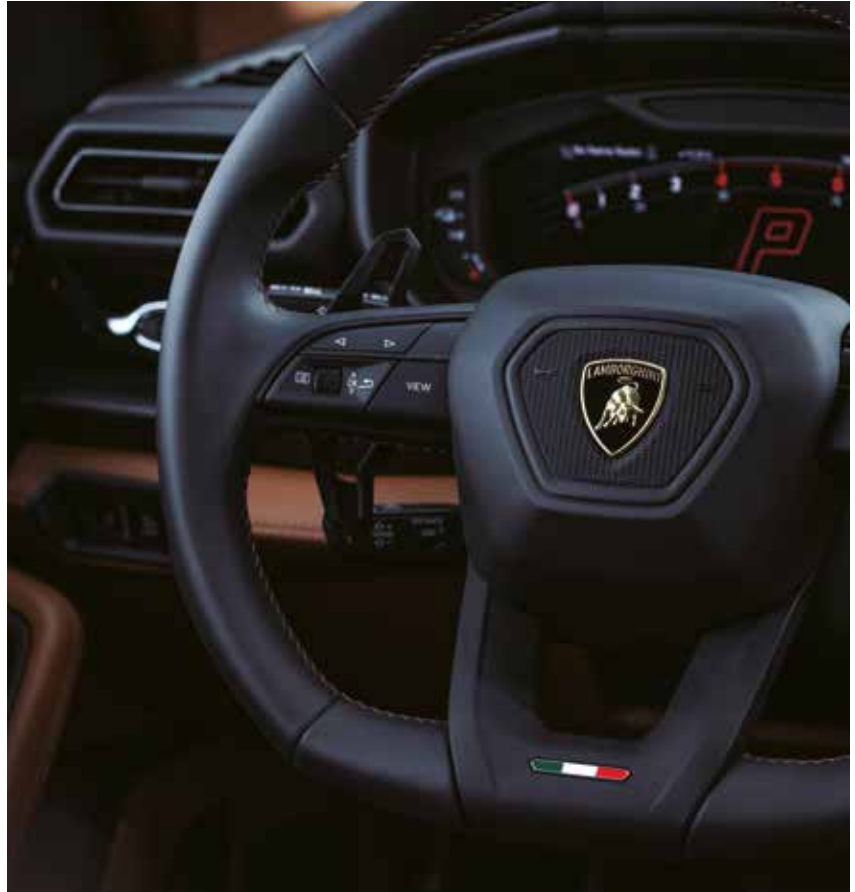
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# CORPORATE PROFILE



Established in 1998, EuroSports Global Limited (“**EuroSports**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) specialises in the distribution of ultra-luxury and luxury automobiles and the provision of after-sales services. The automobile sales business retails new ultra-luxury and luxury automobile brands and pre-owned automobile brands comprising of Lamborghini and Touring Superleggera.

EuroSports Global Limited is the sole authorised dealer for Lamborghini in Singapore since 2002 and Indonesia since 2018; and the exclusive distributor for Touring Superleggera in Singapore, Malaysia, Brunei and Indonesia and non-exclusive distributor in the PRC since October 2012.

Our subsidiary, Scorpio Electric Pte. Ltd., is currently developing a next-generation motorcycle that is fully electric.

# CORPORATE VALUES

EUROSPORTS  
GLOBAL

*We aim to provide personalised and attentive customer service, from the purchasing stage to the post-purchasing stage.*

- *To understand the unique needs of each customer.*
- *To exceed our customers' expectations in our pre- to post-purchase service delivery.*
- *To represent the luxury brands we carry with excellence.*
- *To operate our business with transparency and sound corporate governance.*
- *To uphold the trust that stakeholders, including business partners, customers, shareholders and employees, have in the Group.*
- *To be a responsible corporate citizen by contributing towards the community we operate in.*

## MAIN CORPORATE STRUCTURE



<p><b>EuroSports Auto Pte Ltd ("ES")</b></p> <hr/> <p><i>Trading and distribution of automobiles and automobile related parts and accessories</i></p>	<b>100%</b>
<p><b>EuroAutomobile Pte. Ltd.</b></p> <hr/> <p><i>Trading and distribution of automobile related parts and accessories</i></p>	<b>100%</b>
<p><b>Scorpio Electric Pte. Ltd. ("SEC")</b></p> <hr/> <p><i>Developing a next-generation motorcycle that is fully electric</i></p>	<b>74.02%</b>
<p><b>Prosper Auto Pte. Ltd.</b></p> <hr/> <p><i>Trading and distribution of automobiles and automobile related parts and accessories</i></p>	<b>51%</b>

This annual report has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the sponsor is Mr. Mah How Soon at 36 Robinson Road, #10-06 City House, Singapore 068877, Email: [sponsor@rhtgoc.com](mailto:sponsor@rhtgoc.com).





# CORPORATE MILESTONES



LAMBORGHINI, REVUELTO

## 1998

EuroSports Auto Pte Ltd was incorporated and started distributing Lotus automobiles\*

## 1999

Launched Lotus showroom and service centre

## 2001

- Started distribution of Lamborghini automobiles
- Launched Lamborghini showroom and service centre

## 2002

- Formally entered into an agreement with the Lamborghini manufacturer to secure the Lamborghini dealership in Singapore
- Established Massa Auto (S) Pte. Ltd. (now known as EuroAutomobile Pte. Ltd.) for the purpose of securing the Alfa Romeo distributorship\*\*

## 2003

Acquired premises at 30 Teban Gardens Crescent and established showrooms and service centres

## 2004

- Secured the Alfa Romeo distributorship in Singapore and launched showroom and service centre\*\*
- Expanded and refurbished Lamborghini showroom and service centre in anticipation of a growth in sales of Lamborghini automobiles

## 2005

Awarded "Certificate of Achievement for the 2005 Results Obtained in Sales and Service" by the Lamborghini manufacturer

## 2007

Celebrated the delivery of the 100th Lamborghini in Singapore

## 2008

Awarded "Best Sales Performance 2008" by the Lamborghini manufacturer

## 2011

Marked the 10th anniversary of Lamborghini dealership

## 2012

Secured the following dealerships/distributorships:

- deLaCour brand of watches, jewellery and accessories (exclusive distributorship) in Singapore, Malaysia, Indonesia, Thailand and Brunei
- Pagani automobiles (exclusive dealership) in Singapore and Malaysia\*\*\*
- Touring Superleggera automobiles (exclusive distributorship) in Singapore, Malaysia, Brunei, Indonesia and PRC (non-exclusive distributorship in PRC)

#### NOTE:

\*Distribution of Lotus automobiles ceased in FY2020.

\*\*Distribution of Alfa Romeo automobiles ceased in FY2023.



## 2014

- Successfully launched IPO on 17 January 2014
- Successfully completed the Sales and Leaseback Arrangement regarding our premises at 30 Teban Gardens Crescent on 17 March 2014
- Acquired a 60% stake in a new subsidiary specialising in the trading of pre-owned sports and luxury automobiles in August 2014 and renamed it AutoInc EuroSports Pte. Ltd.
- Set up boutique to retail deLaCour watches at Wisma Atria and launched Lamborghini Huracán model

## 2015

Set up new Lamborghini display and retail store at Suntec City Mall and launched a variant of the Lamborghini Huracán model

## 2016

Incorporated Ultimate Drive EuroSports Pte. Ltd., a new motoring product catering to supercar enthusiasts

## 2017

- Regional launch of Lamborghini's first SUV model "Urus"
- Launch and resurgence of Alfa Romeo's new "Giulia" models\*\*
- A wholly-owned subsidiary, Spania GTA Asia Pacific Private Ltd., has changed its name to EuroSports Technologies Pte. Ltd., is developing a next-generation motorcycle that is fully electric
- Incorporated Prosper Auto Pte. Ltd. for the purpose of distribution of automobiles and related products overseas
- Purchase of "Exquisite Marques Holding Pte. Ltd.", a one-stop shop automobile service and enhancement centre for premium and other luxury car brands
- Launched 2 new Lamborghini models - Huracán Performante & Aventador S



**LAMBORGHINI, URUS SE**

## 2018

- Opening of EuroSports' new headquarters and new showroom for Lamborghini and Alfa Romeo\*\*
- Disposal of AutoInc EuroSports Pte. Ltd. and Exquisite Marques Holding Pte. Ltd. were completed in December 2018

## 2019

- Disposal of shares in Ultimate Drive EuroSports Pte Ltd to fully focus on the core business
- EuroSports Technologies Pte. Ltd. received funding to develop next-generation fully electric motorcycles

## 2020

Marked the successful delivery of the 50th Lamborghini Urus in Singapore

## 2021

- Lamborghini launched the new Huracán EVO RWD virtually for the very first time in EuroSports Auto Pte Ltd's history
- EuroSports Technologies Pte. Ltd., raised US\$6.3 million for its Electric Motorcycle Brand
- EuroSports Technologies Pte. Ltd. and Strides Transportation Pte. Ltd. entered into a MOU to develop and distribute Smart Electric Motorcycles in Singapore and the Asia Pacific Region\*\*\*\*

## 2022

- Lamborghini launched the Huracán STO, a racing inspired, road legal sports car and Aventador Ultimate, the latest and most powerful variant of the Aventador model range
- Scorpio Electric Pte. Ltd. launched pre-orders of the X1, the first Singapore developed electric motorcycle

## 2023

- EuroSports Technologies Pte. Ltd. changed its name to Scorpio Electric Pte. Ltd., with effect from 21 December 2022
- Scorpio Electric Pte. Ltd. clinched US\$6.75 million in funding at valuation of US\$150 million

# 2024

- **Lamborghini launched Revuelto, the first super sports V12 hybrid plug-in HPEV (High Performance Electrified Vehicle)**
- **Scorpio Electric Pte. Ltd. launched the X1 globally and unveiled two new Futuristic Infinity Concepts at EICMA 2023**

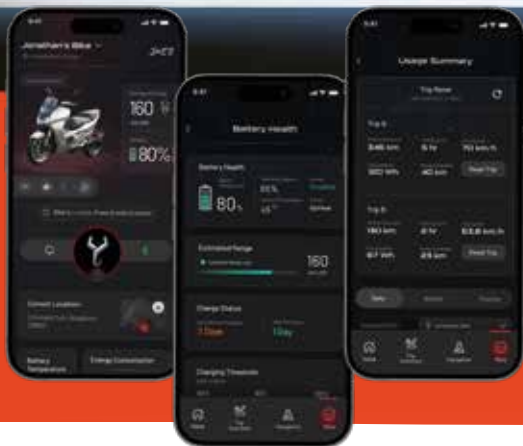


**SCORPIO ELECTRIC, X1**

\*\*\*Distribution of Pagani automobiles ceased in FY2020.

\*\*\*\*Lapsed of MOU with Strides Transportation Pte Ltd on 16 January 2023.

# JOINT LETTER TO OUR SHAREHOLDERS



**ANDY GOH**  
Executive Director  
and Deputy CEO

**MELVIN GOH**  
Executive Chairman  
and CEO

Dear Shareholders,

We are delighted to present our annual report for the financial year ended 31 March 2024 ("FY2024"), a year marked by both challenges and significant milestones for EuroSports in the automotive industry.

## Key Developments in FY2024

In the past financial year, we encountered a variety of challenges that tested our resilience and determination. Notably, our subsidiary, ES - distributor of Lamborghini in Singapore, navigated through the headwinds of higher taxes, resulting in a temporary slowdown in sales. Furthermore, the delayed deliveries of key models - Urus S, Urus Performante and Revuelto also adversely affected our financial performance. Despite these hurdles, the Group achieved revenue of S\$25.12 million.

Staying committed to investing in new sustainable mobility, our subsidiary, SEC achieved another major milestone by officially launching Scorpio Electric X1 globally and unveiling two new Futuristic Infinity Concepts prototypes

at Esposizione Internazionale Ciclo Motociclo e Accessori (EICMA) 2023. As a nascent electric motorcycle brand hailing all the way from sunny Singapore, Scorpio Electric made waves on an international platform. We left a lasting impression to the public, media and industry stakeholders. Our dedication and hard work is not gone in vain. Since 2020, we have made significant progress in designing, developing and creating a world class product from ground up. The X1, an electric maxi scooter, is undergoing testing and certification: an essential phase prior to mass production. Production and deliveries are expected to commence in 2025.

## Financial Highlights

The financial results for FY2024 showcase the resilience and progress of EuroSports. Despite the challenges faced, the Group achieved revenue of S\$25.12 million, and the increase in gross profit margin highlights the enduring strength of the Lamborghini brand.



“

**Despite the challenges faced, the Group achieved revenue of S\$25.12 million, and the increase in gross profit margin highlights the enduring strength of the Lamborghini brand.**

”

A significant milestone this year was the development and global launch of the X1. While this required substantial investment, it is an essential step towards a brighter future for SEC. The crucial investment in sustainable mobility contributed to the reported attributable loss of S\$7.72 million.

Additionally, during the financial year, EuroSports issued convertible bonds amounting to S\$3.30 million. Bondholders have the option to convert these bonds into EuroSports shares or exchange them for SEC shares at maturity. The strong reception of the convertible bonds demonstrates investors' confidence in EuroSports and particularly in SEC.

### Sustainability

In line with the sustainability requirement, we have integrated sustainability principles across our operations. We prioritize addressing the environmental, social, and governance issues that are most relevant to our stakeholders and our business. We have also enhanced our reporting to include relevant climate-related disclosures. This Annual Report serves as our 7th annual communication on our sustainability priorities, performance, and progress.

We anticipate a growing consumer demand for low-carbon emission vehicles, supported by regulatory policies that promote cleaner fuel usage. Our brand partner - Lamborghini have made commitments to reduce the carbon footprint in their operations and introduce clean-fuel or electric vehicles to meet this demand. The response to our subsidiary SEC's inaugural electric motorcycle, the X1, has been very encouraging, and we eagerly await the arrival of the first batch of X1 in 2025.

### Outlook & Future Plans

Looking ahead, we anticipate the imminent deliveries starting from the second half of 2024 of highly anticipated models such as the Urus S, Urus Performante, and Revuelto to improve our revenue. Our order book for the aforementioned models has already achieved double-digit figures, which would undoubtedly improve our financial performance. In line with Lamborghini's electrification strategy - Direzione Cor Tauri, a hybridized version of the Urus - Urus SE was launched in April 2024 and a hybridized replacement of the Huracan will be launched later this year. These vehicles embody Lamborghini's commitment to pushing the boundaries of performance and design, further solidifying its position as an ultra-luxury automotive brand.

Meanwhile, SEC is poised for growth as we are in the midst of expanding our distributor and dealer network across 10 to 15 cities in the Asia Pacific and European regions. As of April 2024, we have appointed distributors in Japan, the Philippines, Portugal and Spain. Over the coming months, we will be intensifying our efforts to strengthen partnerships and explore new avenues for growth in the selected markets. With deliveries set to commence in 2025, we anticipate top-line growth with increased market penetration.

In closing, we are forging ahead with confidence and determination, guided by our unwavering commitment to excellence and innovation. We would like to express our heartfelt appreciation to our shareholders, brand and business partners, and colleagues for their steadfast support and dedication. Together, we will continue to drive EuroSports towards greater heights of success and prosperity.

Thank you for your continued trust and confidence in EuroSports.

## BOARD OF DIRECTORS



### MELVIN GOH

Executive Chairman & CEO

### ANDY GOH

Executive Director & Deputy CEO

Mr Melvin Goh is the co-founder of the Group. He was appointed to the Board as Executive Chairman on 12 December 2012 in addition to his role as CEO. He is responsible for overall management, formulating the Group's strategic focus and direction, developing and maintaining relationships with the suppliers and customers as well as overseeing the Group's general operations. Prior to the establishment of the Group's wholly-owned subsidiary, ES, he was already engaged in the automobile industry as the Managing Director of Gay Hin Enterprise, the family-owned business that sold pre-owned automobiles. He has substantial senior management experience and more than 39 years of automobile industry experience and knowledge.

Mr Andy Goh is the co-founder of the Group. He was appointed to the Board as Executive Director on 12 December 2012 in addition to his role as Deputy CEO. He assists the CEO in all matters relating to general management and administration. Prior to the establishment of the Group's wholly owned subsidiary, ES, he was already engaged in the automobile industry, as the Executive Director of Gay Hin Enterprise, the family-owned business that sold pre-owned automobiles. He has more than 38 years of industry experience and knowledge of the automobile industry.



**CALVIN TAN SIOK SING**  
Lead Independent Director



**FOO SAY TUN**  
Independent Director



**ANTHONY ANG MENG HUAT**  
Independent Director

Mr Calvin Tan Siok Sing was appointed as the Group's Lead Independent Director on 1 November 2022. He has more than 18 years of experience in the financial industry; he held the position of Executive Director in Tsang and Ong Stockbrokers Pte Ltd, which later restructured as Sun Yuan Holdings Pte Ltd (1985 to 2003); Ei-Nets Ltd, subsequently known as E3 Holdings Ltd (2003-2005); and Regalindo Resources Pte Ltd (2005 to 2008). He is currently the Managing Director of Ironman Minerals & Ores Pte Ltd, an energy resources and minerals trading company.

Mr Foo Say Tun was appointed as the Group's Independent Director on 8 September 2020. He has more than 20 years of experience in the civil litigation, arbitration and corporate law industry. He is an advocate & solicitor of High Court of Malaya and Supreme Court of Singapore. He retired from legal practice in 2013. He obtained Bachelor degree of Laws (Hons) from the University of East Anglia, England in 1990. He was admitted to the Middle Temple, England as a barrister-at-law in 1991 and as an Advocate & Solicitor of the Supreme Court of Singapore in 1995. He is currently the Independent Director of another SGX-ST listed company namely Mary Chia Holdings Limited.

Mr Anthony Ang Meng Huat was appointed as the Group's Independent Director on 3 October 2022. He has more than 40 years of management experience in various industries, which covers international marketing, fund management, economic development and investment promotion, manufacturing and consulting. He obtained Bachelor of Science (Mechanical Engineering) with First Class Honours from the Imperial College of Science and Technology, United Kingdom and Master of Business Administration from INSEAD, France. He also completed International Directorship Programme from INSEAD, France. He currently serves as Singapore's Non-Resident Ambassador to the Republic of Tunisia and an Independent Director of Heatec Jietong Holdings Ltd and Yong Tai Berhad. He is also the CEO and Chairman of Global Star Acquisition Inc, a NASDAQ listed SPAC, and the Executive Director of Sunrise Shares Holdings Ltd, which is listed on the SGX-ST.



# EUROSPORTS

## EXECUTIVE TEAM



LAMBORGHINI, REVUELTO

### **ROY NG WOON PIEOW**

**Director, Sales & Customer Service**

Roy Ng Woon Pieow joined the Group in July 2016 as Director, Sales & Customer Service. Having worked in the motoring industry for over 19 years, Roy has extensive knowledge in consumer behaviour and is responsible for the strategic leadership of the sales department. In addition, he plays a crucial role in leading his team in ensuring quality customer service and experience across the brands under the EuroSports family. Prior to joining the group, Roy was a sales manager with another premium automotive brand. Roy holds a Diploma in Electrical Engineering from Ngee Ann Polytechnic Singapore.

### **HAZER ONG MEEI HUEY**

**Group Financial Controller**

Hazer Ong Meei Huey joined our Group since August 2018 as Senior Accountant and was promoted to Acting Group Financial Controller in August 2022. In November 2022, she was re-designated to Group Financial Controller. She heads the finance and accounting team, and is responsible for the overall financial planning and financial management of the Group. Prior to joining our Group, Hazer has more than 15 years of experience with private limited companies with exposure in multiple industries. Hazer obtained Bachelor of Arts (Honours) in Accounting from University of Bedfordshire.

# SCORPIO ELECTRIC

## EXECUTIVE TEAM

### GOH YI SHUN, JOSHUA

#### Chief Executive Officer

Joshua Goh is the CEO of SEC since August 2022. He handles all matters relating to the overall management, strategy planning and general administration of the SEC's business. Since Joshua joined the Group in 2017, he has undertaken a variety of roles from strategic planning, business development and general operations. Having been with SEC since 2020 as an executive of the CEO office, Joshua is a leader with a variety of industry experience in automotive and financial market.

### JULIAN LEGAZPI

#### Chief Commercial Officer

Julian Legazpi joined SEC in January 2020 as Chief Commercial Officer. Prior to joining the Group, Julian spent nearly a decade at KTM AG, Europe's largest motorcycle brand. He started his career at KTM opening up new markets in Latin America, Middle East, Africa, and the Asia Pacific region. He served as the Managing Director for KTM Asia, helped grow its assembly operations in Malaysia and China, and eventually led and served as Director for KTM's Asia manufacturing hub in the Philippines. Julian is a Canadian citizen who has completed his Master's degree from the Gustavson School of Business at the University of Victoria, Canada, along with a Bachelor of Business Administration from the Beedie School of Business at Simon Fraser University, Canada.

### MUHAMMAD TAUREZA

#### Head of Engineering and Chief Operating Officer

Dr. Muhammad Taureza joined SEC in October 2020. Prior to joining the Group, he was a consultant for Scorpio Electric project in his capacity as Senior Research Engineer with Singapore Institute of Manufacturing Technologies ("SIMTech"), an institute within the Agency for Science, Technology & Research ("A\*STAR"), a leading promoter of R&D innovation. He had been an engineering consultant for many industries including Aerospace (SIA Engineering Company, Fidel Engineering, Windsor Airmotive Asia (subsidiary of Barnes Aerospace)) and Consumer and Industrial Electronics (Molex, Laird Technologies) in his A\*STAR career since 2014. Before that, Dr. Taureza held a researcher position at Nanyang Technological University specializing in Design for Manufacturing, Metal and Polymer Material Selection and Processing, Stamping and Forging Tooling, and Finite Element Simulation.



SCORPIO ELECTRIC, X1



# SCORPIO ELECTRIC PTE. LTD.'S CEO MESSAGE



**JOSHUA GOH**

**“WHAT’S SO DIFFICULT  
(ABOUT THAT)?”**



Dear Shareholders,

This is my inaugural message to you, as CEO of SEC. As a shareholder, you have an indirect stake in the SEC business, and we are grateful to have you as our supporter. We are on a mission to usher in a new age of electric mobility and plant our Singapore flag amongst the automotive incumbents. SEC has reached new heights, thanks to the unwavering support of our dedicated team of trailblazers, BYD, business partners, and investors.

The generation before me, our sibling founders, Melvin and Andy Goh are automotive entrepreneurs. All my life, I have been in the automotive trade. Long enough, we have seen trends and fads come and stay or go. To tackle climate

change, the world saw an increasing need to adopt new sustainable energy and reach carbon neutrality. In 2017, Melvin acted upon the opportunity to create Singapore's first electric motorcycle manufacturer, “To build an electric motorcycle, what’s so difficult (about that)?” The journey was challenging: finding the right talent, building a robust supply chain network, navigating through various regulatory frameworks that are roadblocks to the business. Driving change is never easy, especially so through the COVID-19 pandemic. We persisted, found solutions to our problems and remained steadfast in our commitment to creating a world-class team and product.

As we reflect on FY2024, I am filled with immense pride and gratitude for SEC's incredible growth and progress.



# CHARTING THE FUTURE OF SUSTAINABLE MOBILITY

## Key Milestone Highlights in FY2024 and more

### Arrival of the Pre-Production Prototype ("PPR")

In the second half of 2023, we hit a major milestone with the arrival of our PPR units. These PPR units rolled off BYD's assembly line in Shenzhen. Since then, the PPR units are undergoing rigorous testing, certification, and finally homologation to ensure the mass production X1 meets the highest quality and performance standards.

### Kickstarting our Global Distribution Network

Last November was a huge moment for us on an international platform. We officially launched SEC and our electric maxi scooter, the X1, at the EICMA 2023 in Italy. We unveiled two new "Futuristic Infinity Concepts" prototypes - Alpha and Xi. The Alpha is an all-new street motard motorcycle that will send adrenaline through the veins of our enthusiasts. The Xi ushers in a new era of light electric mobility, envisioned as a compact electric city scooter that will revolutionise commuting.

We received strong positive feedback from the public, potential distributor partners, and industry stakeholders. We have since appointed distributor partners in Japan, the Philippines, Portugal, and Spain. Our distributor partners have firm convictions of our vision, the Singapore brand and our X1. We intend to expand our distributor and dealer network across 10 to 15 cities in the Asia Pacific and European regions.

### Special Purpose License ("SPL")

As we continue to make significant strides in designing, developing, and creating a world-class product from the ground up, I am thrilled to share another milestone. On 15 July 2024, the SPL was issued by the Land Transport Authority to conduct comprehensive durability and endurance tests of the X1 on the public roads of Singapore. These real-world tests will provide invaluable data to enhance our future product developments in Singapore.

## The Future of SEC

### The SEC Blueprint

Onto the next five years, SEC will achieve the following milestones while sustainable mobility adoption accelerates through the year 2030:

1. Manufacture the X1;
2. Optimise the X1;
3. Develop and produce the Alpha and Xi; and
4. Scale up and expand our global distribution footprint.

We create uniquely designed premium electric motorcycles catered to the urban eco-conscious individual. SEC is not focusing on cost efficiency improvements today. We are focusing on delivering a superior product. We are building a solid foundation to embrace the momentum of sustainability mobility adoption.

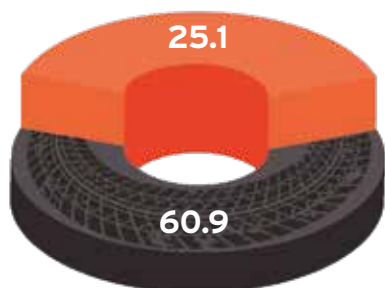
Thank you for your continued support and belief in SEC. Together, we take charge of our growth and change for the better.

Sincerely,

**JOSHUA GOH**  
CEO of SEC



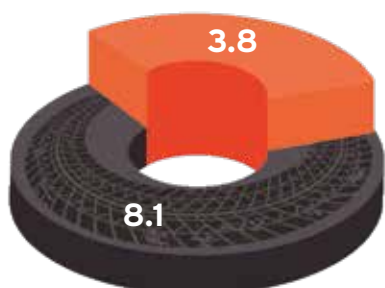
# FINANCIAL HIGHLIGHTS



## REVENUE

\$ MILLION

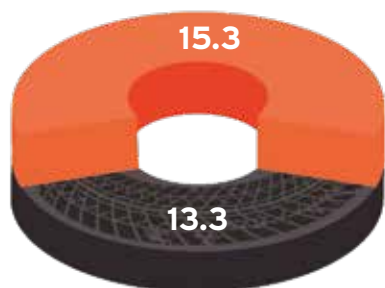
FY2024	25.1
FY2023	60.9



## GROSS PROFIT

\$ MILLION

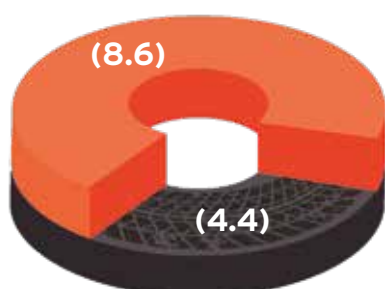
FY2024	3.8
FY2023	8.1



## GROSS PROFIT MARGIN

% PERCENT

FY2024	15.3
FY2023	13.3



## LOSS FOR THE YEAR, NET OF TAX

\$ MILLION

FY2024	(8.6)
FY2023	(4.4)

# OPERATING & FINANCIAL REVIEW



LAMBORGHINI, URUS SE



## Revenue

Overall, the Group's revenue decreased by S\$35.76 million or 58.7%, from S\$60.88 million in FY2023 to S\$25.12 million in FY2024. The automobiles distribution segment remained the primary revenue contributor of the Group. However, revenue from the automobiles distribution segment decreased by S\$35.66 million or 58.7%, from S\$60.76 million in FY2023 to S\$25.10 million in FY2024. This decrease was mainly due to a S\$34.53 million, or 61.8% drop in automobile sales, which decreased to S\$21.37 million from S\$55.90 million in FY2023. The higher car taxes for higher end cars announced in the Singapore Budget for 2023 had dampened the demand for higher end cars and the late arrival of the Urus S and Urus Performante had adversely affected our sales.

Sales of merchandise, parts and servicing decreased by S\$1.13 million or 23.3% to S\$3.73 million in FY2024 from S\$4.86 million in FY2023.

The Group relinquished its importation and distribution agreement as the exclusive importer and distributor of Alfa Romeo automobiles in Singapore on 31 March 2023. Contributions from the sales of remaining units in FY2024 were minimal.

## Cost of Sales

The cost of sales of the Group decreased by S\$31.49 million or 59.7%, from S\$52.77 million in FY2023 to S\$21.28 million in FY2024. This decrease is in tandem with the reduction in revenue.

## Gross Profit and Gross Profit Margin

Gross profit decreased by S\$4.28 million or 52.7%, from S\$8.12 million in FY2023 to S\$3.84 million in FY2024. However, gross profit margin of the Group increased by 2.0 percentage points, from 13.3% in FY2023 to 15.3% in FY2024. The higher gross profit margin was due to sale of new Lamborghini automobiles with higher profit margins.

## Other Income

Other income of the Group decreased by S\$0.68 million or 34.2%, from S\$2.00 million in FY2023 to S\$1.32 million in FY2024. The decrease in other income was mainly due to a decrease in sales incentives from manufacturers by S\$1.10 million and a reduction in commission income of S\$0.44 million due to lower sales activity in FY2024. This reduction was partially offset by a S\$0.89 million increase in other income, mainly due to sale of car plates, increase storage rental and forfeited deposits.





**LAMBORGHINI, REVUELTO**

### **Other Gains / (Other losses), Net**

Other losses, net of S\$0.20 million, were mainly due to the impairment of trade and other receivables. The Company will continue to monitor and ensure the prompt recovery of these receivables. However, based on historical experience in receivables collection, management believes that there is no additional credit risk beyond what is already provided for in the Group's trade and other receivables.

Additionally, the Group recorded a lower foreign exchange gain of S\$0.09 million as compared to S\$0.36 million in FY2023.

### **Marketing and Distribution Expenses**

Marketing and distribution expenses of the Group decreased by S\$0.49 million or 19.9%, from S\$2.45 million in FY2023 to S\$1.96 million in FY2024. This was primarily due to lower sales commissions and referral fees, which aligned with the lower revenues and reduced entertainment expenses. The reduction in entertainment expenses was partly due to lower revenues in FY2024 and partly due to higher expenses in FY2023 as COVID-19 restrictions eased, allowing management to meet with customers in person.

However, this reduction was partially offset by an increase in advertising and promotions. This increase was driven by the launch campaign of Revuelto, the latest Lamborghini model, and the global launches of Scorpio Electric X1 ("X1"), along with the unveiling of two new futuristic Infinity Concepts at the Esposizione Internazionale Ciclo Motociclo e Accessori (EICMA) exhibition in Italy by SEC.

### **Administrative Expenses**

Administrative expenses of the Group decreased by S\$0.79 million or 6.6%, from S\$11.90 million in FY2023 to S\$11.11 million in FY2024. This decrease was mainly due to a reduction in the depreciation of plant and equipment by S\$0.73 million and a decrease in share-based expense by S\$0.21 million. However, this reduction was partially offset by an increase in transport charges and travel & accommodation cost as SEC works towards mass production of X1.

### **Finance Costs**

Finance costs of the Group increased by S\$0.11 million or 36.1%, from S\$0.32 million in FY2023 to S\$0.43 million in FY2024. This increase was mainly due to convertible bond interest of S\$0.09 million.

## **REVIEW OF GROUP'S FINANCIAL POSITION**

### **Non-Current Assets**

Non-current assets of the Group increased by S\$2.24 million, from S\$13.17 million as at 31 March 2023 to S\$15.41 million as at 31 March 2024, mainly due to an increase in intangible assets by S\$4.03 million, which relates to the development costs of electric motorcycle, partially offset by a decrease in net book value of plant and equipment and right-of-use assets by S\$1.70 million.



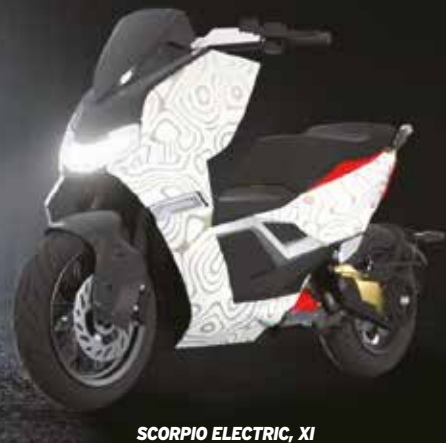
TOURING SUPERLEGGERA, ARESE RH95



SCORPIO ELECTRIC, ALPHA



SCORPIO ELECTRIC, X1



SCORPIO ELECTRIC, XI



### Current Assets

Current assets of the Group decreased by S\$1.42 million, from S\$27.42 million as at 31 March 2023, to S\$26.00 million as at 31 March 2024. This decrease was mainly due to a reduction in cash and cash equivalents by S\$3.75 million, partially offset by an increase in trade and other receivables of S\$0.39 million and other non-financial assets by S\$1.96 million. The increase in other non-financial assets was primarily due to (i) higher prepayments related to the development cost of electric motorcycles and the cost related to mass production of X1, totalling S\$2.08 million, and (ii) an increased deposit paid to factory for the order of new automobiles, amounting to S\$1.10 million.

### Equity

Equity comprises share capital, other reserves, accumulated losses and non-controlling interest. The Group's equity stood at S\$10.02 million, decrease of S\$9.37 million from 31 March 2023, mainly due to a net loss for FY2024. The Company conducted share buy-back amounting S\$0.82 million in FY2024.

### Non-Current Liabilities

Non-current liabilities of the Group decreased by S\$0.33 million from S\$4.00 million as at 31 March 2023 to S\$3.67 million as at 31 March 2024, mainly due to the net repayment of loans and lease liabilities offset by S\$3.39 million in convertible bonds and interest payable.

### Current Liabilities

Current liabilities of the Group increased by S\$10.50 million, from S\$17.22 million as at 31 March 2023 to S\$27.72 million as at 31 March 2024. This increase was mainly due to an increase in (i) other financial liabilities by S\$5.67 million and (ii) other non-financial liabilities by S\$5.05 million, primarily related to increased deposits for car orders from customers. This was partially offset by a decrease in trade payables by S\$0.28 million due to payments to suppliers. The increase in (i) and (ii) was related to an increase in orders from customers and more engineering activities from SEC as SEC works towards mass production of X1.

### REVIEW OF GROUP'S CASH FLOWS

Net cash outflows from operating activities amounted to S\$2.82 million in FY2024. This was mainly due to negative operating cash flows before changes in working capital of S\$5.17 million, partially offset by a net working capital inflow of S\$2.35 million.

Net cash used in investing activities amounted to S\$4.23 million in FY2024. This was mainly due to addition to intangible assets of S\$4.03 million and purchase of plant and equipment of S\$0.50 million, offset by cash from the disposal of plant and equipment amounting to S\$0.28 million.

Net cash from financing activities amounted to S\$3.23 million in FY2024. This was mainly due to proceeds from issue of convertible bonds of S\$3.3 million and a net increase in loan and trade financing of S\$4.36 million offset by payment of lease liabilities amounting to S\$3.37 million and purchase of treasury shares amounting to S\$0.82 million.



TOURING SUPERLEGGERA, AERO 3



# SUSTAINABILITY REPORT 2024

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# ABOUT THIS REPORT

This is the seventh sustainability report (the “**Report**”) from EuroSports Global Limited (“**EuroSports**” or the “**Company**”) and its subsidiaries (collectively, the “**Group**” or “**we**”). The Report provides an account of the Group’s Environmental, Social and Governance (“**ESG**”) performance on material topics.

## Reporting Period and Scope

The Report covers the sustainability performance of our operations in Singapore, where our customers and business activities are mainly located, for the financial year ended 31 March 2024 (the “**Financial Year**” or “**FY2024**”). Relevant comparisons would be made between the financial year ended 31 March 2023 (“**FY2023**”) and the financial year ended 31 March 2022 (“**FY2022**”) where appropriate.

## Reporting Framework

This Report has been prepared with reference to the Global Reporting Initiative (“**GRI**”) Standards. We have elected to use the GRI Standards as they are the most widely used and internationally acknowledged standards for sustainability reporting. The Report has also been prepared in accordance with the sustainability reporting requirements of Rules 711A and 711B of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

## Reporting Process

We have referred to the latest GRI Standards (GRI Universal Standards 2021) to identify the Group’s material ESG impacts. We have selected the relevant disclosures from the topic-specific GRI Standards for reporting based on the identified material topics. Our material topics and disclosures in this Report align with the GRI Standards.

## Report Content

In accordance with the GRI Standards, we applied the reporting principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability to ensure report quality. Data presented in the Report has been extracted from the Group’s internal information systems and records to ensure consistency, comparability, accuracy and verifiability.

## Task Force on Climate Related Financial Disclosures (“**TCFD**”) Recommendations - Comply or Explain

In compliance with Rules 711A and 711B of the Catalist Rules of SGX-ST, this Report describes the Group’s sustainability practices with reference to the six primary components on a ‘comply or explain’ basis. While EuroSports does not fall within the TCFD-identified industries prioritised for mandatory climate-related disclosures, we have included climate-related disclosures in this Report. We are still in the process of setting up our process for collecting and analysing more complex data on our climate-related risks and opportunities and our emissions data, and we will continue to monitor and periodically assess the need to include further climate-related disclosures in future sustainability reports.

# ABOUT THIS REPORT

## **Restatements**

We have not restated any data in this Report.

## **External Assurance**

Our current practice is to rely on internal verification to ensure the accuracy of ESG data. We have not obtained external assurance for this Report. However, the Report has been internally reviewed by independent Internal Auditors to ensure its reliability.

## **Availability**

This Report is published on 15 July 2024 as a part of our Annual Report, and is available for download in PDF format on our website at [www.eurosportsglobal.com](http://www.eurosportsglobal.com).

## **Feedback**

We welcome stakeholders' questions and feedback on this report. Email your comments or questions to: [sustainability@eurosportsglobal.com](mailto:sustainability@eurosportsglobal.com).



# ESG HIGHLIGHTS

ESG Performance Summary			
ESG FACTORS	FY2024	FY2023	FY2022
<b>ENVIRONMENTAL</b>			
Total electricity consumption (kWh)	644,149	684,714	769,166
Total energy consumption (GJ) <sup>1</sup>	3,637	3,377	3,797
Energy intensity (GJ/\$m revenue) <sup>2</sup>	145	55	69
Greenhouse gas (“GHG”) emissions (tCO <sub>2</sub> e) <sup>3</sup>	368	341	383
Emission intensity (tCO <sub>2</sub> e/\$m revenue) <sup>2</sup>	14.6	5.6	7.0
Office paper used (sheets)	129,039	211,236	152,494
Office paper use intensity (sheets/\$m revenue) <sup>2</sup>	5,137	3,469	2,773
Total non-hazardous waste disposal (tonnes) <sup>4</sup>	2,119	–	–
Non-hazardous waste disposal intensity (tonnes/\$m revenue) <sup>2,4</sup>	0.084	–	–
Water withdrawn (m <sup>3</sup> )	4,842	3,194	919
<b>SOCIAL</b>			
Total number of full-time employees	78	80	76
Percentage of female employees	31%	16%	28%
Number of new hires	27	29	20
Employee turnover rate	27%	39%	37%
Number of workplace fatalities	0	0	0
Number of high-consequence work-related injuries	0	0	0
Number of recordable workplace injuries	0	0	0
<b>GOVERNANCE</b>			
Board diversity: percentage of female directors	0%	0%	0%
Confirmed incidents of corruption	0	0	0
Incidents of non-compliance with the Personal Data Protection Act (“PDPA”)	0	0	0
Incidents of significant non-compliance with applicable regulations	0	0	0

**Notes:**

1. Energy data covers purchased electricity, petrol and diesel consumption.
2. During FY2024, the Group recorded approximately \$25.12 million (FY2023: \$60.88 million, FY2022: \$54.36 million) in revenue. The data is also used for calculating other intensity data.
3. Includes Scope 1 and Scope 2 GHG emissions. The emissions are attributed to electricity, petrol and diesel consumption.
4. Data recorded since FY2024.

# SUSTAINABILITY APPROACH

As an ultra-luxury car dealership business, our primary focus is on building and nurturing long-term, trusted relationships with our customers and brand partners. Our organisational values revolve around placing our customers at the forefront of everything we do. Consequently, we have established a strong culture and reputation for delivering exceptional pre-sales and after-sales service, ensuring that every customer interaction surpasses expectations and upholds the highest quality standards.

We also prioritise creating long-term value for our shareholders and stakeholders through sustained and responsible growth. In order to achieve this, we meticulously analyse, identify, prioritise, and address the most significant economic, social, environmental, and governance issues throughout our operations. This encompasses robust corporate governance, high ethical and integrity standards, data protection, environmental responsibility, and maintaining a friendly and safe workplace.

Reducing global GHG emissions is a collective responsibility shared by businesses across all industries and sectors. In 2017, we embarked on the electric motorcycle business to actively promote sustainable mobility in the regions where we operate. Our brand, Scorpio Electric, is dedicated to creating visually appealing and intelligent electric motorcycles that establish a symbiotic relationship with users while minimising the world's carbon footprint. By harmonising art and technology, we are able to craft high-quality, smart electric motorcycles, ushering in a new era of ultra-luxury, low-carbon transportation.

## Sustainability Governance

At EuroSports, the Board maintains oversight of sustainability and ESG reporting. Under the Board's guidance, the Deputy Chief Executive Officer ("**DCEO**") is responsible for implementing the sustainability strategy. The DCEO leads the Sustainability Management Committee, which is tasked with developing sustainability policies and programmes, setting targets, and monitoring performance. A dedicated sustainability reporting team supports the Sustainability Management Committee by monitoring, collecting and verifying sustainability data. The Sustainability Management Committee holds a meeting with the Board at least once a year to report the Group's management of its impacts on the economy, environment, and people.

## Our ESG Policies

We pursue policies that enable us to operate with responsibility and make a positive contribution to our business and stakeholders. Some of our policy approaches are described below.

### Sustainability Reporting Policy

EuroSports is committed to providing timely, transparent, and relevant sustainability reporting that meets the guidelines set forth by SGX-ST and the GRI Standards. We believe in accountability for our material ESG impacts and will measure and report these impacts annually. Our reporting will be subject to internal audits to ensure its accuracy and credibility. We will engage in regular dialogue with our stakeholders, keeping them informed about our progress and inviting their feedback to continually improve our sustainability performance and reporting practices. This policy will help us drive sustainable growth, mitigate risks, and enhance our reputation, contributing to the long-term success of the Group.

## BOARD STATEMENT

At EuroSports, the Board of Directors (the "**Board**") is fully committed to fostering sustainable growth for the Group and driving the development of effective sustainability strategies. In formulating these strategies, the Board takes into account sustainability issues, risks, opportunities, and stakeholder expectations while also identifying the material ESG factors for sustainability reporting. Additionally, the Board provides oversight of the management and monitoring of these material ESG factors through regular reviews of the Group's sustainability performance.

The Management is responsible for establishing sustainability policies, processes, practices and targets and implement sustainability strategies and monitoring progress.

This Report has been reviewed and endorsed by the Board.

# SUSTAINABILITY APPROACH

## Environmental Stewardship Policy

EuroSports commits to preserving the planet's natural resources and mitigating its environmental footprint. We will optimise energy use, manage waste responsibly, source sustainable products, and work with stakeholders to promote environmentally friendly practices. Our objective is to ensure a significant percentage of the vehicles we sell meet the relevant emissions and sustainability standards, thereby reducing GHG emissions and fuel consumption associated with our operations.

## Human Resources Policy

EuroSports is committed to promoting a fair, inclusive, and diverse work environment where every individual is respected and valued. We ensure compliance with all local labour laws and regulations by offering competitive remuneration and benefit packages and fostering opportunities for career development and growth. Our hiring process is transparent and non-discriminatory, adhering to the principle of equal opportunity regardless of race, gender, religion, age, disability, or sexual orientation. We advocate for work-life balance, and we uphold our responsibility to address any instances of workplace harassment or discrimination promptly and effectively. This policy affirms our commitment to our employees' welfare and our dedication to cultivating a positive, dynamic and engaging work culture at EuroSports.

## Occupational Health and Safety Policy

EuroSports prioritises the safety and well-being of its employees above all else. We will ensure a safe working environment by adhering to health and safety regulations, conducting regular safety training, and implementing preventive measures against potential hazards. Our goal is to create a zero-harm culture that safeguards our staff, customers, and the communities we operate in.

## Anti-Corruption Policy

EuroSports maintains a zero-tolerance policy towards all forms of bribery and corruption. We are committed to transparent business practices, as outlined in the Group's "Code of Conduct and Ethics", which covers areas such as competition and anti-trust legislation, bribery, gifts, gratuities, donations, fraud, and conflicts of interest. Additionally, we have implemented a whistle blowing policy, complete with procedures and contact information. Any breaches of this policy will be thoroughly investigated and addressed to uphold our reputation as a trustworthy organisation.

## Personal Data Protection Policy

EuroSports respects the privacy of our customers, employees, and stakeholders. We are committed to managing and protecting personal data responsibly, complying with all applicable data protection laws, such as Singapore's PDPA, and employing best practices for data security. We will ensure that the personal information collected is relevant and limited to what is necessary for our business purposes, and that it is stored securely and disposed of when no longer needed.



# STAKEHOLDERS

At EuroSports, we prioritise ongoing engagement and cultivating trusted relationships with our stakeholders. We recognise that our operations can impact various stakeholders as well as be influenced by their actions. Therefore, we actively engage with a wide range of stakeholders, including customers, business partners, employees, governments and regulators, local communities, media, and investors and shareholders.

Our approach is centred around active listening, as we strive to comprehend the concerns, expectations, needs, and desires of our stakeholders. By fostering constructive interactions, we gain valuable insights that enable us to anticipate future market trends and risks. This, in turn, empowers us to make informed business decisions that align with our organisational objectives and the interests of our stakeholders and shareholders.

Of particular significance is our proactive engagement with our customers and brand partners. This collaborative engagement enables us to continuously enhance our product offerings and service quality, ensuring that we meet and exceed their expectations.

The ways we engage with our stakeholders and address their expectations are summarised below.

Stakeholders	Expectations	Engagement Methods	Management Commitments
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Comprehensive product information.</li> <li>• Test drive opportunities.</li> <li>• Timely delivery of cars in pristine condition.</li> <li>• Prompt complaint resolution.</li> <li>• Prompt, reliable and high-quality after-sales service.</li> </ul>	<ul style="list-style-type: none"> <li>• Sales and marketing activities.</li> <li>• Product briefings, showroom demonstrations, and test drives.</li> <li>• Post-purchase customer engagement.</li> <li>• Customer social events, driving trips, and car clubs and associations.</li> <li>• Ongoing digital communication.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide comprehensive product information.</li> <li>• Frequent customer engagement.</li> </ul>
<b>Business Partners</b> – Vehicle Manufacturers or Original Equipment Manufacturers (“OEMs”)	<ul style="list-style-type: none"> <li>• Long-term partnership.</li> <li>• Financial resilience.</li> <li>• Logistics capabilities.</li> <li>• Sustainable growth in business.</li> <li>• An experienced management team and service professionals.</li> <li>• Management reputation.</li> <li>• Capabilities to deliver the brand promise.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular visits and meetings.</li> <li>• Product launches and promotions.</li> <li>• Trade shows.</li> </ul>	<ul style="list-style-type: none"> <li>• Hold regular meetings.</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Competitive wages and benefits.</li> <li>• Learning and development opportunities.</li> <li>• Respect and recognition.</li> <li>• Workplace safety, health and well-being.</li> <li>• Job satisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular meetings and briefings.</li> <li>• Product training.</li> <li>• Performance appraisal.</li> </ul>	<ul style="list-style-type: none"> <li>• Review employment benefits.</li> </ul>

# STAKEHOLDERS

Stakeholders	Expectations	Engagement Methods	Management Commitments
<b>Governments and Regulators</b>	<ul style="list-style-type: none"> <li>Regulatory compliance.</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory filings.</li> <li>Responding to requests for information.</li> <li>Inspections and audits.</li> </ul>	<ul style="list-style-type: none"> <li>Enforce proper policies and procedures to ensure compliance.</li> </ul>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>Support for social causes.</li> <li>Responsible corporate citizenship.</li> </ul>	<ul style="list-style-type: none"> <li>Charity and fundraising events.</li> </ul>	<ul style="list-style-type: none"> <li>Participate in on-going local community social initiatives.</li> </ul>
<b>Media</b>	<ul style="list-style-type: none"> <li>Timely information about new product launches and key developments.</li> <li>Exclusive interviews and briefings.</li> </ul>	<ul style="list-style-type: none"> <li>Interviews.</li> <li>Trade shows.</li> <li>Press releases.</li> </ul>	<ul style="list-style-type: none"> <li>Promptly publicise material information through press releases or SGXNet.</li> </ul>
<b>Investors and Shareholders</b>	<ul style="list-style-type: none"> <li>Good governance.</li> <li>Sustainable business growth.</li> <li>Consistent dividends.</li> <li>Disclosure and transparency.</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meeting ("AGM").</li> <li>Company website.</li> </ul>	<ul style="list-style-type: none"> <li>Publicise important announcements through SGXNet and the company website.</li> <li>Offer opportunities for shareholders to ask written questions prior to the AGM at least 7 calendar days after the publication of the AGM notice.</li> <li>Encourage shareholders to attend the AGM where resolutions will be voted and interact with the Directors and senior management.</li> </ul>

## Association Memberships

We actively participate in the activities of relevant trade and industry associations to share knowledge, maximise our networking opportunities and access the latest information regarding industry trends, policies and regulations. Our key association memberships are listed below:

- Motor Traders Association of Singapore
- Hire Purchase Finance and Leasing Association of Singapore
- Singapore Commercial Credit Bureau

# MATERIALITY

EuroSports recognises the importance of identifying and managing our most significant ESG impacts, risks, and opportunities. Our sustainability strategy is designed to address these material issues associated with our business operations, in line with the GRI Standards.

Since our first comprehensive materiality assessment in 2017, we have conducted annual reviews of our material ESG topics. Throughout this process, we refer to GRI's materiality standards and the guidance provided by SGX-ST for conducting our assessments. When evaluating our ESG issues, we take into account several factors. These include legislative requirements, sustainability trends specific to the luxury car dealership industry, broader developments within the automobile sector, emerging customer preferences, and the views and expectations of our stakeholders.

Although we operate from rented premises, limiting our control over building energy efficiency improvements, we remain committed to monitoring and reporting on our electricity consumption and associated carbon emissions.

Engagement with our primary stakeholders is a continuous process, as we actively seek their views and feedback to inform our material ESG issues. Stakeholders such as customers, partners, and regulators play a crucial role in providing insights. These insights are frequently discussed in our management meetings, allowing us to develop appropriate responses and determine the material topics for inclusion in our sustainability reporting.

Compared to FY2023, we have included new material topics, such as climate risks and opportunities, GHG emissions, energy consumption, waste management, training and education, customer health and safety, employment practices, diversity and equal opportunity, and economic performance. These material topics were added due to evolving priorities, changing stakeholder expectations, and heightened awareness of important ESG issues.

## Our Material ESG Factors

An overview of the material ESG factors discussed in this Report is as follows:

Material Factors	Where the Impact Occurs	Management Approach
<b>ENVIRONMENTAL</b>		
Climate Risks and Opportunities	Consumption of utilities and sale of vehicles with internal combustion engines ("ICEs").	Minimise energy consumption and diversify our product portfolio with green mobility solutions.
GHG Emissions	Consumption of utilities and the sale of vehicles with ICEs.	Minimise energy consumption and diversify our product portfolio with green mobility solutions.
Energy Consumption	Electricity used in offices, showrooms and workshops, and fuel consumption in cars for test drives.	Minimise energy consumption within our operations.
Paper Consumption	In our offices, for printing documents and forms.	Reduce, reuse and recycle paper. Digitalisation of processes to reduce paper use.
Waste Management	Paper waste in our offices, hazardous and non-hazardous waste produced during vehicle servicing.	Reduce paper consumption and send hazardous waste to qualified third parties for further processing.

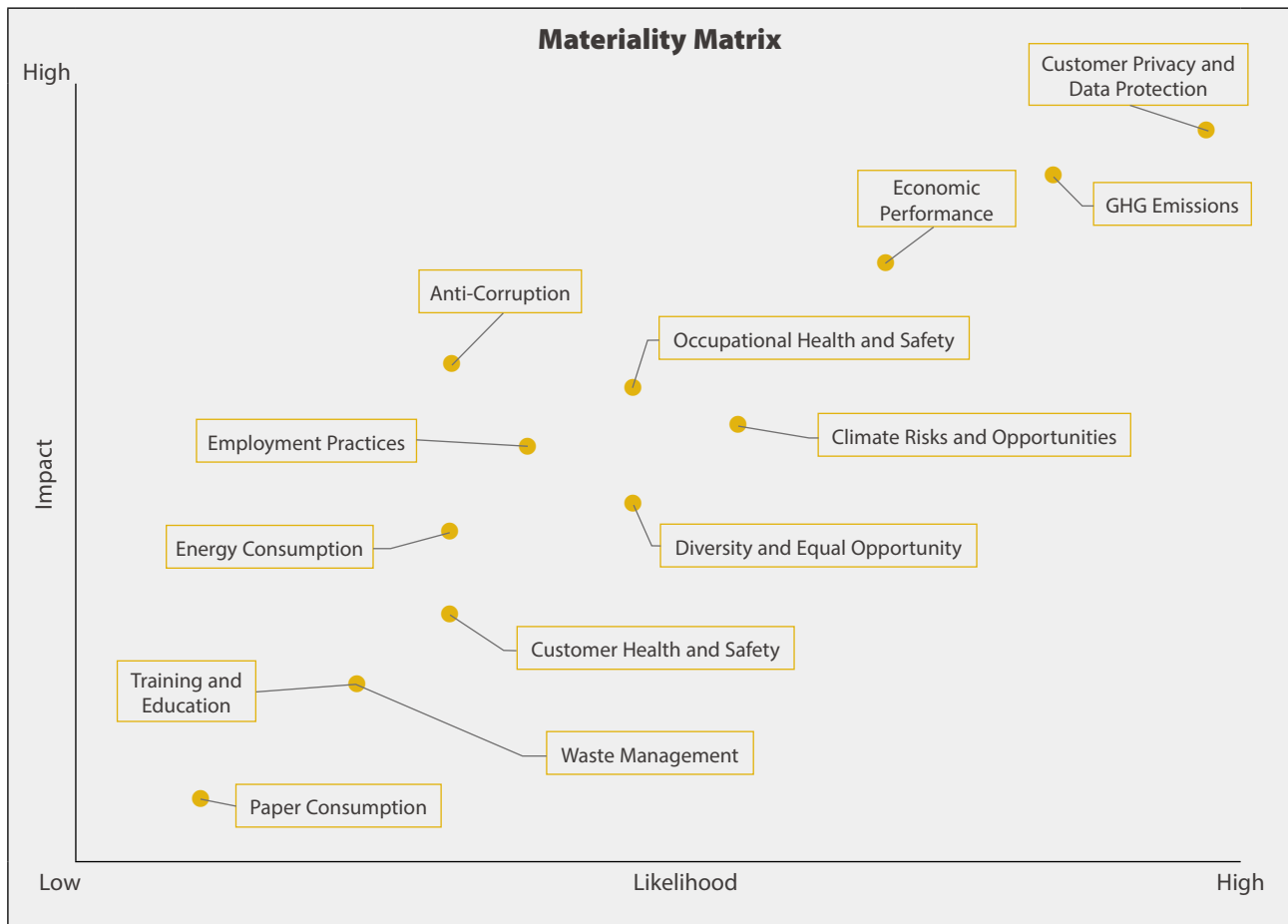


# MATERIALITY

Material Factors	Where the Impact Occurs	Management Approach
<b>SOCIAL</b>		
Occupational Health and Safety	Showrooms, workshops and test drives.	Implement systems and processes to ensure safe working practices.
Training and Education	In all of our operating locations.	Schedule regular training sessions for employees.
Customer Health and Safety	Test drive sessions.	Implement systems and processes to ensure safe test drive procedures.
Employment Practices	In all of our operating locations.	Implement systems and processes to ensure strict compliance with national employment laws and adherence to our core values.
Diversity and Equal Opportunity	In all of our operating locations.	Implement systems and processes to ensure strict compliance with national employment laws and adherence to our core values.
<b>GOVERNANCE</b>		
Anti-Corruption	In our dealings with brand partners, suppliers and stakeholders.	Maintain zero tolerance for corruption, bribery and fraud.
Customer Privacy and Data Protection	In managing customer and employee personal data.	Protect and safeguard all personal data in our possession.
<b>ECONOMIC</b>		
Economic Performance	Revenue from all of our business operations.	Develop green mobility solutions and diversify our product portfolio.

# MATERIALITY

To prioritise the identified material ESG issues, we conducted a materiality assessment survey during FY2024. Various stakeholders were invited to evaluate the significance of the identified ESG issues to the Group in terms of likelihood and impact. Based on the results of the survey, we analysed and prioritised the material topics and compiled the following materiality matrix:



# CUSTOMERS

**Our motto of “Walk in as a Customer, Walk out as a Friend” remains our core guiding principle.**

Our customers consist of ultra-high-net-worth individuals with discerning lifestyle needs who demand exceptional service, support, and personalised attention. We continually invest in nurturing trusted relationships with each customer, and our teams tirelessly strive to surpass their expectations, resulting in a loyal customer base.

## **Enhancing the Customer Experience**

As a purveyor of luxury supercars, our foremost priority is to provide flawless service and an unparalleled experience to our customers. We extend our support throughout their entire journey, recognising that it extends beyond the mere act of purchase. We actively engage with our customers before, during, and after the sale to ensure their utmost satisfaction. We understand that connoisseurs of luxury brands value and appreciate splendid design, superior driving dynamics, advanced technology, exquisite craftsmanship, and exceptional build quality. Therefore, our service standards align with the highest quality benchmarks that define the supercars we offer.

## **Customer Health and Safety**

As our main business segment involves the distribution of automobiles, protecting the health and safety of our customers has always been our top priority. During FY2024, no significant product and service categories for which health and safety impacts were assessed for improvement. There were also no incidents of non-compliance with regulations concerning the health and safety impacts of our products and services resulting in a fine, penalty, or warning, nor incidents of non-compliance with voluntary codes. We have also established proper procedures for test drives to minimise potential injuries and accidents.

## **Fostering Personal Relationships**

We cultivate intimate relationships with our customers by demonstrating genuine care. Regularly, we invite our customers to participate in engaging dialogues over meals and social events we organise throughout the year. These frequent interactions serve as friendly opportunities for our customers to share their feedback on our products and services, which play a vital role in our business development approach. Additionally, we express our care by commemorating important anniversaries and birthdays with thoughtful gestures such as sending flowers or cakes.

## **Dedicated Customer Service**

Our policy mandates that any concerns or issues raised by our customers receive immediate attention from senior management executives, ensuring swift resolutions. Our dedicated Customer Relations Managers undergo extensive training to provide personalised service to each customer.

## **Round-the-Clock Assistance**

We offer 24/7 roadside assistance to our customers, ensuring prompt and efficient support in case of accidents or mechanical issues. Our highly skilled technicians are always ready to provide timely vehicle recovery.

## **Exemplary After-Sales Service**

As the exclusive authorised service centre in Singapore for all the automobile brands in our portfolio, we approach after-sales service with the utmost seriousness. To guarantee top-quality and reliable after-sales services, including the sale of automobile parts and accessories, we work closely with our brand partners Lamborghini and Touring Superleggera. Our comprehensive range of services encompasses maintenance, cleaning, repair, breakdown assistance, and the sale of genuine automobile parts and accessories. Operated by a team of specialist technicians, mechanics, and service advisers trained by Lamborghini, our factory-authorised Lamborghini service centre ensures impeccable service and unmatched quality.

## **Authentic Spare Parts**

We maintain an ample inventory of genuine spare parts for the models we sell, ensuring that our customers can enjoy the full experience of their cars without any disruptions. Genuine spare parts guarantee optimal performance, quality, and safety for their automobiles.



# CUSTOMERS

**Our motto of “Walk in as a Customer, Walk out as a Friend” remains our core guiding principle.**

## Pre-Owned Cars

In addition to selling new models, we maintain a fleet of pre-owned Lamborghini cars that strictly adhere to the Lamborghini Quality Program, guaranteeing the highest standards of quality and reliability.

## Training and Education

We consider it crucial for drivers of high-performance supercars to possess the necessary skills to safely enjoy their vehicles on public roads. Hence, we organise training sessions and field trips to educate our customers on the proper handling of their vehicles.

## Financing Services

Whether customers choose to lease or purchase a Lamborghini, we offer assistance in finding suitable financing options. Through our partnership with Lamborghini Financial Services, we provide flexible leasing and financing solutions for customers who wish to own a Lamborghini without an outright purchase.

## Unwavering Professional Standards

We uphold the highest trade standards by maintaining complete transparency in all our transactions with customers and partners across our business operations.

## Customer Privacy and Data Protection

At EuroSports, we are fully committed to safeguarding the privacy and protecting the personal data of our customers. We recognise the importance of maintaining the confidentiality and security of sensitive information. Our commitment to personal data protection is evident in our strict adherence to Singapore’s PDPA. We have implemented robust measures and comprehensive safeguards to ensure the integrity and confidentiality of our customers’ and employees’ data. Our target is to have zero breaches of personal data.

There were no substantiated complaints concerning breaches of customer privacy or losses of customer data during the Financial Year.

Ongoing Target	FY2024 Performance
No incidents of non-compliance with PDPA	Zero cases of PDPA non-compliance

# CLIMATE-RELATED DISCLOSURES

## Governance

The Board has considered sustainability issues in the Group's business and strategy, determined the material ESG factors and overseen the management and monitoring of the material ESG factors. The Board oversees the Sustainability Management Committee and ensures that the Group remains compliant with all reporting requirements under the Catalist Rules as well as other applicable rules and regulations in Singapore, while the Sustainability Management Committee ensures all strategies, policies and practices have been incorporated to strengthen its sustainability performance and reports to the Board on all sustainability matters. Further details concerning our sustainability governance structure can be found under the section entitled "Sustainability Governance".

## Strategy

We recognise the importance of identifying climate-related issues and mitigating the related risks and are thus committed to managing the potential climate-related risks that may impact the Group's business activities. For the purpose of this Report, across each category of climate-related risk, we have identified the relevant climate risks based on the following time horizons:

- Short-term: Up to the year 2030.
- Medium-term: From the year 2031 to 2040.
- Long-term: From the year 2041 to 2050.

Our climate-related risks mainly stem from the following dimensions:

### Physical Risks

#### *Acute*

Singapore, due to its geographical location, is typically shielded from most natural disasters. However, the increasing frequency and severity of extreme weather occurrences, such as storms and heavy rains leading to floods, can disrupt operations by damaging the power grid and surrounding infrastructure, hampering and injuring our employees during their commute, and requiring reschedules for test drives with clients. To minimise the potential risks and hazards, we regularly monitor weather conditions and take precautionary measures during bad or extreme weather conditions.

#### *Chronic*

With the rise of global mean temperatures, we face a decrease in work efficiency and increased electricity prices for air conditioning. To ensure the best working conditions for employees, we provided sufficient water, installed heating, ventilation and air conditioning (HVAC) systems in all of its facilities and ensured adequate ventilation and cooling.

### Transition Risks

#### *Reputation and Market*

As Singapore plans to phase out vehicles with ICE engines by 2040, the Group anticipates that there will be a shift in consumer preferences for electric vehicles, and that may impact the Group's revenue due to reduced demand in the long term. To remain competitive over the long run, we are committed to researching and developing more environmentally friendly alternatives to enhance and diversify our product portfolio, such as the maxi-scooter electric motorcycle Scorpio Electric X1.

#### *Policy and Legal*

We anticipate that there will be more stringent climate regulations to support the global vision of carbon neutrality, such as the increasingly stringent requirements on climate-related information disclosures and environmental laws and regulations, which lead to increasing operation and compliance costs. In response, we regularly monitor existing and emerging climate-related trends, policies and regulations and are prepared to alert management where necessary to avoid cost increments, non-compliance fines or reputational risks arising from delayed responses.

# CLIMATE-RELATED DISCLOSURES

## Opportunities

### *Green mobility solutions*

Our recent launch of the Scorpio Electric X1 marked a significant milestone, propelling us into the electric motorcycle arena. However, this is merely the beginning. In response to the increasing demand for green mobility solutions, following the launch of the Scorpio Electric X1, we have been developing other electric motorcycle models and unveiled the Alpha and Xi models at EICMA (Esposizione Internazionale Ciclo Motociclo e Accessori) 2023, the International Motorcycle and Accessories Exhibition in Milan. By embracing green mobility, we not only ride the wave of change but also contribute to a cleaner, more sustainable future.

We are still in the process of setting up the mechanism for analysing climate-related risks and opportunities, taking into consideration a transition to a lower-carbon economy consistent with a 2°C or lower scenario and, where relevant, scenarios consistent with increased physical climate-related risks. We will continue to refine our data collection and analysis processes for the preparation of future sustainability reports.

## **Risk Management**

The Sustainability Management Committee first identifies and assesses possible climate-related risks and opportunities that are relevant to the Group, then revises and receives approval for the disclosure of the estimated climate risks and effects from the Board. There is ongoing dialogue within the Group regarding current and emerging risks, as well as their plausible impact and mitigation measures. Climate-related risks are identified and managed as part of our enterprise risk management (ERM) system.

In response to climate-related risks and opportunities, we implemented the corresponding targets and measures to mitigate potential climate-related physical and transition risks. The related targets and measures can be found in the sections entitled “Metrics and Targets” and “Strategy” respectively.

## **Metrics and Targets**

The table below shows the measured metrics used by the Group to assess climate-related risks and opportunities in line with its strategy and risk management process. The Group will continue to expand its scope of measurement and reporting regarding its operational metrics in the future.

Metric	Unit	Reference Page
GHG Emissions (Scope 1 and 2)	tCO <sub>2</sub> e	32
Total GHG Emissions	tCO <sub>2</sub> e	32
GHG Emission Intensity	tCO <sub>2</sub> e/\$m revenue	32
Total Electricity Consumption	kWh	37
Total Energy Consumption	GJ	33

The principal GHG emissions produced by the Group were from diesel and petrol consumption (Scope 1) and purchased electricity (Scope 2).

### Scope 1- Direct GHG Emissions

Diesel and petrol consumption accounted for the direct GHG emissions produced by the Group. Due to our business nature, GHG emissions from test drives and transportation are unavoidable. Nevertheless, the Group has implemented the following measures to reduce its direct GHG emissions:

- Select vehicles with efficient fuel consumption;
- Regularly inspect and maintain vehicles to optimise performance and engine efficiency; and
- Closely monitor vehicles with heavy emissions.

# CLIMATE-RELATED DISCLOSURES

## Scope 2 – Energy Indirect GHG Emissions

Electricity consumption accounted for the energy indirect GHG emissions produced by the Group. The Group's energy conservation measures are set out in the section entitled "Energy Consumption".

During FY2024, the Group's GHG emission intensity increased drastically compared to FY2023. The increase was mainly due to a significant decrease in the Group's revenue. The Group is currently strengthening its data collection mechanism and will continue to expand its reporting scope and include Scope 3 - Other Indirect GHG Emissions in the future.

The Group's GHG emission performance was as follows:

Types of GHG Emissions <sup>5</sup>	Unit	FY2024	FY2023
Scope 1 - Direct GHG Emissions <ul style="list-style-type: none"> <li>Petrol consumption</li> <li>Diesel consumption</li> </ul>	tCO <sub>2</sub> e	100	63
Scope 2 - Energy Indirect GHG Emissions <ul style="list-style-type: none"> <li>Purchased electricity</li> </ul>	tCO <sub>2</sub> e	268	278
<b>Total GHG Emissions</b>	<b>tCO<sub>2</sub>e</b>	<b>368</b>	<b>341</b>
<b>GHG Emission Intensity</b>	<b>tCO<sub>2</sub>e/\$m revenue</b>	<b>14.6</b>	<b>5.6</b>

### Note:

5. GHG emissions data is presented in terms of tonnes of carbon dioxide equivalent and is based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard" issued by the World Resources Institute and the World Business Council for Sustainable Development, the "Global Warming Potential Values" from the IPCC Sixth Assessment Report (AR6) and the "Singapore Energy Statistics 2023 - Chapter 2: Energy Transformation" issued by the Energy Market Authority of Singapore.

In the short term, the Group has set a target in FY2024 to reduce its Scope 1 and 2 emissions by 15% by 2030, using FY2024 as the baseline year. FY2024 is chosen as the base year as there were no major acquisitions or disposals during FY2024, and it reflects the typical emission profile of the Group for Scope 1 and 2 emissions. Further medium- and long-term target commitments will be included after expanding the Group's reporting scope and including Scope 3 emissions in the future.



# ENVIRONMENT

We are committed to conducting our business in an environmentally responsible manner.

## Environmental Stewardship

At EuroSports, we remain committed to minimising the environmental impact of our car dealership business. We proactively implement various measures to ensure that our operations remain environmentally sustainable. This includes embracing energy-saving practices, waste reduction, water conservation, and minimising paper use while complying with relevant environmental regulations.

## Energy Consumption

Our energy consumption primarily stems from electricity usage in our showrooms, servicing workshops, offices, and the fuel consumed during test drives. Additionally, certain equipment in our maintenance and repair workshops also contributes to energy consumption.

While we operate within rented properties, limiting our control over building energy management, we strive to save energy wherever possible. At our head office and Leng Kee Road showroom, we have installed energy-efficient LED lights and motion sensors to conserve electricity. Furthermore, we foster environmental awareness among our employees by educating them on effective energy and resource conservation practices, including optimising lighting, air-conditioning, and presentation equipment usage when motion sensors are not available.

During FY2024, the Group's energy consumption intensity increased drastically compared to FY2023. The increase was mainly due to a significant decrease in the Group's revenue. The Group will continue to promote measures to reduce energy consumption in the future.

The Group's energy consumption performance was as follows:

Types of Energy <sup>6</sup>	Unit	FY2024
Non-Renewable Energy Consumption <ul style="list-style-type: none"> <li>Petrol consumption</li> <li>Diesel consumption</li> </ul>	GJ	1,318
Electricity, Heating, Cooling, and Steam Purchased for Consumption <ul style="list-style-type: none"> <li>Purchased electricity</li> </ul>	GJ	2,319
<b>Total Energy Consumption</b>	<b>GJ</b>	<b>3,637</b>
<b>Energy Consumption Intensity</b>	<b>GJ/\$m revenue</b>	<b>145</b>

### Note:

6. The unit conversion method for energy consumption data is formulated based on the "Energy Statistics Manual" issued by the International Energy Agency.

## Addressing Climate Change

The urgency to combat climate change, as warned by scientists, requires immediate action to mitigate its catastrophic effects. The Paris Agreement, a global climate accord, sets goals to limit the global temperature rise to well below 2 degrees Celsius and strive for a 1.5-degree Celsius increase by 2030 compared to pre-industrial levels. Achieving net-zero emissions by 2050 necessitates deep decarbonisation efforts in economies worldwide. Governments and businesses are taking steps towards emissions reduction and a transition to a lower-carbon economy.

# ENVIRONMENT

**We are committed to conducting our business in an environmentally responsible manner.**

We acknowledge that climate mitigation measures will significantly impact the automobile industry. For instance, the International Energy Agency's Roadmap to Net Zero suggests that by 2030, 60% of global car sales should consist of electric vehicles, along with 50% of heavy truck sales, ultimately leading to the absence of new ICE cars from 2035 onwards to achieve net-zero emissions by 2050.

In Singapore, the government aims to have 100% cleaner energy vehicles by 2040. It has implemented measures to promote such vehicles, including the cessation of new registrations of diesel cars and taxis starting in 2025 and requiring all new car and taxi registrations to be of cleaner-energy models by 2030.

Our Scorpio Electric project is strategically positioned to tap into the rising demand for sustainable mobility solutions.

## Fuel and Energy Consumption in our Value Chain

Ultra-luxury supercars and sports cars are renowned for their performance, which may result in higher fuel consumption compared to conventional vehicles. As a distributor, we have limited control over the fuel efficiency of these vehicles. However, our brand partner Automobili Lamborghini is committed to a sustainability path, from product electrification to the Sant'Agata Bolognese site. Lamborghini's product range will be fully electrified by 2024, and the first fully electric Lamborghini is slated to launch in the second half of the decade. In terms of manufacturing processes, Automobili Lamborghini has achieved carbon neutrality in its entire production facility and aims to reduce product CO<sub>2</sub> emissions by 50% by 2025. The company also uses water-based paints for 95% of its colour range and employs a centralised scrubber system to minimise solvent emissions while recovering heat from the production process. Advanced air-misting paint systems allow for significantly reduced paint waste, with around 80% of the paint applied to vehicles compared to approximately 40% in conventional systems.

## Paper Reduction

We actively promote paper reduction within our offices. We encourage employees to use paper judiciously, print on both sides, and prioritise reuse and recycling. Embracing digital communication methods extensively helps us reduce our paper requirements. We only purchase sustainably sourced office paper.

During FY2024, we used approximately 129,039 sheets (FY2023: 211,236 sheets) of office paper, which amounted to approximately 5,137 sheets/\$m revenue (FY2023: 3,469 sheets/\$m revenue). The decrease in paper usage was mainly due to the effectiveness of our paper conservation measures. We will monitor paper usage to minimise the amount of paper we use and maximise recycling of used paper.

## Scorpio Electric Pte. Ltd. - Scorpio Electric

Scorpio Electric Pte. Ltd. is a Singapore-based electric motorcycle manufacturer focusing on design, performance, and technology. We aim to be a global brand and technology innovator in the two-wheel electric space. We seek to be at the forefront of sustainable mobility adoption by reducing carbon emissions.

Scorpio Electric is focused on developing sleek and premium electric motorcycles that share a symbiotic relationship with the user through smart capabilities, enabling the urban eco-conscious individual to transition to a cleaner and higher quality of life.

Accelerating climate change, driven by the surge in global greenhouse gas emissions, demands urgent action. Transportation plays a pivotal role, contributing up to 16% of these emissions, according to the World Resources Institute. With our roots in Singapore, Scorpio Electric is committed to pioneering change through innovative smart electric motorcycles. Our goal is not only to reduce carbon footprints but also to enhance the quality of life, particularly in emerging markets, by promoting cleaner and more sustainable transportation options.

# ENVIRONMENT

We are committed to conducting our business in an environmentally responsible manner.

Current Target	FY2024 Performance
5% reduction as compared to FY2023 performance	Achieved, paper consumption reduced by approximately 39% in FY2024.

The Group has set a target in FY2024 to reduce paper consumption by 5% for the financial year ending 31 March 2025, using FY2024 as the baseline year.

## Waste

### Hazardous Waste

EuroSports has established internal policies and implemented systems designed to comply with government waste disposal requirements. During FY2024, the quantity of hazardous waste generated was minimal. Nonetheless, all hazardous waste generated was disposed of and transported in accordance with relevant regulations and environmental standards.

The Group has set an ongoing target in FY2024 to maintain zero incidents of non-compliance with environmental laws or regulations concerning hazardous waste disposal every year.

### Non-Hazardous Waste

Our major sources of non-hazardous waste were office paper and general waste generated from our daily operations. EuroSports believes that responsible waste management helps preserve the environment in which it operates and is thus committed to improving its waste management process. We attach great importance to paper disposal reduction and mitigation and have thus adopted a list of measures and procedures to minimise the amount of paper usage, including but not limited to recycling and reusing one-side printed waste paper where applicable, placing recycling bins in office areas to encourage employees' recycling habits, and encouraging the usage of electronic copies when and where applicable. EuroSports endeavours to increase awareness of waste management and environmental protection among its employees. Through the implementation of the above measures, employee awareness of reducing waste disposal has increased.

During FY2024, the Group's non-hazardous waste disposal intensity was approximately 0.084 tonnes/\$m revenue. The Group will continue to promote measures to reduce waste production in the future.

The Group's non-hazardous waste disposal performance was as follows:

Types of Non-Hazardous Waste	Unit	FY2024
General Waste	tonnes	1.475
Paper Waste	tonnes	0.644
<b>Total Non-Hazardous Waste Disposal</b>	<b>tonnes</b>	<b>2.119</b>
<b>Non-Hazardous Waste Disposal Intensity</b>	<b>tonnes/\$m revenue</b>	<b>0.084</b>

The Group has set an ongoing target in FY2024 to maintain zero incidents of non-compliance with environmental laws and regulations concerning non-hazardous waste disposal every year.

# ENVIRONMENT

We are committed to conducting our business in an environmentally responsible manner.

## Sustainability Highlights at our Brand Partner Automobili Lamborghini

- The Lamborghini Revuelto was launched in March 2023 as Lamborghini's first hybrid series production car. By the end of 2024, the entire range will be electrified, beginning with the Urus SE in April 2024, the first hybrid plug-in version of the Lamborghini Super SUV, followed by the successor to the Huracán.
- Target to launch the first fully electric Lamborghini in the second half of the decade.
- In July 2022, Lamborghini Squadra Corse obtained ISO 20121 certification for the first sustainable event of the Super Trofeo Europe, which took place in Misano.
- For the third year in a row, Automobili Lamborghini received the Sustainability Champion 2023-2024 Award, formerly the Green Star Award, which is bestowed every year by the ITQF (German Institute for Quality and Finance) to the companies most committed to ESG strategies. The Sustainability Champion Award is an evolution of the Green Star Award: unlike its predecessor, which focused solely on sustainability, the new certification pays attention to all ESG issues and assesses companies' ESG impacts.
- In May 2021, Lamborghini signed an agreement with ÖBB Rail Carg to deliver Urus body shells from the Volkswagen facility in Zwickau, Germany, to Lamborghini headquarters in Sant'Agata Bolognese via a sustainable route that reduces CO<sub>2</sub> emissions by 85%.
- Siàn, Lamborghini's first hybrid super sports car, won in the category Electric Car of the Year at the Top Gear UK's Electric Awards 2021.
- In 2020, Lamborghini launched two recycling and regeneration projects that have since turned production leftovers into new resources for the community and the environment. In 2021, 51% of production leftovers were reused and recycled.
- Automobili Lamborghini's factory and historic headquarters have been certified carbon-neutral since 2015.
- Lamborghini became the first and only EMAS (Eco-Management and Audit Scheme) certified automotive company in Italy in 2009.
- The first automotive company in Italy to use a district heating system and avoided approximately 1,800 tons of CO<sub>2</sub> emissions every year.
- Target to reduce product CO<sub>2</sub> emissions by 50% by the beginning of 2025.
- 95% of the colours used in the paint shop are water-based and utilise E-Cube technology, which allows overspray to be captured during the painting process.

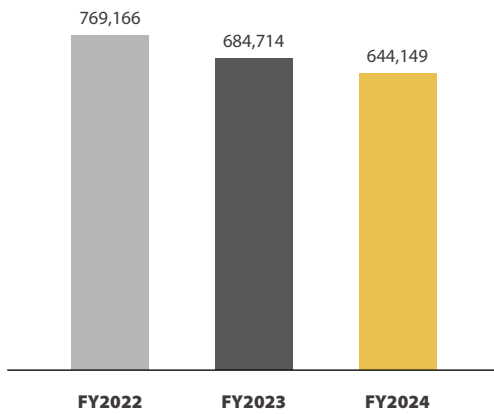


# ENVIRONMENT

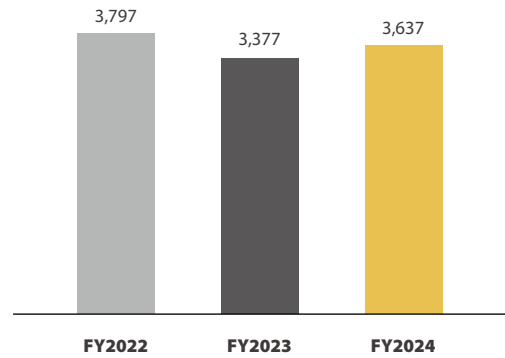
We are committed to conducting our business in an environmentally responsible manner.

## Our Environmental Performance

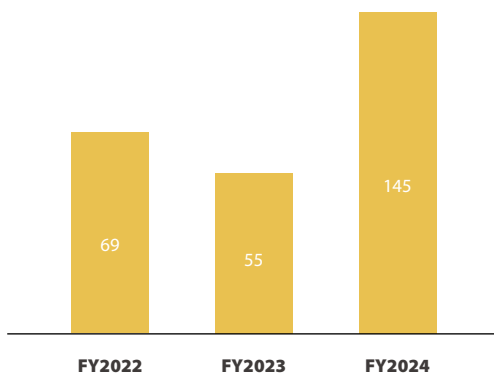
**Electricity Consumption (kWh)**



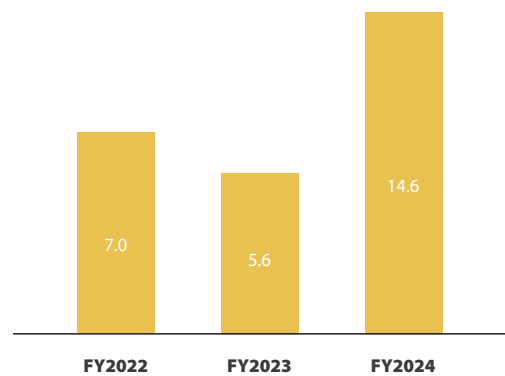
**Energy Consumption (GJ)  
Electricity, Petrol and Diesel**



**Energy Consumption Intensity  
(GJ/\$m revenue)**

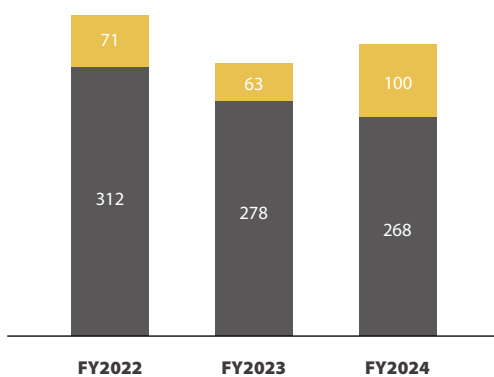


**GHG Emission Intensity  
(tCO<sub>2</sub>e/\$m revenue)**

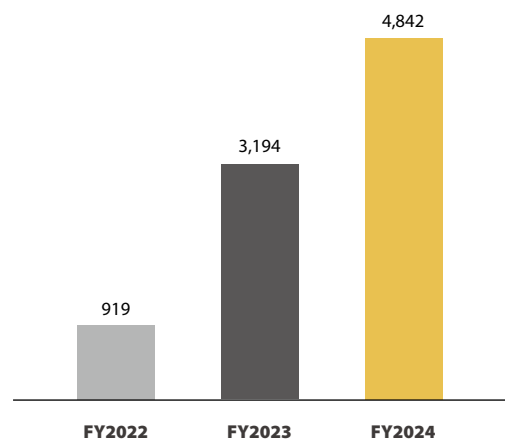


**GHG Emissions (tCO<sub>2</sub>e)**

● Scope 1 emissions ● Scope 2 emissions



**Water Withdrawn (m<sup>3</sup>)**



# PEOPLE

## Employee Composition

At EuroSports, we are committed to maintaining a safe, friendly, and empowering workplace environment that enables our people to grow, perform and thrive. Our employees share a common passion for ultra-luxury automobiles and lifestyle products, as well as a commitment to delivering the highest quality service. This passion drives them to go the extra mile in building long-term, trusted relationships with our customers, forming the very foundation of our business.

To attract and retain top talent, we have fostered an inclusive, empowering, trusting and friendly work culture that supports the growth and success of our employees. We prioritise the wellbeing, health and safety of our workforce, provide professional development opportunities, and promote open communication to ensure that every individual feels heard, valued, and respected.

As at 31 March 2024, we employed 78 (as at 31 March 2023: 80) permanent, full-time employees, with no part-time, non-guaranteed hours or temporary staff. All of our employees are based in Singapore. 24 employees were female and represented approximately 31% of our team, and 54 employees were male and represented approximately 69% of our team. During FY2024, we welcomed 27 (FY2023: 29) new employees, including 11 (FY2023:13) female staff members. Our hiring rate for FY2024 was approximately 35% (FY2023: 36%). There were no significant fluctuations in the number of employees during FY2024, and all employee numbers are reported in head count and at the end of the Financial Year. The Group does not have any workers who are not employees.

The number and rate of new employee hires during FY2024 by age group, gender and region are as follows:

	Number of New Employee Hires	Rate of New Employee Hires <sup>7</sup>
<b>By Age Group</b>		
Under 30 Years Old	3	25%
30-50 Years Old	20	45%
Over 50 Years Old	4	18%
<b>By Gender</b>		
Male	16	30%
Female	11	46%
<b>By Region</b>		
Singapore	27	35%

### Note:

7. The rate of new employee hires by category is calculated by dividing the number of new hires during the financial year in each category by the number of employees at the end of the financial year.

## Health, Safety, and Well-Being

The health, safety, and well-being of our employees are our utmost priorities, with a target of maintaining a zero-accident workplace. We actively promote a safety culture across all our operations, including test drives and our maintenance and repair workshop.

We are committed to the Tripartite Guidelines for Fair Employment Practices released by the Tripartite Alliance for Fair and Progressive Employment Practices ("TAFEP"), which promote the adoption of fair, responsible and progressive employment practices. With TAFEP, we aim to build workplaces where employees are respected, valued and able to achieve their fullest potential, for the success of the organisation.

We have implemented comprehensive health and safety measures based on thorough risk assessments to prevent accidents. Our employees are required to adhere to strict safety procedures in our workshops and use appropriate personal protective equipment. Additionally, they receive first aid training from the Singapore Red Cross to ensure their ability to respond effectively in case of accidents or emergencies.

# PEOPLE

Emergency preparedness is maintained through regular fire safety drills and evacuation exercises conducted by building owners. Additionally, we ensure that our showrooms and workshops are equipped with essential firefighting and alarm systems.

In line with our health and safety policy, the contractors we engage are required to comply with safety regulations mandated by relevant authorities. However, the presence of contractors or their workers in our workplace is rare.

To maintain oversight of our health and safety policies and procedures, we have established a Workplace Safety and Health (“WSH”) Committee led by the DCEO. The committee includes the Group HR & Admin Manager, our WSH Officer, and representatives from key functions. They regularly review our safety and health policies to ensure compliance with national regulations and industry best practices.

During FY2024, there were no reportable injuries or incidents of occupational diseases. However, in the event of any incident, our policy is to conduct thorough investigations to determine corrective actions and identify improvements needed to mitigate similar risks in the future.

Ongoing Target	FY2024 Performance
No work-related fatalities	Zero fatalities
No high-consequence work-related injuries	Zero high-consequence work-related injuries
No incidents of recordable work-related injuries	Zero recordable work-related injuries

## Training and Development

At EuroSports, we prioritise the continuous growth and development of our employees. We provide comprehensive product and job training, as well as regular briefings and professional development opportunities to enhance their skills and knowledge. During FY2024, relevant employees attended 2 (FY2023: 22) training sessions by our brand partner Lamborghini, covering a range of technical and non-technical topics.

The Group has set an ongoing target in FY2024 to ensure 100% of its permanent employees receive regular performance and career development reviews every year.

## Employee Engagement

Fostering a trusting and friendly work environment is paramount to our employees’ well-being. We promote open communication channels between team members and supervisors, encouraging the principles of strong teamwork. Our open-door policy allows employees to directly approach senior management with any concerns or suggestions.

Throughout the year, we organise social events to cultivate positive working relationships. For instance, we traditionally celebrate Christmas and Chinese New Year festivals through company-wide events.

## Fair Employment Practices

Our policies firmly uphold fairness and inclusivity in the workplace. We hire, compensate, and promote employees based on qualifications, merit, and performance. Discrimination of any kind is strictly prohibited, and we are pleased to report that there were no confirmed incidents of discrimination during the Financial Year.

## Diversity and Equal Opportunity

Due to the inherent nature of our services, a higher percentage of male employees is expected. Nevertheless, we make a conscious effort to maintain diversity within our workforce in order to foster creativity and innovation and enhance the organisation’s culture. A further breakdown of our employees by gender and age group can be found under the section entitled “Our Employment Performance”. As for members of the Board, all of them were male and over 50 years old. There were no reported incidents of workplace discrimination raised by our employees in FY2024.

# PEOPLE

## Performance Management

We maintain a fair and objective approach to assessing employee performance. All permanent employees participate in periodic performance assessments, allowing us to identify individual development needs through regular performance discussions. During FY2024, 100% (FY2023: 100%) of our permanent employees participated in the performance appraisal process.

## Code of Conduct and Ethics

EuroSports has established a comprehensive Code of Conduct and Ethics that applies to all employees within our organisation and extends to our business partners. The code provides clear guidance on social and ethical behaviour, covering areas such as competition and anti-trust legislation, corruption and bribery, conflicts of interest and whistleblowing policies. Please refer to the Corporate Governance Report for detailed information.

## Employee Turnover

Our strategy centres around building and retaining an engaged workforce, motivated to achieve high performance. We actively monitor employee turnover to enhance our retention strategies.

During FY2024, we saw 21 (FY2023: 22) employees leave, 12 (FY2023: 16) of whom were male and 9 (FY2023: 6) of whom were female. The turnover rate for FY2024 stood at approximately 27% (FY2023: 39%). While this figure exceeds the national average turnover rate of approximately 25% (FY2023: 29%) for the Retail Trade sector in 2023 (Source: Labour Market Survey, Manpower Research and Statistics Department, Ministry of Manpower), we are committed to reviewing and monitoring our retention strategies to ensure our turnover rate remains well below the national average.

The number and rate of employee turnover during FY2024 by age group, gender and region were as follows:

	Number of Employee Turnover	Rate of Employee Turnover <sup>8</sup>
<b>By Age Group</b>		
Under 30 Years Old	4	27%
30-50 Years Old	14	33%
Over 50 Years Old	3	32%
<b>By Gender</b>		
Male	12	22%
Female	9	38%
<b>By Region</b>		
Singapore	21	27%

### Note:

8. The rate of employee turnover by category is calculated by dividing the number of employee turnover during the financial year in each category by the number of employees at the end of the financial year.

## Freedom of Association

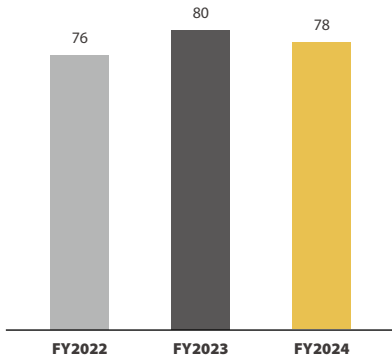
We fully respect the right of our employees to freedom of association. Presently, our employees are not part of any collective bargaining agreement. The working conditions and terms of employment of these employees are also not influenced or determined based on other collective bargaining agreements. However, they are empowered to directly raise any concerns to management, and we are committed to prompt and fair resolutions.



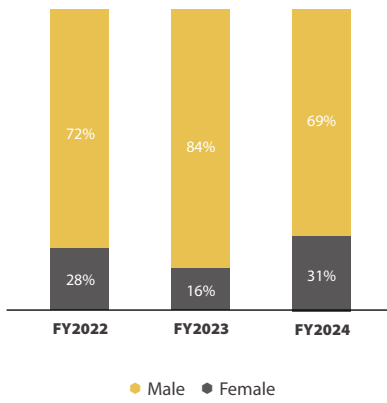
# PEOPLE

## Our Employment Performance

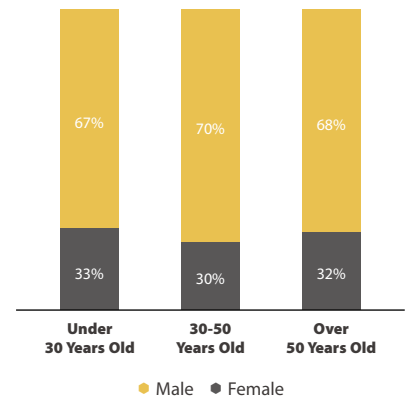
Full-Time Employees



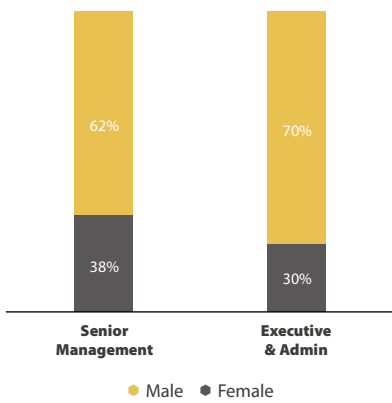
Gender Diversity



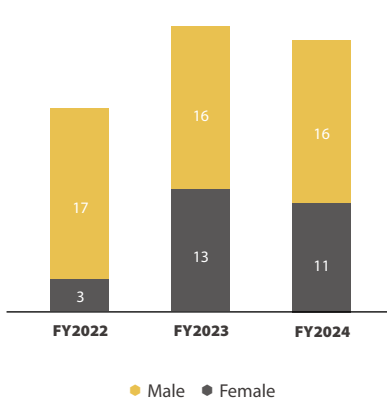
Age and Gender Diversity: FY2024



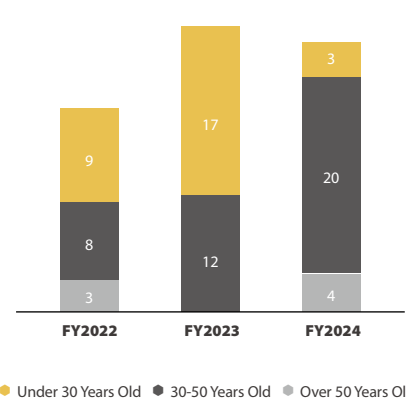
Employees by Employment Category: FY2024



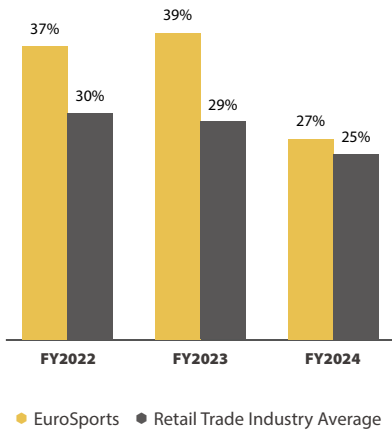
New Hires by Gender



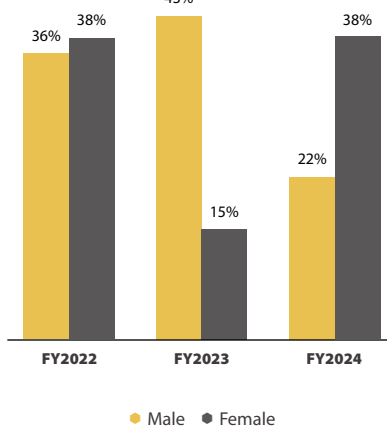
New Hires by Age Group



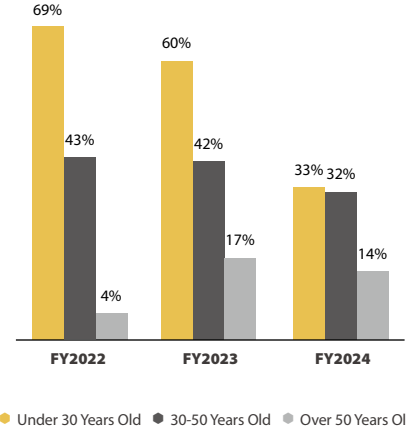
Employee Turnover



Employee Turnover by Gender



Employee Turnover by Age Group



# COMMUNITY

**We are committed to supporting the communities in which we operate through various initiatives.**

At EuroSports, we recognise our responsibility to make a positive impact in the communities where we operate. We actively support various social causes and create opportunities for our customers to participate in community programmes.

In October 2023, we continued to support the Punggol Charity Drive to raise funds for underprivileged children living in Punggol. Lamborghini owners treat beneficiary children to a spin in their luxurious marques.

In November 2023, we participated in a global fundraising activity organised by Movember with our brand partner, Lamborghini. Movember is the world's largest men's health charity foundation. Collectively, over 100 dealers and 1,600 Lamborghini cars worldwide have raised more than €230,000 for the foundation.

We thank our staff who actively participated in these charity events.

# ECONOMIC IMPACT

**The Group remains committed to delivering sustainable value for its shareholders and stakeholders.**

According to market research reports, Singapore stands out as one of the most promising and rapidly growing automobile markets in the region. The Singaporean government recognises the automotive segment as a key revenue generator. As a prominent player in Singapore's automobile market, EuroSports offers an ultraluxury lifestyle choice for high-net-worth individuals while making substantial contributions to the national tax revenue. Our recent venture into electric motorcycles aligns with Singapore's vision of establishing a green industry and economy, thus promoting sustainable commuting in the region.

## Financial Performance and Reporting

Delivering sustainable financial returns for our shareholders and investors remains a fundamental driver of our business. As a company listed on the Singapore Exchange, we provide comprehensive financial reporting, which can be found in the Annual Report sections of this report. Please refer to the financial statements for detailed information.

## Tax Contribution

Our policy is to diligently fulfil our tax obligations to the government. In Singapore, the automobile tax structure is distinctive, encompassing registration fees, additional registration fees, quota premiums for certificates of entitlement, road taxes, and excise duties. This comprehensive tax system not only generates revenue for the government but also ensures sustainable levels of cars on the roads.

Due to the premium pricing of luxury and ultra-luxury cars sold by EuroSports, we facilitate significant tax revenue to the government. In FY2024, the vehicles sold by us contributed a total of approximately \$6.24 million (FY2023: \$14.05 million) in taxes and levies, including additional registration fees, quota premiums for Certificates of Entitlement (COEs), Carbon Emission-Based Vehicle Scheme (CEVS) surcharges, road taxes, and registration fees.

## Anti-Corruption Measures

Maintaining integrity and adhering to ethical business principles are paramount to our operations. We have a zero-tolerance policy towards bribery, fraud, and corruption, as clearly outlined in our Code of Conduct and Ethics, available on our website.

During the Financial Year, there were no incidents of corruption, bribery, or fraud.

## Supplier Relationships

Our original equipment manufacturer brand partners supply the vehicles we sell to our customers. Additionally, we procure various components, such as body parts, undercarriage components, engine parts, batteries, and oil and lubricants from reliable suppliers. We emphasise procurement efficiency and maintain strong relationships within our supply chain.

## Regulatory Compliance

We are fully committed to complying with all laws and regulations relevant to our business operations. There were no significant instances of non-compliance with laws and regulations, and no fines were imposed during the Financial Year.

# GRI CONTENT INDEX

## Statement of Use

EuroSports Global Limited has reported the information cited in this GRI Content Index for the period 1st April 2023 to 31st March 2024 with reference to the GRI Standards.

## GRI 1 Used

GRI 1: Foundation 2021

## Applicable GRI Sector Standard(s)

Not applicable as a GRI sector standard is not available for our industry

Disclosure	Description	Section Title
<b>GRI 2: General Disclosures 2021</b>		
<b>1. The organization and its reporting practices</b>		
GRI 2-1	Organizational details	Corporate Profile, Corporate Milestones
GRI 2-2	Entities included in the organization's sustainability reporting	Main Corporate Structure
GRI 2-3	Reporting period, frequency and contact point	Reporting Period and Scope, Availability, Feedback
GRI 2-4	Restatements of information	Restatements
GRI 2-5	External assurance	External Assurance
<b>2. Activities and workers</b>		
GRI 2-6	Activities, value chain and other business relationships	Corporate Profile, Corporate Milestones
GRI 2-7	Employees	Employee Composition
GRI 2-8	Workers who are not employees	Employee Composition
<b>3. Governance</b>		
GRI 2-9	Governance structure and composition	Corporate Governance
GRI 2-10	Nomination and selection of the highest governance body	Board Membership
GRI 2-11	Chair of the highest governance body	Chairman and Chief Executive Officer
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance, Board Statement, Stakeholders, Governance
GRI 2-13	Delegation of responsibility for managing impacts	Sustainability Governance, Governance
GRI 2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance, Board Statement
GRI 2-15	Conflicts of interest	Key Information on Directors
GRI 2-16	Communication of critical concerns	Whistle-Blowing Policy
GRI 2-17	Collective knowledge of the highest governance body	Board of Directors
GRI 2-18	Evaluation of the performance of the highest governance body	Board Performance
GRI 2-19	Remuneration policies	Remuneration Matters
GRI 2-20	Process to determine remuneration	Remuneration Matters



# GRI CONTENT INDEX

Disclosure	Description	Section Title
<b>GRI 2: General Disclosures 2021</b>		
<b>4. Strategy, policies and practices</b>		
GRI 2-22	Statement on sustainable development strategy	Joint Letter to Our Shareholders, Board Statement
GRI 2-26	Mechanisms for seeking advice and raising concerns	Whistle-Blowing Policy
GRI 2-27	Compliance with laws and regulations	Regulatory Compliance
GRI 2-28	Membership associations	Association Memberships
<b>5. Stakeholder engagement</b>		
GRI 2-29	Approach to stakeholder engagement	Stakeholders, Engagement with Stakeholders
GRI 2-30	Collective bargaining agreements	Freedom of Association
<b>GRI 3: Material Topics 2021</b>		
GRI 3-1	Process to determine material topics	Materiality
GRI 3-2	List of material topics	Materiality
<b>ECONOMIC TOPICS</b>		
<b>GRI 201: Economic Performance 2016</b>		
GRI 3-3	Management of material topics	Financial Performance and Reporting, Joint Letter to Our Shareholders
GRI 201-1	Direct economic value generated and distributed	Consolidated Statement of Profit or Loss and Other Comprehensive Income and its related Notes to the Financial Statements
<b>GRI 203: Indirect Economic Impacts 2016</b>		
GRI 3-3	Management of material topics	Tax Contribution
GRI 203-2	Significant indirect economic impacts	Tax Contribution
<b>GRI 205: Anti-corruption 2016</b>		
GRI 3-3	Management of material topics	Anti-Corruption Policy, Anti-Corruption Measures
GRI 205-3	Confirmed incidents of corruption and actions taken	Anti-Corruption Measures
<b>ENVIRONMENTAL TOPICS</b>		
<b>GRI 302: Energy 2016</b>		
GRI 3-3	Management of material topics	Energy Consumption
GRI 302-1	Energy consumption within the organization	Energy Consumption
GRI 302-3	Energy intensity	Energy Consumption
<b>GRI 305: Emissions 2016</b>		
GRI 3-3	Management of material topics	Metrics and Targets
GRI 305-1	Direct (Scope 1) GHG emissions	Metrics and Targets
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Metrics and Targets
GRI 305-4	GHG emissions intensity	Metrics and Targets

# GRI CONTENT INDEX

Disclosure	Description	Section Title
<b>ENVIRONMENTAL TOPICS</b>		
<b>GRI 306: Waste 2020</b>		
GRI 3-3	Management of material topics	Waste
GRI 306-2	Management of significant waste-related impacts	Waste
GRI 306-3	Waste generated	Waste
<b>SOCIAL TOPICS</b>		
<b>GRI 401: Employment 2016</b>		
GRI 3-3	Management of material topics	People
GRI 401-1	New employee hires and employee turnover	Employee Composition, Employee Turnover
<b>GRI 403: Occupational Health and Safety 2018</b>		
GRI 3-3	Management of material topics	Health, Safety, and Well-Being
GRI 403-1	Occupational health and safety management system	Health, Safety, and Well-Being
GRI 403-2	Hazard identification, risk assessment, and incident investigation	Health, Safety, and Well-Being
GRI 403-3	Occupational health services	Health, Safety, and Well-Being
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Health, Safety, and Well-Being
GRI 403-5	Worker training on occupational health and safety	Health, Safety, and Well-Being
GRI 403-6	Promotion of worker health	Health, Safety, and Well-Being
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health, Safety, and Well-Being
GRI 403-9	Work-related injuries	Health, Safety, and Well-Being
<b>GRI 404: Training and Education 2016</b>		
GRI 3-3	Management of material topics	Training and Development, Performance Management
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Performance Management
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
GRI 3-3	Management of material topics	Diversity and Equal Opportunity, Our Employment Performance
GRI 405-1	Diversity of governance bodies and employees	Diversity and Equal Opportunity, Our Employment Performance
<b>GRI 416: Customer Health and Safety 2016</b>		
GRI 3-3	Management of material topics	Customer Health and Safety
GRI 416-1	Assessment of the health and safety impacts of product and service categories	Customer Health and Safety
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Health and Safety

# GRI CONTENT INDEX

Disclosure	Description	Section Title
<b>SOCIAL TOPICS</b>		
<b>GRI 418: Customer Privacy 2016</b>		
GRI 3-3	Management of material topics	Customer Privacy and Data Protection
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Privacy and Data Protection

# CORPORATE GOVERNANCE

The Board of Directors (the “**Board**”) and Management of EuroSports Global Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) are committed to achieving the highest standards of corporate governance within the Group by adhering to the principles and provisions set out in the Code of Corporate Governance 2018, subsequently amended on 11 January 2023 (the “**Code**”), wherever appropriate. These principles and provisions reflect the Board’s commitment in having effective corporate practices to safeguard against, amongst others, fraud and dubious financial transactions, with the aim to promote corporate transparency, accountability and integrity to enhance long-term value for shareholders as well as maximising long-term success of the Company and Group. Management believes that sound corporate governance supports long-term value creation. This includes establishing an appropriate culture, values and ethical standards of conduct at all levels of the Company and Group.

The Section B: Rules of Catalist of the Listing Manual (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) requires all listed companies to describe in their annual reports, their corporate governance practices, with specific reference to the principles of the Code.

This report sets out the corporate governance policies and practices that were adopted by the Group during the financial year ended 31 March 2024 (“**FY2024**”) (“**Report**”), with specific reference to the principles and provisions of the Code as well as the accompanying practice guidance, which forms part of the continuing obligations of the Catalist Rules of the SGX-ST.

The Board confirms that, for FY2024, the Group has generally adhered to the principles and provisions set out in the Code and practice guidance, where they are applicable, relevant and practicable to the Group. Where there were deviations from the provisions of the Code, appropriate explanations are provided. The Board will continue to assess the needs of the Company and improve on its corporate governance practices as appropriate. The Annual Report should be read in totality for Company’s full compliance.

## (A) BOARD MATTERS

### THE BOARD’S CONDUCT OF ITS AFFAIRS

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

#### *Provision 1.1*

#### *Principal Duties of the Board*

The Board’s principal function is to provide entrepreneurial leadership and strategic direction and work with management of the Company (“**Management**”) to enhance the long-term value of the Group for shareholders of the Company and other stakeholders.

In fulfilling this mandate, the Board assumes responsibility for providing entrepreneurial leadership and establishing the strategic direction for the Company, encompassing sustainability considerations. The Company’s Sustainability Report 2024 is accessible within the “Sustainability” section of this Annual Report.

The Board sets the appropriate tone-from-the-top and desired organisational culture monitoring Management’s performance, establishing a framework for prudent and effective internal controls to manage risk, safeguarding shareholders’ interests and the Group’s assets as well as setting values and standards (including ethical standards) for the Group.

# CORPORATE GOVERNANCE

The Board is also collectively responsible for the following corporate matters (including setting thresholds for certain operational matters relating to subsidiaries):

- Review the Group's strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance reviews and corporate governance practices;
- Set the Group's strategic objectives, and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
- Oversee the process of evaluation on the adequacy of internal controls, financial reporting and compliance;
- Oversee the adequacy and effectiveness of the Group's risk management framework and policies;
- Review the remuneration policies and guidelines for the Board and Management;
- Review the performance of Management;
- Set up the Group's values and standards (including ethical standards) and ensure that obligations to shareholders and other stakeholders are understood and met;
- Review the annual succession planning of Directors and key management personnel, the appointment and re-appointment of Directors and progressive renewal of the Board;
- Ensure that the Group and the Management comply with laws, regulations, policies, directives, guidelines and internal code of conduct; and
- Consider sustainability issues including environmental, social and governance factors, as part of the strategic formulation of the Group.

The Board exercises due diligence and independent judgement and is obliged to act in good faith and in the best interest of the Group, in dealing with the business affairs of the Group and works with Management to take objective decisions to enhance the long-term value of the Group to its shareholders and in the interest of the Group. Each Director is required to promptly disclose any conflicts or potential conflicts of interest, whether direct or indirect, in relation to any transaction or matter discussed and contemplated by the Group. Where a potential conflict of interest arises, the Director concerned will recuse himself from participating in any discussions and voting on the subject matter and refrains from exercising any influence over other members of the Board in respect of the issues, unless the Board is of the opinion that his presence and participation is necessary to enhance the efficacy of such discussion. In the case of any matter where the Chairman is confronted with a conflict, such as matters pertaining to his remuneration or re-election as a director, he will exercise due diligence by abstaining from participating in the deliberations. Subsequently, the remaining Directors will nominate an impartial member amongst themselves to assume the role of presiding over the discussion and lead the Directors in decision making process. The abstention is recorded within the minutes and/or resolutions of the Board and/or Committees. During FY2024, no conflicts of interests from the Directors had arisen.

All Directors update the Board on a timely basis, through the Company Secretary, of their interest in new companies that were not previously disclosed to the Board. Additionally, at the start of each financial year, all Directors are to submit a letter to the Company Secretary of all their interest in other companies, which are to be read and acknowledged by the Board. This is to better monitor any related or interested persons' transactions.

## **Provision 1.2**

### **Induction, Continuous Training and Development of the Directors**

The Company recognises the importance of appropriate training for the Directors. All new Directors were given appropriate briefings by senior management when they were first appointed to the Board. All new Directors appointed to the Board were briefed to ensure that they are familiar with the Company's business, operation, governance practice and regulatory requirements. The Directors are provided with continuing briefings from time to time and are kept updated on relevant laws and regulations, including Directors' duties and responsibilities, corporate governance and developing trends, insider trading and financial reporting standards so as to enable them to properly discharge their duties as members of the Board or Board committees.



# CORPORATE GOVERNANCE

Newly appointed Directors will receive a formal letter of appointment setting out the duties, obligations and the terms of appointment. Additionally, they will be furnished with the corporate structure chart of the Group and copies of the Company's current and previous years' annual reports. To facilitate a deeper understanding of the Group's operations, site visits will also be arranged for new Directors. Upon appointment to a Board Committee, Directors will be provided with the relevant Board Committee's terms of reference. Furthermore, for new Directors who has no prior experience as a director of a public listed company in Singapore, they must undergo a mandatory training in the roles and responsibilities of a director as prescribed by the SGX-ST. During the FY2024, there were no new director appointments within the Company.

Training of Directors is a vital component of good corporate, essential to keeping pace with regulatory changes. The Directors' own initiatives are supplemented from time-to-time with information, updates, internal trainings, sponsored seminars conducted by external professionals and relevant courses conducted by the Singapore Institute of Directors, including any changes in legislation and financial reporting standards, government policies, regulations and guidelines from SGX-ST and the Accounting and Corporate Regulatory Authority ("**ACRA**") that affect the Company and/or Directors in discharging their duties. Directors can request for further explanations and conduct informal discussions on any aspects of the Group's operations or business issues with Management.

All Directors of the Company have completed the mandated sustainability training course as prescribed under Rule 720(6) of the Catalist Rules.

The Nominating Committee ("**NC**") reviews and makes recommendations on the training and professional development programs to the Board. In addition, the external auditor briefed the Directors at least annually to keep the Directors abreast of changes to accounting standards and issues which have a direct impact on financial statements or when necessary when these changes may be significant and/or substantial. To keep the Directors abreast of industry trends and issues, press releases which were relevant to the Group's business are circulated to the Directors. Our Company's continuing sponsor, RHT Capital Pte. Ltd. and Company Secretary, provides updates to the Board whenever there are changes to the Catalist Rules, the Code or relevant regulation.

In FY2024, the Company's auditor provided updates to the Audit Committee ("**AC**") on new and revised financial reporting standards that are applicable to the Company and Group. The Management has provided updates on business and strategic developments pertaining to the Group's business to the Non-Executive Directors. Relevant new releases issued by the SGX-ST and ACRA and news articles which are relevant to the Group's business were circulated to the Board by the Company's Sponsor and Secretary during FY2024. Directors also attended seminars, conferences and presentations to supplement and keep themselves updated on areas such as accounting, legal and sustainability reporting and related knowledge.

Directors may request for further explanations, briefing or information on any aspect of the Company's operation or business issues from Management and meet with Management to gain a better understanding of the Group's business operations and corporate governance practices.

## **Provision 1.3** **Matters Requiring Board Approval**

The Group has adopted clear, established and documented internal guidelines setting forth matters that require Board approval. Matters which are specifically reserved for the Board approval include:

- Matters involving a conflict of interest for a substantial shareholder or a Director;
- Material acquisition and disposal of property, plant and equipment of \$2 million and above;
- Corporate restructuring and fund-raising (both via debt and/or equity);
- Share issuances, interim dividends and other returns to shareholders;
- Expenditures exceeding certain material limits;
- Interested person transactions;
- Any major investment or divestment exceeding \$1 million in transaction value; and
- Succession plans for Directors and Key Management Personnel, including appointments and the appropriate level of compensation.

# CORPORATE GOVERNANCE

Apart from the matters that are reserved for the Board's approval, the Board approves the following:

- Strategies and objectives of the Group;
- Annual budgets and business plans;
- Announcements of half-year and full year results;
- Releases of annual reports;
- Determine the remuneration policy for the Directors and other senior executives including the introduction of 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;
- Convening of shareholders' meetings; and
- Commitments to terms loans and lines of credits from banks and financial institutions.

The Group has established financial authorisation limits for matters such as capital budgets, credit limits and the acquisition and disposal of investments, while delegating the authority for transactions below those prescribed limits to Management in order to optimize operational efficiency.

The Board undertakes regular reviews to assess the adequacy and effectiveness of internal controls, risk management processes, and financial authority limits to ensure that while there is a delegation of authority and empowerment within the organisation, there exist robust checks and balances to oversee compliance with delegated limits.

## **Provision 1.4**

### **Delegation of Authority to Board Committees**

To assist the Board in discharging its oversight functions and execution of its responsibilities, the Board has established three Board committees, namely the AC, NC and Remuneration Committee (the "**RC**") (collectively, the "**Board Committees**"). Each of the Board Committee has its clearly defined scope of duties and written terms of reference and whose actions are reported to and monitored by the Board. These committees are chaired by Independent Directors and function within clearly defined terms of reference and operating procedures.

At the date of this report, the composition of the Board and Board Committees are as follows:

<b>Director</b>	<b>Board Appointment</b>	<b>AC</b>	<b>NC</b>	<b>RC</b>
Goh Kim San ("Melvin Goh")	Executive Chairman and Chief Executive Officer (" <b>CEO</b> ")	-	-	-
Goh Kim Hup ("Andy Goh")	Executive Director and Deputy CEO	-	-	-
Tan Siok Sing	Non-Executive and Lead Independent Director	Member	Chairman	Member
Anthony Ang Meng Huat	Non-Executive and Independent Director	Chairman	Member	Member
Foo Say Tun	Non-Executive and Independent Director	Member	Member	Chairman

# CORPORATE GOVERNANCE

These terms of reference are reviewed on a regular basis, along with the committee structures and membership at least once annually. Any change to the terms of reference for any Board Committee requires the specific written approval of the Board. All the Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group. Minutes of all Board Committees meetings are circulated to the Board so that Directors are aware of and kept updated as to the proceedings and matters discussed during such Board Committee meetings. The Board accepts that while these 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.

To achieve the Company's goals, the Board ensures that the Company is equipped with the necessary financial, operational and human resources skills. The Board, together with the Management, shapes the Company's values and standards to be more strategic, innovative, and global in its mindset and outlook.

## **Provision 1.5**

### **Meetings of Board and Board Committees**

The dates of Board and Board Committees' meetings, as well as the Company's Annual General Meeting (the "AGM"), are scheduled in advance at the beginning of each calendar year. To assist Directors in planning their attendance, the Company Secretary consults every Director before fixing the dates of these meetings. The Board conducts regular scheduled meetings at least twice a year and as warranted by particular circumstances. Ad hoc meetings are also convened to deliberate on urgent substantive matters. Telephone attendance or by means of similar communication equipment via the available conferencing solutions via the internet at Board and Board Committees meetings are allowed under the Company's Constitution. To enable members of the Board and its committees to prepare for the meetings, agendas are circulated in advance, with board papers, related materials and explanatory information, relating to matters to be brought before the Board, emailed/dispatched at least a week before the meetings.

The Board and the Board Committees can request further clarification and information from Management on all matters falling within their purview, including the reports and papers submitted to their consideration.

Notwithstanding on the above, the Board may have informal discussions on matters requiring urgent attention, which would then be formally confirmed and approved by circulating resolutions in writing. Ad hoc meetings are also convened as and when they are deemed necessary. Each Director exercises equal responsibility in overseeing the business and affairs of the Company and objectively takes decision in the interest of the Company.

The frequency of meetings and the attendance of each Director at every Board and Board Committees meetings for FY2024 are disclosed in the table below:-

	Board		AC		NC		RC	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Melvin Goh	4	4	4	4 <sup>#</sup>	1	1 <sup>#</sup>	1	1 <sup>#</sup>
Andy Goh	4	4	4	4 <sup>#</sup>	1	1 <sup>#</sup>	1	1 <sup>#</sup>
Tan Siok Sing	4	4	4	4	1	1	1	1
Anthony Ang Meng Huat	4	4	4	4	1	1	1	1
Foo Say Tun	4	4	4	4	1	1	1	1

# Attended as invitees

# CORPORATE GOVERNANCE

## ***Multiple Board Representations***

All Directors are required to declare their board representations. When a director has multiple board representations, the NC will review the multiple board representations held by the Director on an annual basis to ensure that sufficient time and attention is given to the affairs of the Company. The NC considers that the multiple board representations held presently by the Directors do not impede their respective performance in carrying out their duties as a Director of the Company.

The Directors had committed considerable amount of time towards Board and Board Committees' meetings held in FY2024 and adjusted their schedules to ensure participation in meetings for the deliberation of issues. The NC has reviewed and is satisfied that each Director is able to devote sufficient time and attention to the affairs of the Company to adequately discharge his duties as a Director of the Company.

The NC views that it would not be appropriate to set a limit on the number of directorships that a director may hold because Directors have different capabilities, and the nature of the organisations in which they hold appointments and the kind of committees on which they serve are of different complexities. It is for each Director to personally determine the demands of his competing directorships and obligations and assess the number of directorships they could hold and serve effectively. The directorships of the Board members in other listed companies are set out in page 64 of the annual report.

For now, the NC believes that its qualitative assessment and the existing practice, which require each Director to confirm annually to the NC, his ability to devote sufficient time and attention to the Company's affairs, having regard to his other commitments, are effective.

## ***Provision 1.6***

### ***Board's Access to Information***

Management places a high priority on providing complete, adequate and timely information to the Board prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities. Board members received quarterly management accounts, other financial statements and other relevant information such as budgets and forecasts where appropriate and the Board will also be updated on industry trends and developments.

Board papers, agenda and related materials, background or explanatory information relating to matters to be discussed are sent to the Directors, a week in advance, prior to each Board and Board Committees' meeting to enable them to have sufficient time to fully consider and deliberate issues to be considered at the meetings. Minutes of previous meetings are tabled and confirmed at Board meetings for the Directors' information. Any additional material or information requested by the Directors is promptly furnished.

## ***Provision 1.7***

### ***Board's Access to Management and Company Secretary***

The Board has at all times separate and independent access to Management and the Company Secretary through electronic mail, telephone and face-to-face meetings and are entitled at all times to request for any additional information needed to make informed decisions. Similarly, key management personnel ("**KMP**"), the Company's auditor or external consultants are also invited to attend Board and Board Committees' meetings to update and provide independent professional advice on specific issues, where necessary.

Under the direction of the Chairman, the Company Secretary ensures timely and good information flows within the Board and its Board Committees and between Management and Independent Directors.

# CORPORATE GOVERNANCE

The Company Secretary is responsible for, amongst others, ensuring that the Board's procedures are observed and the Company's Constitution, applicable rules and regulations, including requirements of the Companies Act and the Catalist Rules, are complied with. The Company Secretary also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes. The Company Secretary attends and prepares minutes for all Board and Board Committees' meetings. The appointment and the removal of the Company Secretary are subject to the Board's approval.

The Directors, either individually or as a group, in the furtherance of their duties, may seek independent professional advice, if necessary, at the Company's expense.

## BOARD COMPOSITION AND GUIDANCE

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

### ***Provision 2.1, 2.2 and 2.3***

***Independent Element of the Board, Composition of the Independent Directors and Non-Executive Directors on the Board***

### ***Independent Directors***

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

All Directors are aware of their fiduciary duties and uphold them diligently by exercising due diligence and independent judgement to ensure that their decisions remain objective and serve the best interests of the Company and its Group. Furthermore, a Director must abstain from voting on any contract or arrangement in which they have a vested interest. To foster transparency and accountability, each director has made disclosures of their interest and transactions involving these interests are regularly addressed as standing agenda items in all Board meetings. These disclosures are circulated and tabled for Board members' information, as deemed appropriate.

The NC assesses and determines the independence of the Directors. They consider the existence of relationships or circumstances, including those identified by the Catalist Rules, the Code as well as the accompanying practice guidance, that are relevant in its determination as to whether a Director is independent. There is presently a strong and independent element on the Board as majority of the Board comprising Independent and Non-Executive Directors whose independence is reviewed on an annual basis by the NC. For FY2024, the Independent Directors have confirmed that they do not have any relationships including immediate family relationship between the Directors, the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be perceived to interfere, with the exercise of their independent business judgement in the best interest of the Company. The Board, based on the review conducted by the NC, has determined the Non-Executive and Independent Directors are independent.



## CORPORATE GOVERNANCE

Consistent with previous practice, the NC had undertaken a rigorous review of the independence of each Independent Director, including those whose tenure had exceeded nine years from the date of their first appointment. Led by the NC Chairman and facilitated by the Company's external corporate secretarial service provider, the assessment was conducted in incisive questionnaire completed by each Director and a declaration of independence completed by each Independent Director.

The Company had adopted the two-tier voting process ahead of the Rule 406(3)(d)(iii) of the Catalist Rules which came into effect on 1 January 2022. Mr Tan Siok Sing voluntarily subjected himself to the two-tier voting process at the AGM held on 28 July 2022 and shareholders approved his re-appointment as Independent Director. Accordingly, Mr Tan Siok Sing will remain as Independent Director until the earlier of (a) his retirement or resignation; or (b) the conclusion of the third AGM, in accordance with Rule 406(3)(d)(iii) of the Catalist Rules with effect from 28 July 2022.

The Board has subjected Mr Tan Siok Sing's independence to a particularly rigorous review by all the other fellow directors (with Mr Tan Siok Sing abstaining from the review) during the FY2024. After due consideration and with the concurrence of the NC, the Board is of the view that Mr Tan Siok Sing has demonstrated strong independence character and judgement over the years in discharging his duties and responsibilities as Independent Director of the Company. He has expressed individual viewpoints, debated issues and objectively scrutinised and challenged the Management. He also sought clarification and amplification of relevant matters, as deemed required, including through direct access to the Management.

Taking into account of the above, and to avoid an abrupt loss of member with experience and institutional memory, the Board with the concurrence of the NC has affirmed his independence status and resolved that Mr Tan Siok Sing to be considered as Independent Director, notwithstanding he has served on the Board beyond nine years from the date of his first appointment on 29 November 2013. In determination of the independence of Mr Tan Siok Sing by the NC, he recused himself.

On 11 January 2023, the Rule 406(3)(d)(iii) of the Catalist Rules was removed with immediate effect and there is a change of the listing rules to limit the tenure of Independent Directors to nine years and to remove the two-tier vote mechanism for retaining long-serving Independent Directors beyond this period. As a transition measure, Independent Directors whose tenure exceeds the nine year limit can continue to be deemed independent until the issuer's next AGM in 2024. Therefore, Mr Tan Siok Sing, who has served for more than nine years, will continue to be deemed independent until the Company's next AGM scheduled for 30 July 2024, following which he will step down. The Board and Company would like to take this opportunity to express their gratitude and appreciation for Mr Tan Siok Sing's valuable contributions to the Board throughout his tenure with the Company.

Given that the Rule 406(3) of the Catalist Rules will take effect for the financial year ending on or after 31 March 2024 and the Board needs to be reconstituted, the NC is currently identifying suitably qualified candidate for appointment as Independent Director to replace Mr Tan Siok Sing. Consequently, Mr Tan Siok Sing will retire from his position as Non-Executive and Lead Independent Director of the Company at the conclusion of the forthcoming AGM. Additionally, he will relinquish the roles of Chairman of the NC and member of the AC and RC of the Company, effective upon the conclusion of the forthcoming AGM. Following the retirement of Mr Tan Siok Sing, the Company will appoint a new Independent Director to fill the vacancy within two (2) months, but in any case, not later than three (3) months.

The NC has reviewed and considered Mr Anthony Ang Meng Huat's mix of skills, experience and his contributions to the Board, is of the view that Mr Anthony Ang Meng Huat has the requisite experience and capabilities to assume the duties and responsibilities as the Lead Independent Director of the Company. The Board upon the recommendation of the NC has approved the re-designation of Mr Anthony Ang Meng Huat as the Non-Executive and Lead Independent Director of the Company upon the retirement of Mr Tan Siok Sing.

# CORPORATE GOVERNANCE

## **Provision 2.4**

### ***Composition, Size and Diversity of the Board and Board Committees, as well as Board Diversity***

The composition and size of the Board and the Board Committees are reviewed annually by the NC to ensure the Board and the Board Committees have the appropriate mix of expertise and experience, and possess the necessary core competencies for effective functioning and informed decision-making. These competencies include accounting and finance, banking, business acumen, asset management, customer-based knowledge, familiarity with regulatory requirements, industry knowledge, risk management knowledge and management experience as well as strategic planning experience.

The Board considers that its Directors possess the necessary competencies and knowledge to lead and govern the Group effectively. Taking into account the nature and scope of the Group's business, the Board is of the view that it is still currently able to exercise independent judgement on corporate affairs, provide Management with a diverse and objective perspective on issues, and that there is no individual or small group who/which dominates the Board's decision making.

Our Board currently consists of 5 members, 3 of whom are Non-Executive and Independent Directors, 2 of whom are Executive Directors. 60% of the Board is comprised of Non-Executive and Independent Directors. The Board believes that the current composition and size to be adequate and provide sufficient diversity without interfering with efficient decision-making. The Board will however continue to review opportunities to refresh the Board with a view to expanding the skills, experience and diversity of the Board as a whole so as to avoid groupthink and foster constructive debate.

With the introduction of Rule 710A of the Catalist Rules effective from 1 January 2022, the Board has adopted a Board Diversity Policy which sets out the approach to achieving diversity on the Board. Annually, the NC reviews the structure, size, and composition of the Board and, where appropriate, makes recommendation on changes aligned with the Company's corporate strategy. The NC also periodically reviews the effectiveness and practicality of the Board Diversity Policy, ensuring ongoing relevance. Currently, the Board has not set any specific target for ethnic, age, and gender diversity. Directors are selected primarily based on their skills, experience, knowledge, and ability to contribute to the Board. However, the NC and the Board are of the view that the Company has effectively addressed its aims and targets regarding board diversity, considering these factors and the Company's strategic. The NC and the Board recognize that achieving board diversity is an ongoing process, and the Company will continuously monitor its diversity initiatives to uphold its dedication to promoting board diversity. The NC and the Board are cognizant of the guidance provided in Provision 2.4 and Practice Guidance 2 of the Code and believe that the Company's practices align with the principles outlined in Principle 2 of the Code and compliance with Rule 710A of the Catalist Rules.

In support of the principles of good corporate governance, the Board recognizes the importance and benefits of diversity in all ways, regardless of genders, age groups, skillsets, experiences, background, and other distinguishing factors and qualities, to have an effective and diverse Board. By practising diversity at Board level, the Directors believe that such differences may collectively enhance the attainment of corporate strategic objectives and reach greater heights of achievement. However, it is noted that differences should be appropriately balanced so that the Board can function as a whole and effectively within its leadership role in the Company. The diversity includes the range of skills, industry and business experiences, gender, age, ethnicity and culture, geographical background, and other distinguishing qualities of its diverse Board. All Board appointments are based on the merit of candidates. The NC is responsible for administering this policy and for evaluating it annually.

# CORPORATE GOVERNANCE

In implementing the Board Diversity Policy, the NC considered the Company's diversity objectives and the diverse nature of the business environment in which the Company operates whilst maintaining flexibility to address succession planning and to ensure that the Company continues to attract and retain qualified individuals to serve on the Board for the long-term success of the Company. The NC and the Board noted that gender diversity on the Board is also one of the recommendations to provide an appropriate balance and diversity. Notwithstanding that the Board comprises members of the same gender, the Board Diversity Policy provides that the NC and the Board shall endeavor to enable gender diversity to be included for consideration when identifying candidates to be appointed as new Directors, in achieving gender equality. In identifying nominees for directorship, the Board Diversity Policy aims to have an appropriate mix of expertise with complementary skills, core competencies, and experience for facilitating effective decision. The Board believes this approach reflects an appropriate balance between delivering business performance, growing shareholder returns, and progressing diversity. As there is currently no female Director appointed to the Board, the Board does not rule out the possibility of appointing a female Director if a suitable candidate is nominated for the Board's consideration. A female candidate who possesses all the objective criteria and qualifications that complement the Board mix and composition would be appointed on merit to fill any Board vacancy.

Further information on the individual Director's background, experience and skills can be found in the Directors' profiles set out on pages 8 to 9 of the annual report.

## **Provision 2.5**

### ***Regular Meetings of Non-Executive Directors and Independent Directors***

The Board and Management openly discuss issues of the Company at Board and Board Committees meetings. The Non-Executive and Independent Directors actively participated in such meetings held in FY2024. All members serving on the AC, NC and RC are Non-Executive Directors. There is no Executive Director on these Board Committees. However, Executive Directors are invited to attend the meetings of AC, NC and RC meetings to offer insights, provide feedback, and underscore the responsibilities entrusted to the Management. Minutes of the Board and Board Committees meetings are circulated to the Board so that Directors are kept aware and updated of the matters discussed. During FY2024, the Non-Executive and Independent Directors, led by the Lead Independent Director, met amongst themselves at least once a year without the presence of Management and Executive Directors and the Lead Independent Director provides feedback to the Chairman of the Board. The Non-Executive and Independent Directors also communicate regularly to discuss matters relating to the Group, including reviewing the performance of Management in meeting agreed goals and objectives and monitoring the reporting of performance. The Lead Independent Director provides feedback to the Board and/or the Chairman of the Board as appropriate.

## **CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

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

## **Provision 3.1, 3.2 and 3.3**

### ***Roles and Responsibilities of Chairman & Executive Director and Lead Independent Director***

The Board has not adopted the recommendation of the Code to have separate Directors appointed as Chairman and the CEO. This is because the Board is of the view that there is already sufficiently strong independent element on the Board to enable independent exercise of objective judgement on affairs and operations 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 contributions made by each member at meetings which relate to the affairs and operations of the Group. The Board is satisfied that one person is able to effectively discharge the duties of both positions.

# CORPORATE GOVERNANCE

Mr Melvin Goh assumes the following responsibilities:-

- (a) Lead the Board to ensure its effectiveness on all aspects of its role;
- (b) Set the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (c) Promote a culture of openness and debate at the Board;
- (d) Ensure that the Directors receive complete, adequate and timely information;
- (e) Ensure effective communication with shareholders;
- (f) Encourage constructive relations within the Board and between the Board and Management;
- (g) Promote high standards of corporate governance;
- (h) Run the day-to-day business of the Group;
- (i) Ensure implementation of policies and strategies across the Group as set by the Board;
- (j) Lead the management team;
- (k) Directs and oversee fundraising efforts;
- (l) Assess the risk and opportunities for the growth of its business;
- (m) Review the performance of its existing business; and
- (n) Enhance the long-term shareholders' value of the Company

Mr Melvin Goh currently holds dual positions of Executive Chairman and CEO of the Company. The Board believes that Mr Melvin Goh is the most appropriate person to undertake these positions, given his vast experience, expertise and familiarity with both our organisation and the industry, and such an arrangement is in the best interests of the Group. As all major decisions made by Mr Melvin Goh are reviewed by the respective Board Committees, the Board is of the view that there are sufficient safeguards to ensure accountability and independent decision-making. Further, all the Board Committees are chaired by Independent Directors and more than half of the Board consists of Independent Directors.

In view of the foregoing, the Board is of the view that it is currently unnecessary to effect a separation of the roles of the Chairman of the Board from that of the CEO to facilitate the Group's decision-making and implementation process.

Taking cognisance of the non-separation of the roles of the Chairman of the Board and the CEO, the Board has in the spirit of good corporate governance, appointed Mr Tan Siok Sing as Lead Independent Director to serve as a channel for shareholders in the event of their concerns are not resolved through the normal channels of the Executive Chairman and CEO, Deputy CEO and/or to the Group Financial Controller ("**Group FC**"), or when such contact is inappropriate. Mr Tan Siok Sing will also act as liaison between the Independent Directors and the Chairman of the Board; to provide non-executive perspectives in circumstances where it would be inappropriate for the Chairman to serve in such capacity and to contribute a balanced viewpoint to the Board.

The Board believes that the practices adopted are consistent with the intent of Principle 3 of the Code, which requires a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making.

There was no query or request on any matters which requires the Lead Independent Director's attention received in FY2024.

# CORPORATE GOVERNANCE

## BOARD MEMBERSHIP

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

### **Provisions 4.1 and 4.2**

#### **NC Membership and Terms of Reference**

The NC is responsible for making recommendations on all Board appointments and re-appointments having regard to the contribution and performance of the Director seeking re-election.

The NC comprises of Mr Tan Siok Sing, Mr Anthony Ang Meng Huat and Mr Foo Say Tun, all of whom are Non-Executive and Independent Directors. Mr Tan Siok Sing is the NC Chairman.

The NC is guided by written terms of reference which clearly set out its authority and duties. The key terms of reference include, amongst others, the following:-

- (a) Make recommendations to the Board relating to:
  - the review of Board succession plans for Directors, in particular, for the Chairman of the Board, the CEO, Deputy CEO and KMP;
  - the development of a process for evaluation of the performance of the Board, its Board Committees and Directors;
  - the review of training and professional development programs for the members of the Board; and
  - the appointment and re-appointment of Directors (including alternate Directors, if applicable).
- (b) Review and approve employment of related persons to Directors, executive officers or Controlling Shareholders and the proposed terms of their employment;
- (c) Review the process of re-nominations of Directors who are retiring by rotation for re-election by shareholders, to have regard to the Directors' contributions and performances (e.g. attendance, preparedness and participation) including, if applicable, as an Independent Director;
- (d) Decide whether a Director who has multiple board representations is able to and has been adequately carrying out his duties as a Director, having taking into account the Director's number of listed company board representation and other principal commitments;
- (e) Determine annually whether a Director is independent and provide its views to the Board for the Board's consideration;
- (f) Review the Board's structure, size, composition and balance and make recommendations to the Board if necessary, and ensure there is strong and independent element on the Board;
- (g) Establish procedures for evaluation of the Board's performance; and assess on an annual basis, the effectiveness of the Board as a whole and contributions by each individual Director to the effectiveness of the Board;
- (h) Decide how the Board's performance is to be evaluated; propose objective performance criteria which shall be approved by the Board; and address how the Board has enhanced long-term shareholder value;
- (i) Identify gaps in the mix of skills, experience and other qualities required in an effective Board and nominate or recommend suitable candidates to fill these gaps; and
- (j) Ensure that all new members of the Board undergo an appropriate induction programme.



# CORPORATE GOVERNANCE

The NC acknowledged the importance of succession planning for Directors, CEOs and KMP and was satisfied with the existing Board composition. As part of NC responsibilities, the NC conducts an annual review of Directors' eligibility for re-election or re-appointment, evaluating their individual performance and contributions to the Company. Recognising the importance of Board renewal and succession planning, the NC periodically evaluates the appointment or re-appointment of Directors to ensure adaptability to evolving needs and challenges. Furthermore, with regard to Management team succession planning, the Company has implemented a proactive strategy of recruiting experienced candidates and facilitating a shadowing. This process allows selected candidates to work alongside incumbents, gaining valuable insights and experience before assuming formal roles within the organisation.

## **Provision 4.4**

### ***Determining Directors' Independence***

Each Director completes a declaration to confirm his independence on an annual basis. The NC has reviewed the independence of the Directors under the guidelines provided in the Code and the Catalist Rules and any other salient factors, and is of the view that Mr Tan Siok Sing, Mr Anthony Ang Meng Huat and Mr Foo Say Tun are independent based on the criteria given in the Catalist Rules and the Code and their respective declarations.

## **Provision 4.3 and 4.5**

### ***Process for the Selection, Appointment and Re-appointment of Directors***

The NC leads the process of selection and appointment of new Directors. The NC has in place a formal, written procedure for making recommendation to the Board on the selection and appointment of Directors. Such procedures would be activated when a vacancy on the Board arises or when the Board is considering making a new Board appointment either to enhance the core competency of the Board or for the purpose of progressive renewal of the Board.

The NC will evaluate the balance and diversity of skills, knowledge, experience, age, gender, ethnicity and relevant core competencies within the existing Board, while also considering the specific requirements of the Group, in determining the role and key attributes that an incoming Director possess to enhance the overall competency matrix of the Board.

Upon endorsement by the Board of the key attributes, the NC may:

- Advertise or use services of external advisers to facilitate a search;
- Approach alternative sources such as Singapore Institute of Directors; and/or
- Consider candidates from a wide range of backgrounds from internal or external sources.

After short-listing the candidates, the NC shall:

- Consider and interview all candidates on merit against objective criteria, taking into consideration that appointees have sufficient time availability to devote to the position; and
- Evaluate and agree to a preferred candidate for recommendation to and appointment by the Board.

# CORPORATE GOVERNANCE

The NC is responsible for the re-appointment of Directors. In its deliberation on the re-appointment of existing Directors, the NC takes into consideration the Director's contribution and performance (including his contribution and performance as an Independent Director, if applicable).

The assessment parameters include attendance record, preparedness, intensity of participation and candour at meetings of the Board and Board Committees as well as quality of intervention and special contribution.

Article 113 of the Company's Constitution provides that one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation and be subjected to re-election at the AGM, provided that all Directors shall retire from office at least once every three years. Newly appointed Director by the Board is required to retire at the next AGM following his appointment. Retiring Director is eligible to offer himself for re-election. Each member of the NC abstains from making any recommendations and/or participating in any deliberation of the NC and from voting on any resolution, in respect of the assessment of his own performance or re-nomination as Director.

Mr Andy Goh and Mr Tan Siok Sing will retire from office by rotation at the forthcoming AGM pursuant to Article 113 of the Company's Constitution. Being eligible, Mr Andy Goh has submitted himself for re-election. Accordingly, the NC has recommended his re-election and the Board has accepted the NC's recommendation. In recommending the re-election of Mr Andy Goh, the NC has considered Mr Andy Goh's overall contribution and performance.

In addition, Mr Tan Siok Sing will retire from office following the conclusion of the Company's forthcoming AGM. Mr Tan Siok Sing, having served on the Board of Directors for more than 9 years, pursuant to Rule 406(3)(d)(iv) of the Catalist Rules, will no longer be deemed independent following the conclusion of the forthcoming AGM of the Company. Accordingly, Mr Tan Siok Sing has decided to retire as the Non-Executive and Lead Independent Director of the Company at the conclusion of the AGM to facilitate Board's renewal. He will also cease to be the Chairman of the NC and a member of the AC and RC of the Company with effect from the conclusion of the forthcoming AGM.

## **Alternate Directors**

The Board provides for the appointment of alternate directors only in exceptional cases. The Board will take into consideration the same criteria for selection of Directors such as his qualifications, competencies and independence. The Company currently does not have any alternate director being appointed to the Board.

# CORPORATE GOVERNANCE

## Key information on Directors

Each Director's position, date of initial appointment, date of last re-election and Directorships held by the Directors in other companies are as follows:-

Name of Director	Appointment	Date of Appointment/ Last Re-appointment	Directorships in other listed companies		Due for Re-appointment at the AGM
			Current	For the past 5 years	
Melvin Goh	Executive Chairman and CEO	12 December 2012 / 28 July 2023	Nil	Nil	No
Andy Goh	Executive Director and Deputy CEO	12 December 2012 / 28 July 2022	Nil	Nil	Yes (under Article 113 of the Company's Constitution)
Tan Siok Sing	Non-Executive and Lead Independent Director	29 November 2013 / 28 July 2022	Nil	<ul style="list-style-type: none"> <li>• QingMei Group Holdings Limited (delisted)</li> <li>• China Shenshan Orchard Holdings Co. Ltd (f.k.a Dukang Distillers Holdings Limited)</li> <li>• Libra Group Limited (delisted)</li> </ul>	Yes (under Article 113 of the Company's Constitution)
Anthony Ang Meng Huat	Non-Executive and Independent Director	3 October 2022 / 28 July 2023	<ul style="list-style-type: none"> <li>• Heatec Jietong Holdings Ltd.</li> <li>• Yong Tai Berhard</li> <li>• Global Star Acquisition Inc</li> <li>• Sunrise Shares Holdings Ltd.</li> </ul>	Nil	No
Foo Say Tun	Non-Executive and Independent Director	8 September 2020 / 28 July 2023	<ul style="list-style-type: none"> <li>• Mary Chia Holdings Limited</li> </ul>	<ul style="list-style-type: none"> <li>• QingMei Group Holdings Limited (delisted)</li> <li>• Sino Techfibre Limited (delisted)</li> <li>• Fu Yu Corporation Limited</li> <li>• Moneymax Financial Services Limited</li> </ul>	No

The NC has reviewed the contribution by each Director taking into account their listed company board representations and other principal commitments. Key information about the Board members, including their principal commitments are set out on pages 8 and 9 of the annual report.

# CORPORATE GOVERNANCE

Information as set out in Appendix 7F of the Catalist Rules relating to Director seeking re-election at the AGM 2024 pursuant to the requirements under Rule 720(5) of the Catalist Rules are set out below:

	Name of person
	Mr Andy Goh
Date of appointment	12 December 2012
Date of last re-appointment	28 July 2022
Age	64
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the contribution, expertise, experience, diversity of skillsets and commitment in the discharge of duties of Mr Andy Goh as Executive Director and Deputy CEO of the Company. The Board has reviewed and concluded that Mr Andy Goh possess the experience, expertise, knowledge and skills to continue contribute towards the core competencies of the Board and existing businesses of the Group and is suitable for re-election as the Executive Director of the Company.
Whether appointment is executive, and so, the area of responsibility	Executive. Assisting CEO in all matters in relation to Group's general management and administration.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and Deputy CEO.
Professional Qualifications	Nil
Working experience and occupation(s) during the past 10 years	More than 38 years of experience and industry knowledge of the automobile industry.
Shareholding interest in the listed issuer and its subsidiaries	31,815,600 (Direct Interest) 19,500,000 (Deemed Interest)
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	Brother to Mr Melvin Goh, Executive Chairman and CEO of the Group.
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes

# CORPORATE GOVERNANCE

	Name of person
	Mr Andy Goh
<p>Other Principal Commitments* including Directorships#</p> <p>* "Principal Commitments" has the same meaning as defined in the Code.</p> <p># These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)</p> <p>Past (for the last 5 years) Present</p>	<p><b>Past</b></p> <ul style="list-style-type: none"> <li>● Ultimate Drive EuroSports Pte. Ltd.</li> </ul> <p><b>Present</b></p> <ul style="list-style-type: none"> <li>● deLaCour Asia Pacific Pte. Ltd.</li> <li>● EuroSports Auto Pte. Ltd.</li> <li>● EuroAutomobile Pte. Ltd.</li> <li>● EVI Electric Pte. Ltd.</li> <li>● JES Auto Pte. Ltd.</li> <li>● Prosper Auto Pte. Ltd.</li> <li>● Scorpio Electric Pte. Ltd.</li> <li>● Scorpio Electric (Shenzhen) Co., Ltd</li> <li>● Scorpio Electric Europa, Sociedad De Responsabilidad Limitada</li> </ul>
<p>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, general manager or other officer of equivalent rank.</p> <p>If the answer to any question is "yes", full details must be given.</p> <p>(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?</p>	No
<p>(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?</p>	No
<p>(c) Whether there is any unsatisfied judgment against him?</p>	No



# CORPORATE GOVERNANCE

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

# CORPORATE GOVERNANCE

	Name of person
	Mr Andy Goh
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(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</p> <p>(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</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p>
<p>(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?</p>	<p>No</p>

# CORPORATE GOVERNANCE

## BOARD PERFORMANCE

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

### ***Provisions 5.1 and 5.2***

#### ***Board Performance***

The NC is responsible for recommending and implementing a process to assess the effectiveness of the Board and the Board Committees as well as to assess the contribution of the Chairman and each Director to the overall effectiveness of the Board.

A review of the Board's performance is conducted by the NC. On the recommendation of the NC, the Board has adopted an internal process for evaluating the effectiveness of the Board as a whole annually. Each Board member will be required to complete an evaluation form to be returned to the NC Chairman for evaluation. Based on the evaluation results, the NC Chairman will present his recommendations to the Board.

The NC Chairman evaluates the performance and contribution of each Director on an informal basis. The NC will, at the relevant time, look into adopting guidelines for annual assessment of the contribution of each individual Director to the effectiveness of the Board.

#### ***Performance Criteria for Board Evaluation***

The NC assesses the overall effectiveness of the Board and its Board Committees as a whole by having all members of the Board completing an Assessment Checklist, the assessment parameters of which involves the evaluation of the Board composition and size, Board information and accountability, Board processes, standards of conduct, effectiveness of risk management and internal controls systems.

The performance criteria do not change unless circumstances deem it necessary and the decision to change them would be justified by the Board.

#### ***Evaluation of Individual Directors***

The NC assesses the individual Director's performance, which takes into consideration factors such as commitment of time for meetings, level of participation and contribution at such meetings, the technical knowledge of the Directors, communication and interaction, knowledge of the Group's business and operations, etc.

For FY2024, the NC having reviewed the overall performance of the Board as a whole, its Board Committees as well as the performance of each individual Director, was satisfied with their performance for the period under review.

No external facilitator has been engaged to perform the Board assessment process in FY2024. When relevant and when the need arises, NC will consider such an engagement.

# CORPORATE GOVERNANCE

## (B) REMUNERATION MATTERS

### PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

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

#### **Provisions 6.1, 6.2 and 6.3**

#### **Remuneration Committee and Terms of Reference**

The RC is responsible for ensuring a formal and transparent procedure for developing policies on executive remuneration, and for fixing the remuneration packages of individual Directors and KMP.

The RC comprises Mr Foo Say Tun, Mr Tan Siok Sing and Mr Anthony Ang Meng Huat, all of whom are Non-Executive and Independent Directors. Mr Foo Say Tun is the RC Chairman.

The members of the RC carried out their duties in accordance with the terms of reference which include, among others, the following:-

- (a) Review and recommend for endorsement by the Board, a general framework of remuneration for the Board and KMP;
- (b) Review and recommend for endorsement by the Board, specific remuneration packages for each Director and KMP;
- (c) Review whether Executive Directors and KMP should be eligible for benefits under long-term incentive schemes;
- (d) Review annually the remuneration packages of all employees who are related to any of the Directors, Controlling Shareholders or the executive officers;
- (e) Ensure that the remuneration packages are comparable within the industry and with similar companies and include a performance-related element;
- (f) Ensure that there are appropriate and meaningful measures of assessing the performance of Executive Directors and KMP;
- (g) Ensure that the remuneration package of key executives related to Directors and Controlling Shareholders of the Group are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities;
- (h) Implement and administer performance share plan and employee share option scheme in accordance with the rules of the share plan and option scheme adopted by members of the Company from time to time; and
- (i) Review the Group's obligations arising in the event of termination of the Executive Director's and KMP's contracts of service to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

On annual basis, the RC reviews and approves the annual increments, variable bonuses to be granted to the Executive Directors and the KMP which are within specific mandates sought from the Board. The RC also reviews the Company's obligation arising, in the event of termination of the Executive Directors' and KMP's contract of service, to ensure that their service contain fair and reasonable termination clauses which are not overly generous. Each member of the RC refrains from voting on any resolutions in respect of the assessment of his remuneration. No Director individually decides or is involved in the determination of his own remuneration. The RC's recommendations are submitted for endorsement by the Board.

# CORPORATE GOVERNANCE

## **Provision 6.4**

### ***RC's Access to Advice on Remuneration Matters***

The RC has unrestricted access to the human resource officer who provides the relevant market remuneration data and practices to the RC. The RC may from time to time and where necessary seek advice from external remuneration consultant in framing the remuneration policy and determining the level and mix of remuneration for Directors and KMP. The Board has not engaged any external remuneration consultant to advice on remuneration matters for FY2024.

## **LEVEL AND MIX OF REMUNERATION**

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

## **Provision 7.1 and 7.3**

### ***Remuneration of Executive Director and Key Management Personnel***

In setting remuneration packages, the RC will take into account the pay and employment conditions within the same industry and comparable companies, as well as the Group's relative performance and the performance of individual Directors.

KMP are remunerated based on their employment contracts. Their remunerations include fixed pay, annual wage supplement, performance bonuses, transport allowances and usage of company cars.

The Executive Directors, namely Mr Melvin Goh and Mr Andy Goh, are remunerated based on their service agreements with the Company as disclosed in the Company's Offer Document dated 7 January 2014 ("**Offer Document**"). Their remuneration includes fixed pay, annual wage supplement, performance bonuses, transport allowances, usage of company cars, and subscription fees for country club memberships. The service agreements are valid for an initial period of three years with effect from the date of listing, and thereafter continue from year to year unless terminated by either party giving six months prior written notice to the other party.

There are, at present, no provisions allowing the Company to reclaim incentive components of remuneration from Executive Directors and KMP in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

## **Provision 7.2**

### ***Remuneration of Non-Executive Director***

The Non-Executive and Independent Directors receive Directors' fees, in accordance with their contributions, taking into account factors such as effort, time spent, responsibilities of the Directors and the need to pay competitive fees to attract, motivate and retain the Non-Executive and Independent Directors. For FY2025, Directors' fees of \$120,000 are recommended by the Board and are subject to the approval of the shareholders at the AGM.



# CORPORATE GOVERNANCE

## DISCLOSURE ON REMUNERATION

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

### **Provisions 8.1 and 8.2 Remuneration Report**

Details on the remuneration of Directors and KMP for FY2024 are presented in the following tables.

#### **Remuneration of Directors and the CEO**

The remuneration paid to and accrued to each Director for FY2024 is as follows:-

<b>Name of Directors</b>	<b>Fees \$'000</b>	<b>Salary \$'000</b>	<b>Fixed Bonus <sup>(1)</sup> \$'000</b>	<b>Variable or Performance Related Income / Bonus \$'000</b>	<b>Allowances &amp; Benefit in Kind <sup>(2)</sup> \$'000</b>	<b>Total \$'000</b>
Melvin Goh	–	569	46	–	95	710
Andy Goh	–	474	38	–	81	593
Tan Siok Sing	50	–	–	–	–	50
Foo Say Tun	35	–	–	–	–	35
Anthony Ang Meng Huat	35	–	–	–	–	35

#### **Notes:**

- (1) The Company paid the Executive Directors 1 month of contractual fixed bonuses.
- (2) Allowances and benefits include transport allowances, usage of car and membership subscription.

# CORPORATE GOVERNANCE

## Remuneration of Key Management Personnel

The remuneration received by the top five KMP (who are not Directors or the CEO) in FY2024 is approximately \$0.64 million, and a breakdown showing the level and mix of remuneration of each of the top five KMP (who are not Directors or the CEO) in bands of \$250,000 for FY2024 as follows:

Name of KMP	Salary %	Fixed Bonus %	Variable or Performance Related Income / Bonus %	Allowances & Benefit in Kind <sup>(1)</sup> %	Others %	Total %
<b>Below \$250,000</b>						
Julian Legazpi	100%	0%	0%	0%	0%	100%
Ng Woon Pieow Roy	88%	0%	12%	0%	0%	100%
Hazer Ong	96%	0%	0%	4%	0%	100%
Muhammad Taureza	100%	0%	0%	0%	0%	100%
Joshua Goh Yi Shun <sup>(2)</sup>	95%	0%	0%	5%	0%	100%

### Notes:

- (1) Allowances and benefits include phone/transport/petrol allowances, usage of car and others.
- (2) Mr Joshua Goh Yi Shun, son of Mr Melvin Goh and nephew of Mr Andy Goh, who are the Directors of the Company. His remuneration in FY2024 was between \$100,000 to \$200,000.

The Board is of the opinion that it is not in the best interest of the Company to disclose the exact details of remuneration of the KMP due to the sensitive nature of remuneration matters and the competitiveness of the industry for key talent. The Board believes that there is sufficient transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation, consistent with the intent of Principle 8 of the Code.

Except for Mr Andy Goh, who is the brother of Mr Melvin Goh and Mr Joshua Goh Yi Shun, who is the son of Mr Melvin Goh, there are no employees who are immediate family members of a Director or the CEO, and whose remuneration exceeds \$100,000 during FY2024.

There were no terminations, retirement or post-employment benefits granted to Directors, the CEO and KMP other than standard contractual notice period termination payment in lieu of service for FY2024.

### Provision 8.3

#### Other Payment and Benefits to Directors and Key Management Personnel including Employment Share Schemes

The Company had adopted the EuroSports Employee Share Option Scheme 2023 ("**ESOS 2023**") and EuroSports Performance Share Plan 2023 ("**PSP 2023**") on 28 July 2023, as part of a compensation plan to motivate Directors and employees of the Group to greater dedication, loyalty and higher standards of performance.

## CORPORATE GOVERNANCE

The ESOS 2023 is administered by RC. Options may be granted to the following groups of participants under the ESOS 2023 (a) Group employees; and (b) Group Directors (including Group Executive Directors, Group Non-Executive Directors and Independent Directors). Controlling Shareholders are not eligible to participate in the ESOS 2023. However, associates of a controlling shareholder who meet the eligibility criteria are eligible to participate in the ESOS 2023 provided that (a) the participation of; and (b) the terms of each grant and the actual number of options granted under the ESOS 2023, to a participant who is an associate of a controlling shareholder shall be approved by our independent shareholders in separate resolutions for each such person.

Offers for the grant of options may be made at any time from time to time at the discretion of the RC, in accordance with the Catalist Rules. Options which are fixed at the market price may be exercised after the first anniversary of the date of grant of that option while options exercisable at a discount to the market price may only be exercised after the second anniversary from the day of grant of the option. The ESOS 2023 shall continue in operation for a maximum of 10 years commencing on the date on which the ESOS 2023 is adopted by the Company in general meeting.

The exercise price for each option shall be determined and fixed by RC at (a) a price equal to the average of the last dealt price for the shares on Catalist for five consecutive market days immediately preceding the relevant date of grant of the relevant option ("**Market Price**"); or (b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the RC in its absolute discretion, provided that the maximum discount which may be given in respect of any option shall not exceed 20% of the Market Price.

The PSP 2023 is administered by RC and shall continue in force at the discretion of the RC, subject to a maximum period of 10 years commencing on the date on which the PSP 2023 is adopted by the Company in general meeting, provided always that the PSP 2023 may continue beyond the above stipulated period with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The total number of shares over which the RC may grant the options under the ESOS 2023 and the total number of shares which may be delivered pursuant to the vesting of awards under the PSP 2023 on any date, when added to the number of shares issued and issuable in respect of (i) all options granted under the ESOS 2023; (ii) all awards granted under the PSP 2023; and (iii) all outstanding options, shares or awards issued/issuable or granted under such other share-based incentive schemes or share plans of the Company, shall not exceed 15% of the total number of issued shares (excluding treasury shares, as defined in the Companies Act 1967) of the Company on the day immediately preceding the offer date of the option or from time to time.

During FY2024, no option to take up unissued shares of the Company or its subsidiaries was granted and there were no shares of the Company or its subsidiaries issued by virtue of the exercise of an option to take up unissued shares.

At the end of the financial year, there were no unissued shares of the Company or its subsidiaries under option.

During the financial year, no share awards were granted pursuant to the PSP 2023 and no share awards remained outstanding as at 31 March 2024.

### Performance Share Plan Adopted by the Company's Subsidiary, Scorpio Electric Pte. Ltd.

On 27 September 2019, the Board announced the adoption of Performance Share Plan ("**Plan**") by the Company's subsidiary, Scorpio Electric Pte. Ltd. ("**SEC**"). The purpose of the SEC Plan is to assist SEC in recruiting and retaining individuals with ability and initiative by enabling such persons to participate in the future success of SEC and to associate their interests with those of SEC and its shareholders.

# CORPORATE GOVERNANCE

The Plan is administered by a Committee of a maximum of five persons duly authorised and appointed by the Board, and which shall at all times include the Remuneration Committee of EuroSports Global Limited. The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years from the date of the Plan is adopted by shareholders at general meeting of SEC.

The total number of SEC shares may be granted on any date under the Plan, when added to the number of shares issued and/or issuable or transferred/transferable in respect of: a) all SEC shares granted under the Plan; (b) all shares, options or awards granted under any other share option or share scheme of the Company then in force, shall not exceed 20% of the total issued shares of SEC (excluding treasury shares) on the day preceding that date.

Participants under the Plan are not required to pay for the grant of shares upon achieving the performance target, if any, or upon fulfilment of the conditions specified for the vesting of, and release of the SEC shares comprised in the awards. Notwithstanding the foregoing, the Committee may at its absolute discretion grant SEC shares which require the payment of an exercise price for the issuance of SEC Shares as a condition for release of the SEC shares. The exercise price for each SEC shares shall not be less than the fair market value of the SEC shares on the grant date, and such fair market value shall be as reasonably determined by the Committee in good faith in accordance with accepted industry practices.

SEC awarded 1,956 shares to the participants. Further details of the Plan can be found in the Statement by Directors on page 92 of the annual report.

## (C) ACCOUNTABILITY AND AUDIT

### RISK MANAGEMENT AND INTERNAL CONTROLS

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

#### **Provision 9.1**

##### ***Nature and Extent of Risks***

The Board reviews the adequacy and effectiveness of the Group's risk management and internal controls framework including financial, operational, information technology and compliance controls at least on an annual basis.

The Board is responsible for risk governance of the Group, which includes establishing risk management policies and tolerance strategies that set the appropriate tone and direction, and overseeing the implementation of risk management framework to ensure that risks are identified and managed. On an ongoing basis, the Board monitors and assesses the adequacy of the risk management systems that has been put in place as well as the system of internal controls to ascertain that Management takes the appropriate steps to manage and mitigate risks with the assistance from the AC. The AC reflects its role in assisting the Board to fulfill its responsibilities to safeguard the Company's assets through providing oversight of the Company's financial reporting process, risk management and internal controls system as well as audit function. At the Management level, the Board has established a Risk Management Team and appointed Mr Andy Goh as the Chief Risk Officer. This Risk Management Team oversees and ensures that risks are being managed by appropriate units holistically across the Group.

# CORPORATE GOVERNANCE

## ***Risk Tolerance and Risk Policies***

The Board evaluates the level of risk tolerance and the risk appetite of the Group and determines whether acceptable levels of risk are being taken in the pursuit of the strategic business objectives. Management also maintains a sound system of risk management and internal controls, to safeguard shareholders' interests and the Company's assets, and recommends the nature and extent of the significant risks for the endorsement of the Board in the pursuit of the Group's strategic business objectives, with the oversight from the AC on behalf of the Board.

### ***Provision 9.2***

#### ***Board's Comment on Adequacy and Effectiveness of Risk Management and Internal Control Systems***

In order to arrive at the basis for the opinion on the adequacy and effectiveness of risk management and internal controls, the Board with the assistance of the AC have evaluated the level of assurance required in accordance with the nature and complexity of the business. The Board has arrived at this level of assurance through a review of the work performed by the external auditor, internal auditor, other assurance mechanisms and the results of the risk governance and risk assessment process. This has enabled the Board to assess the adequacy and effectiveness of the Group's key internal controls and risk management practices pertaining to financial, operational, information technology and compliance controls. Any material non-compliance, or lapses in internal controls and recommendations for improvements, are reported to the AC. All required detective, preventive, or corrective improvement measures are closely monitored.

Based on the internal controls established and maintained by Group, work performed by the internal and external auditors, and periodic reviews performed by the Management, various Board Committees and/or the Board, the Board, with the concurrence of the AC, is of the opinion that there are adequate and effective risk management and internal controls systems in place to address the risks relating to financial, operational, information technology and compliance controls for FY2024. The Board will continue to enhance and improve the existing internal control framework and mitigate these risks from time to time.

The Board and the AC are also responsible for (a) monitoring the Company's risk of becoming subject to, or violating, any Sanction Law, and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities. The Company will inform shareholders on any sanction-related risks on the Company, the impact on such risk on the financials and operations of the Group, if any, and also the cessation of sanctions-related risks via announcement to SGXNet.

The Company maintains a system of internal controls for all companies within the Group, but recognises that no internal control system will preclude all errors and irregularities. The system is designed to manage rather than to eliminate the risk of failure to achieve business objectives. The controls are to provide reasonable, but not absolute assurance to safeguard shareholders' investments and the Group's assets.

The system of internal controls and risk management established by the Company provides reasonable but no absolute assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Company is also consistently improving the Company's internal controls and to adopt the recommendations which have been highlighted by the internal and external auditors to further improve on the Company's internal controls.



# CORPORATE GOVERNANCE

## **Assurance from CEO, Deputy CEO and GFC**

For the financial year under review, written assurance was received from (a) the Executive Chairman and CEO, Executive Director and Deputy CEO, and the Group FC that the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and (b) the Executive Chairman and CEO, Executive Director and Deputy CEO and the Group FC that the Group's risk management and internal control systems in place were adequate and effective.

In addition, the Company had received undertakings from all the Directors and executive officers that they each shall, in the exercise of their powers and duties as Directors and officers, comply to the best of their abilities with the provisions of the Catalist Rules, the Securities and Future Act, the Code on Takeover and Mergers, and the Companies Act and will also procure the Company to do so.

## **AUDIT COMMITTEE**

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

#### **Provisions 10.1 & 10.2**

#### **Roles, Responsibilities and Authorities of AC and Membership**

The AC comprises Mr Anthony Ang Meng Huat, Mr Tan Siok Sing and Mr Foo Say Tun, all of whom are Non-Executive and Independent Directors. Mr Anthony Ang Meng Huat is the AC Chairman.

The Board is of the view that the members of the AC, including the AC Chairman, have the requisite qualifications, recent and relevant financial management knowledge, expertise and experience to discharge their responsibilities properly and effectively.

The members of the AC carried out their duties in accordance with the terms of reference which include, amongst others, the following:

- (a) To oversee and appraise the quality of the Company's internal audit function and external auditor. In pursuance of this function, the duties of the AC shall include, amongst others, the following:
  - Review the scope and results of the external audit and the independence and objectivity of the external auditor;
  - Review the adequacy, effectiveness, independence, scope and results of the external audit and the internal audit function;
  - Review the adequacy and effectiveness of the company's internal controls and risk management systems;
  - Review risk management policies and systems and potential business risk management process;
  - Review the co-operation given by management to the internal and external auditors; and
  - Recommend to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the external auditor.

# CORPORATE GOVERNANCE

- (b) To serve as an independent and objective party to review the financial information presented by the management to shareholders, regulators and the general public. In pursuance of this function, the duties of the AC shall include, amongst other things, the following:
- Review the Company's key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, and make the appropriate disclosure to the Board and in the Company's annual report;
  - Monitor the integrity of the financial information on the relevance and consistency of the accounting standards used and to review the financial statements (and any announcements relating to financial performance), significant financial reporting issues and judgements of the Company and of the Group with the management and external auditor before submission to the Board; and
  - Review the half year and full year financial statements and results announcements before submission to the Board for approval.
- (c) To examine the adequacy of the Company's internal controls, and evaluate adherence. In pursuance of this function, the duties of the AC, shall include, amongst others, the following:
- Exercise authority to investigate any matter within its terms of reference, with full access to and co-operation by the Company's Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable the AC to discharge its functions properly;
  - Review and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, information technology and compliance controls;
  - Review and discuss with the auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and the management's response;
  - Commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any laws, rules or regulations which has or is likely to have a material impact on the Company's operating results and/or financial position;
  - Review policies and arrangements by which staff of the Company and any other persons may in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow up action;
  - Review transactions (if any) falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules;
  - Review potential conflicts of interest (if any) and set out a framework to resolve or mitigate any potential conflicts of interests; and
  - Review and approve foreign exchange hedging policies and instruments (if any) implemented by the Group and conduct periodic review of foreign exchange transactions and hedging policies and procedures.

## ***Summary of the Audit Committee's Activities***

The AC will meet at least twice a year to review the announcement of the half year and full year financial results before being approved by the Board for release to the SGX-ST.

For FY2024, the AC has met with external and internal auditors, without the presence of Management.

# CORPORATE GOVERNANCE

The principal activities of the AC during FY2024 are summarised below:

- (a) Reviewed the half year and full year financial statements and results announcements, material announcements, and all related disclosures to shareholders before submission to the Board for approval;
- (b) Reviewed the audit plan and audit report of the Company's internal and external auditors and ensures the adequacy of the Company's system of accounting controls and the co-operation given by the Management to the external and internal auditors;
- (c) Reviewed the annual financial statements and discussed with the Management, the Group FC and the external auditor the Key Audit Matters ("**KAM**"), significant accounting policies, judgement and estimate applied by the Management in preparing the annual financial statements. Following the review and discussions, the AC then recommended to the Board for approval of the audited financial statements;
- (d) Recommended to the Board for re-appointment of Messrs RSM SG Assurance LLP (formerly known as Messrs RSM Chio Lim LLP) as auditor of the Company for the ensuing year;
- (e) Undertook a review of the independence and objectivity of the external auditor through discussions with the external auditor as well as reviewing the non-audit fees awarded to them;
- (f) Reviewed the nature and extent of non-audit services provided by the external auditor;
- (g) Reviewed the reports and findings from the internal auditor;
- (h) Reviewed the adequacy, effectiveness and independence of the internal audit function;
- (i) Reviewed the Group's interested person transactions to ensure that the transactions were carried out on normal commercial terms and are not prejudicial to the interests of the Company or its non-Controlling Shareholders;
- (j) Reviewed the Chairman/Directors expenses;
- (k) Reviewed significant matters raised through the whistle-blowing channel; and
- (l) Met with the external auditor and internal auditor without the presence of Management.

## **Authority of the AC**

The AC has full authority to investigate any matter within its terms of reference, full access to and cooperation from Management, and full discretion to invite any Director, executive officer or other employee of the Group to attend its meetings, and has been given reasonable resources to enable it to discharge its function properly and effectively.

## **Whistle-Blowing Policy**

The AC reviewed the adequacy of the whistle blower arrangements instituted by the Group through which staff and external parties may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

The Group has in place a whistle-blowing policy. The Group is committed to a high standard of ethical conduct and adopts a zero-tolerance approach to fraud. The Group will treat all information received confidentially and protect the identity and the interest of all whistle blowers. Anonymous disclosures will be accepted and anonymity honoured. The whistle-blowing policy, its procedures and contact details have been made available in the Company's website under the "**Code of Conduct and Ethics**".

The AC will address the issues and concerns raised and ensure that necessary arrangements are in place for the independent investigation of issues raised by the whistle blowers and for appropriate follow up actions.

There was no reported incident pertaining to whistle-blowing during FY2024.

# CORPORATE GOVERNANCE

## Financial Reporting Matters

The role of AC in relation to financial reporting is to monitor the integrity of the half year and full year financial statements and that any formal announcements relating to the Group's financial performance. For the financial year under review, the AC has considered whether accounting standards are consistently applied across the Group and whether disclosures to the financial statements are clear and sufficient.

In review of the financial statements, the AC has discussed with Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements. The significant matters impacting the financial statements were discussed with Management and the external auditor have been included as KAMs in its auditor's report for FY2024.

Significant matters	How does the AC address the matter
Accounting for assessing going concern of the group	AC has reviewed the appropriateness of Management's assessment of going concerns.  AC has considered and is satisfied the reasonableness of the basis and key assumptions.
Accounting for assessing the net realisable value of inventories	AC has reviewed the reasonableness of Management's judgement used in determining the allowance for inventories.  AC has considered and is satisfied that the Group's valuation of inventories as at 31 March 2024 was appropriate
Accounting for assessing the carrying value of intangible assets	AC has reviewed the appropriateness of Management's assessment in identifying any potential indications of impairment loss on intangible assets.  AC has considered and is satisfied that the impairment assessment of intangible assets as at 31 March 2024 was appropriate.

The above items were also an area of focus for the external auditor and the external auditor has included these items as KAMs in its audit report for FY2024.

The AC concluded that the Group's accounting treatment in each of the significant matters was appropriate. All the KAMs that were raised by the external auditor for FY2024 have been addressed by the AC and covered in the above commentary.

## Auditor Independence

The AC undertook a review of the independence and objectivity of the external auditor through discussions with the external auditor as well as reviewing the non-audit fees awarded to them. The AC received an audit report from the external auditor setting out the non-audit services provided and the fees charge for FY2024. The aggregate amount of fees paid to the external auditor for audit and non-audit services for FY2024 are as follows:

	\$'000
Audit Fees	114
Non-audit Fees	30

# CORPORATE GOVERNANCE

Having undertaken a review of the non-audit services provided during the year, the AC remains confident that the objectivity and independence of the external auditor are not in any way impaired by reason of the non-audit services which they provide to the Group. Moreover, the AC is satisfied that these services were provided efficiently by the external auditor as a result of their existing knowledge of the business.

The AC manages the relationship with the Group's external auditor, on behalf of the Board. For FY2024, the AC carried out its annual assessment of the cost effectiveness of the audit process, together with the auditor's approach to Audit Quality Indicators relating Messrs RSM SG Assurance LLP at the firm level and on the audit engagement level. The AC concluded that the auditor demonstrated appropriate qualifications and expertise and that the audit process was effective. Therefore, the AC recommended to the Board the nomination of Messrs RSM SG Assurance LLP for re- appointment as external auditor at the forthcoming AGM of the Company.

Pursuant to the Rule 713 of the Catalist Rules, an audit partner may only be in charge of a maximum of five consecutive annual audits and may then return after two years. The current Messrs RSM SG Assurance LLP's audit partner has been responsible for the audit of the Group since financial year ended 31 March 2022.

For FY2024, the Company has complied with Rules 712 and 715 of the Catalist Rules in relation to the appointment of its external auditor. The AC and the Board are satisfied with the standards and the effectiveness of the audit performed by the independent external auditor of the subsidiaries of the Group.

## ***AC to Keep Abreast of Changes to Accounting Standard***

AC are regularly updated on changes to accounting standards and issues related to financial reporting through, inter alia, their meeting with internal and external auditors of the Company.

Updates on changes in accounting standards and issues which have a direct impact on financial statements are prepared by external auditor and circulated to members of the AC periodically.

## ***Provision 10.3***

### ***Partners and Directors of the Company's Auditing Firm***

The AC does not comprise former partners or directors of the Company's existing audit firm or auditing corporation within the previous two years and none of the AC members hold any financial interest in the Company's existing audit firm or auditing corporation.

## ***Provision 10.4***

### ***Internal Audit***

The Board recognises the importance of maintaining an internal audit function to maintain a sound system of internal controls within the Group to safeguard shareholders' investments and the Group's assets. The AC has the responsibility to review the adequacy of the internal audit function annually, review the internal audit program and ensure co-ordination between internal auditor, external auditor and the management. The objective of the internal audit function is to provide an independent review on the adequacy and effectiveness of the Group's internal controls and provide reasonable assurance to the AC on the Group's controls and governance processes.

### ***Internal Audit Function***

The Board, upon the recommendation of the AC, approves the hiring, removal and evaluation of the professional service firm to which the internal audit function was outsourced. The internal audit function is outsourced to BDO Advisory Pte Ltd who reports primarily to the AC. The internal auditor has unfettered access to all the Company's documents, records, properties and personnel, including access to the AC and has appropriate standing within the Company.

# CORPORATE GOVERNANCE

The AC has reviewed and confirmed that BDO Advisory Pte Ltd, an international auditing firm, is a suitable professional service firm to meet the Company's internal audit obligations, having regard to the adequacy of resources and experience of the firm and the engagement partner, number and experience supervisory and professional staff assigned to internal audits. They perform their work based on the BDO Global Internal Audit Methodology which is consistent with the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

The AC reviews and approves the internal audit plan submitted by the internal audit function to ensure that there is sufficient coverage of the Group's activities. It also oversees the implementation of the internal audit plan and ensures that Management provides the necessary co-operation to enable the internal auditor to perform its function. On an on-going basis, the internal audit function reports to the AC any significant weaknesses and risks identified in the course of internal audits conducted. Recommendations to address internal control weaknesses are further reviewed by the internal audit function based on implementation dates agreed with the Management.

The AC annually reviews the independence, effectiveness and adequacy of the internal audit function. For FY2024, the AC has reviewed and is satisfied that the internal audit function is independent, effective and adequately resourced.

## ***Provision 10.5***

### ***Meeting with External and Internal Auditors***

During FY2024, the external auditor and internal auditor were invited to attend the AC meetings to present their audit plan and audit findings report to the AC. The AC has met with the external auditor and the internal auditor at least once during FY2024 without the presence of Management. During these meetings, the Internal Auditors and External Auditors may raise issues encountered in the course of their work directly to the AC.

## **(D) SHAREHOLDER RIGHTS AND ENGAGEMENT SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS**

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

## ***Provision 11.1***

### ***Conduct of General Meetings***

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all shareholders are treated equitably and the rights of all shareholders, including non-Controlling Shareholders, are protected. All the necessary disclosures required by the Catalist Rules will be made in public announcements, press releases and annual reports to shareholders. The Company is committed to providing shareholders with adequate, timely and sufficient information pertaining to changes in the Group's business which could have a material impact on the Company's share price.

The Company encourages active shareholder participation at general meetings and welcomes shareholders to give constructive views on various matters concerning the Group. When opportunities arise, the Directors will solicit and try to understand the views of shareholders before and/or after general meetings of the Company.



# CORPORATE GOVERNANCE

The notice of meetings together with the relevant documents, is distributed to all shareholders at least 14 days before the scheduled meetings. Shareholders are invited to attend the general meetings to put forth any questions they may have on the motions to be debated and decided upon. All shareholders are entitled to vote in accordance with the established voting rules and procedures at the AGM and were informed of the rules, including voting procedures that govern general meetings of shareholders.

The minutes of general meeting are published on the SGXNet and the Company's website and made publicly available within one month after the Company's general meetings.

The forthcoming AGM will be convened and held physically on 30 July 2024 at 2:00 pm ("**AGM 2024**"). Details of which are set out in the Notice of AGM. Shareholders can attend, raise questions and vote by him/herself in person or through an appointment of proxy.

## **Provision 11.2**

### ***Separate Resolutions at General Meeting***

All resolutions at the Company's general meeting are put to vote by poll and shareholders are entitled to vote in accordance with established voting rules and procedures so as to better reflect shareholders' shareholding interest and promote greater transparency. The detailed results showing the number of votes cast for or against each resolution and the respective percentage on each resolution are tallied and instantaneously displayed at the meeting and also disclosed via SGXNet on the same day and likewise uploaded on the Company's website.

For FY2023, the Company's general meetings was held physically, voting at the general meetings was either in-person or by proxy. Shareholders who wish to vote on any or all the resolutions at the general meetings by proxy, may appoint the Chairman of the meeting or their designated proxies as their proxy at the general meetings by completing the proxy forms for the respective general meetings, and submitting the proxy form by post or by email to the Company forty-eight (48) hours before the time appointed for holding the general meetings.

The resolutions tabled at the general meetings are on each substantially separate issue, including treating the election or re-election of each director as a separate subject matter. Detailed information on each item in the general meetings agenda is provided in the explanatory notes of the Notice of general meetings.

## **Provision 11.3**

### ***Interaction with Shareholders***

All the Directors including Chairman of the Board and respective Chairman for each of the Board Committees will endeavour to be present at the AGM 2024 to address shareholder's questions relating to the work of the Board and the Board Committees. The external auditors will also be presented in the meeting and address any query directed to them related to the financials of the Company, the conduct of audit and preparation and content of the auditor's report.

## **Provision 11.4**

### ***Absentia Voting***

The Company has not amended its Constitution to provide absentia voting methods. Voting in absentia and by mails, electronic mails or facsimile at the general meeting may only be possible following careful study to ensure that the integrity of the information and authentication of the identity of shareholders through digital media or the internet is not compromised.

# CORPORATE GOVERNANCE

Whilst the Company's Constitution allows all shareholders to appoint not more than two proxies to attend general meetings and vote on their behalf. The Company's Constitution also allows investors, who holds shares through nominees such as CPF and custodian banks, to attend and vote at the general meetings without being constrained by the two-proxy rule.

## ***Provision 11.5*** ***Minutes of General Meetings***

Minutes of general meetings, including relevant and substantial comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and the Management, are available to shareholders on the Company's website and SGXNet.

For the general meetings of the Company held on 28 July 2023, the Company had published the minutes of the general meetings on its website and the SGXNet within one month from the conclusion of the general meetings.

## ***Provision 11.6*** ***Dividend Policy***

The Company does not have a specific policy on the amount of dividends to be paid due to the nature of the business and the way that income is realised. Nevertheless, the Board has adopted a policy of issuing dividends when there is availability of both sufficient profits and cash flow, after taking into account the Group's short and long term capital requirements, future investment plans, general global and business economic conditions. The Board endeavours to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend policy.

No dividend is declared for FY2024 as the Group is conserving cash for its business operations.

## **ENGAGEMENT WITH SHAREHOLDERS**

**Principle 12: The Company communicates regularly with its shareholders and facilitate the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.**

### ***Provision 12.1*** ***Communication with Shareholders***

The Company strives for timeliness and consistency in its disclosures to shareholders, it is the Company's policy to keep all shareholders informed of developments or changes that will have a material impact on the Company's share price, through announcements via SGXNet. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable. The Company does not practice selective disclosure, price sensitive information is first publicly released through SGXNet, before the Company meets with any investors or analysts. Shareholders are also provided with an update on the Group's performance, position and prospects through the Company's annual report.

The Company's half year and full year results announcements, corporate presentations, announcements and press release are issued via SGXNet. Shareholders have access to information on the Group via the Company's website. The Company discloses all material information on a timely basis to all shareholders.

# CORPORATE GOVERNANCE

## **Provisions 12.2 and 12.3** **Investor Relations Policy**

The Company did not implement a formal investor relations policy in place. Nonetheless, the Board's policy is that all shareholders should be informed simultaneously in an accurate and comprehensive manner regarding all material developments that impact the Group via SGXNet on an immediate basis, in line with the Group's disclosure obligations pursuant to the Catalist Rules. There is no dedicated investor relations team in place as the Board is of the view that the current communication channels are sufficient and cost-effective. The Company's investor relations function is led by the Deputy CEO who has the strategic communication to enable effective communication between the Company and all shareholders, stakeholders, analyst and media. Apart from the SGXNet announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website. The Company has procedures in place for responding to investors' queries. Shareholders can submit their feedback and raise any question to the Company's investor relations, contact as provided in Company's corporate website.

## **(E) ENGAGEMENT WITH STAKEHOLDERS**

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

### **Provisions 13.1 and 13.2** **Relationship with Stakeholders**

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. The priority stakeholders include employees, customers, business partners, government agencies, community, media and shareholders and investors. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are aligned with the needs and interests of its stakeholders.

The Company's approach to its stakeholders' engagement can be found in the Company's Sustainability Report 2024 on pages 25 to 26 of the Annual Report.

### **Provision 13.3** **Communication with Stakeholders**

The Company's contact information is reflected on its current corporate website ([www.eurosportsglobal.com](http://www.eurosportsglobal.com)), to enable stakeholders to contact the Company.

The Company's corporate website is regularly updated to communicate and engage with stakeholders.

# CORPORATE GOVERNANCE

## (F) ADDITIONAL INFORMATION

### **Dealings in Securities**

In compliance with Rule 1204(19) of the Catalist Rules, the Company has issued a directive to all employees and Directors not to deal in the Company's securities one month before the announcement of half year and full year results and ending on the date of the announcement of the relevant results. Reminders are sent via email to remind all Directors and employees. The Company has conducted staff briefing to explain the Company's policy on this matter. In addition, the Directors and employees are advised not to deal in the Company's securities on short term considerations and are expected to observe the insider trading laws at all times even when dealing in securities within the permitted trading periods. The Board will be kept informed when a Director trades in the Company's securities. In view of the processes in place, in the opinion of the Directors, the Company has complied with Rule 1204(19) of the Catalist Rules on dealings in securities.

### **Interested Person Transactions**

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and that the transactions are carried out on an arm's length basis and will not be prejudicial to the interests of the Company and its minority shareholders. During FY2024, the Group did not enter into any interested person transactions of \$100,000 or more. The Group does not have a general mandate pursuant to Rule 920 of the Catalist Rules for interested person transactions.

### **Material Contracts**

Save for the Service agreements of Mr Melvin Goh and Mr Andy Goh previously disclosed in the Offer Document, there were no other material contracts entered into by the Company and its subsidiaries involving the interest of any Director or Controlling Shareholders subsisting as at 31 March 2024, or if not then subsisting, entered into in FY2024.

### **Non-sponsor fees**

In compliance with Rule 1204(21) of the Catalist Rules, there were no non-sponsor fees paid/payable to the Company's sponsor, RHT Capital Pte. Ltd. for FY2024.

### **Sustainability Management**

The Group considers sustainability issues as part of its strategic formulation. We are committed to sustainability and corporate governance in setting our business strategies and operations. We adopt an inclusive approach by considering and balancing the needs and interests of material stakeholder, as part of our overall strategy to ensure that the best interests of the Group are served. For more details and information on Sustainability Report, please refer to pages 20 to 49.

# FINANCIAL REPORT 2024

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# STATEMENT BY DIRECTORS

For the Financial Year Ended 31 March 2024

The directors of the company are pleased to present the accompanying financial statements of the company and of the group for the financial year ended 31 March 2024.

## 1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the company and, of the financial position and performance of the group for the financial year covered by the financial statements or consolidated financial statements; and
- (b) at the date of the statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

## 2. DIRECTORS

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

Goh Kim San  
Goh Kim Hup  
Tan Siok Sing  
Foo Say Tun  
Anthony Ang Meng Huat



# STATEMENT BY DIRECTORS

For the Financial Year Ended 31 March 2024

## 3. DIRECTORS' INTERESTS IN SHARES AND 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 corporations, except as follows:

Name of directors and companies in which interests are held	Direct interest		Deemed interest	
	At beginning of the financial year	At end of the financial year	At beginning of the financial year	At end of the financial year
<b>Number of shares of no par value</b>				
<u>The company – EuroSports Global Limited</u>				
Goh Kim San	79,010,200	79,010,200	40,403,300	40,403,300
Goh Kim Hup	36,815,600	31,815,600	19,500,000	19,500,000
Tan Siok Sing	–	–	217,700	217,700

By virtue of section 7 of the Act, Mr Goh Kim San and Mr Goh Kim Hup are deemed to have an interest in the company and in all the related corporations of the company.

The directors' interests as at 21 April 2024 were the same as at 31 March 2024.

## 4. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

# STATEMENT BY DIRECTORS

For the Financial Year Ended 31 March 2024

## 5. SHARE OPTIONS AND SHARE PLAN

### EuroSports Employee Share Option Scheme 2023 (“ESOS 2023”)

The ESOS 2023 was approved pursuant to a resolution passed by the shareholders on 28 July 2023.

The ESOS 2023 is administered by the Remuneration Committee whose members are:

Foo Say Tun	(Chairman of the Remuneration Committee, Non-Executive and Independent Director)
Anthony Ang Meng Huat	(Non-Executive and Independent Director)
Tan Siok Sing	(Non-Executive and Lead Independent Director)

Subject to the absolute discretion of the Remuneration Committee, options may be granted to the following groups of participants under the ESOS 2023:

- Confirmed group employees (including Group Director); and
- Non-Executive Directors (including independent Directors)

Controlling shareholders are not eligible to participate in the ESOS 2023. However, associates of a controlling shareholder who meet the eligibility criteria are eligible to participate in the ESOS 2023 provided that (a) the participation by; and (b) the terms of each grant and the actual number of options granted under the ESOS 2023, the terms of any options to be granted and the actual number of options to be granted under the ESOS 2023, to a Participant who is an associate of a controlling shareholder shall be approved by the independent shareholders in separate resolutions for each such person.

Offers for the grant of options may be made at any time from time to time at the discretion of the Remuneration Committee, in accordance with the SGX-ST Catalist Listing Manual. Options granted with the exercise price set at market price shall only be exercisable, at any time, after the 1st anniversary of the offer date of that option, provided always that the options shall be exercised before the 10th anniversary of the relevant offer date, or such earlier date as may be determined by the Committee. Options granted with the exercise price set at a discount to market price shall only be exercisable, at any time, after the 2nd anniversary from the offer date of that option, provided always that the options shall be exercised before the 10th anniversary of the relevant offer date, or such earlier date as may be determined by the committee. The maximum discount shall not exceed 20.0% of the market price (or such other percentage or amount as may be determined by the committee and permitted by the SGX-ST).

The ESOS 2023 shall continue be in force at the discretion of the committee, subject to a maximum period of 10 years, commencing from 28 July 2023.

During the financial year, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At the end of the financial year, there were no unissued shares under option.

# STATEMENT BY DIRECTORS

For the Financial Year Ended 31 March 2024

## 5. SHARE OPTIONS AND SHARE PLAN (CONT'D)

### **EuroSports Performance Share Plan 2023 ("PSP 2023")**

The group operates a PSP 2023 which was approved pursuant to a resolution passed by the shareholders on 28 July 2023.

The PSP 2023 is administered by the Remuneration Committee. The participants of the PSP 2023 are similar to those of the ESOS 2023.

The PSP 2023 shall continue be in force at the discretion of the committee, subject to a maximum period of 10 years, commencing from 28 July 2023, which the PSP 2023 was adopted by the company, provided always that the PSP 2023 may continue beyond the above stipulated period with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

Controlling shareholders shall not be eligible to participate in the PSP 2023. However, the associates of the controlling shareholders who meet the eligibility criteria in rule 4.1 shall be eligible to participate in the PSP 2023 provided that (a) the participation of, and (b) the terms of each grant and the actual number of awards granted under the PSP 2023, to a participant who is an associate of a controlling shareholder shall be approved by the independent shareholders in separate resolutions for each such person.

The total number of shares over which the Remuneration Committee may grant the options under the ESOS 2023 and the total number of shares which may be delivered pursuant to the vesting of awards under the PSP 2023 on any date, when added to the number of shares issued and issuable in respect of (i) all options granted under the ESOS 2023; (ii) all awards granted under the PSP 2023; and (iii) all outstanding options, shares or awards issued/issuable or granted under such other share-based incentive schemes or share plans of the company, shall not exceed 15% of the total number of issued shares (excluding treasury shares, as defined in the Act) of the company on the day immediately preceding the offer date of the option or from time to time.

During the financial year, no shares were issued pursuant to the PSP 2023.

At the end of the financial year, there were no unissued shares under PSP 2023.

### **Performance Share Plan ("Plan") Adopted by the Company's Subsidiary, Scorpio Electric Pte. Ltd. ("SEC")**

SEC adopted the Plan on 27 September 2019. The purpose of the SEC Plan is to assist SEC in recruiting and retaining individuals with ability and initiative by enabling such persons to participate in the future success of SEC and to associate their interests with those of SEC and its shareholders.

The Plan is administered by a committee ("**Committee**") of a maximum of five persons duly authorised and appointed by the Board, and which shall at all times include the Remuneration Committee of EuroSports Global Limited. The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years from the date of the Plan is adopted by shareholders at general meeting of SEC.

# STATEMENT BY DIRECTORS

For the Financial Year Ended 31 March 2024

## 5. SHARE OPTIONS AND SHARE PLAN (CONT'D)

### Performance Share Plan ("Plan") Adopted by the Company's Subsidiary, Scorpio Electric Pte. Ltd. ("SEC") (cont'd)

The total number of SEC shares may be granted on any date under the Plan, when added to the number of shares issued and/or issuable or transferred/transferable in respect of: (a) all SEC shares granted under the Plan; (b) all shares, options or awards granted under any other share option or share scheme of the company then in force, shall not exceed 20% of the total issued shares of SEC (excluding treasury shares) on the day preceding that date.

Participants under the SEC Plan are not required to pay for the grant of shares upon achieving the performance target, if any, or upon fulfilment of the conditions specified for the vesting of, and release of the SEC shares comprised in the awards. Notwithstanding the foregoing, the Committee may at its absolute discretion grant SEC shares which require the payment of an exercise price for the issuance of SEC shares as a condition for release of the SEC shares. The exercise price for each SEC shares shall not be less than the fair market value of the SEC shares on the grant date, and such fair market value shall be as reasonably determined by the Committee in good faith in accordance with accepted industry practices. The vesting period ranges from immediate to 5 years, and it is dependent on the performance targets set being satisfied (whether fully or partially) at the end of the performance period to be assessed by the committee.

At the end of the financial year, there were 60,956 (2023: 63,500) shares in SEC granted to the participants pursuant to the Plan.

The details of the Plan granted and exercised during the financial year were:

	Since Commencement of Scheme to 31.03.2024				Aggregate Shares Granted Outstanding as at 31.03.2024
	Shares Granted during the Financial Year	Aggregate Shares Granted	Aggregate Shares Vested	Aggregate Shares Lapsed	
<b>Name of Participants</b>					
- Employees of the subsidiary	1,293	105,086	(25,293)	(19,500)	60,293
- Contractor	663	663	-	-	663
	1,956	105,749	(25,293)	(19,500)	60,956

No participant has been granted 5% or more of the aggregate number of performance shares which may be issued under the Plan since its commencement.

For the financial year ended 31 March 2024, 1,956 (2023: 51,293) performance shares are granted to employees and a contractor.

# STATEMENT BY DIRECTORS

For the Financial Year Ended 31 March 2024

## 6. AUDIT COMMITTEE

The members of the audit committee at the date of this statement are as follows:

Anthony Ang Meng Huat	(Chairman of the audit committee, Non-Executive and Independent Director)
Tan Siok Sing	(Non-Executive and Lead Independent Director)
Foo Say Tun	(Non-Executive Independent Director)

The audit committee carried out its function in accordance with section 201B(5) of the Companies Act 1967. The audit committee's main functions are to:

- Reviewed with the independent external auditor their audit plan;
- Reviewed with the independent external auditor their evaluation of the company's internal accounting controls relevant to their statutory audit, and their report on the financial statements and the assistance given by management to them;
- Reviewed with the internal auditor the scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by the management to the internal auditor;
- Reviewed the financial statements of the group and the company prior to their submission to the directors of the company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

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

The audit committee has recommended to the board of directors that the independent auditor, RSM SG Assurance LLP, be nominated for re-appointment as the independent auditor at the next annual general meeting of the company.

## 7. INDEPENDENT AUDITOR

RSM SG Assurance LLP has expressed their willingness to accept re-appointment. This audit firm was known as RSM Chio Lim LLP before 1 March 2024.

# STATEMENT BY DIRECTORS

For the Financial Year Ended 31 March 2024

## 8. DIRECTORS' OPINION ON THE ADEQUACY OF INTERNAL CONTROLS

Based on the internal controls established and maintained by the company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the audit committee and the board are of the opinion that the group's system of internal control, addressing financial, operational and compliance controls and risk management, are adequate as at the end of the financial year ended 31 March 2024.

On behalf of the directors

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Goh Kim San  
Director

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Goh Kim Hup  
Director

15 July 2024



# INDEPENDENT AUDITOR'S REPORT

For the Financial Year Ended 31 March 2024

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

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

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

### Basis for opinion

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

### Material uncertainty related to going concern

We draw attention to Note 1 of the financial statements, which indicates that the group incurred a net loss of \$8,607,000 and has net cash outflows used in operating activities of \$2,817,000 during the year ended 31 March 2024, and, as of that date, the group and the company’s current liabilities exceeded their current assets by \$1,720,000 and \$8,024,000 respectively. These conditions, indicate that a material uncertainty exists that may cast significant doubt on the group and company’s ability to continue as going concerns. The management is however of the view that the use of going concern basis in the preparation of these financial statements is appropriate taking into consideration the matters disclosed in Note 1. If the going concern assumption is inappropriate, adjustments may have to be made to reflect the situation that assets may need to be realised for amounts other than those at which they are currently recorded in the statements of financial position. Our opinion is not modified in respect of this matter.

# INDEPENDENT AUDITOR'S REPORT

For the Financial Year Ended 31 March 2024

## Key audit matters

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

### **Assessing the net realisable value of inventories**

Refer to Notes 2A and 2B to the financial statements for the relevant accounting policy and key estimates used in the valuation of inventories respectively, and Note 17 for the classification details of the inventories at the financial year end.

Inventories amounted to \$12,123,000, representing 29.28% of the group's total assets as at 31 March 2024.

Management applied judgement in determining the appropriate allowance for inventories by taking into consideration various factors, including prevailing market conditions, future demand and anticipated selling prices. We have therefore identified inventory valuation as an area requiring particular audit attention.

We have considered the appropriateness of management's judgements applied in calculating the value of the inventory allowance, taking into consideration historical information and latest available market information. We checked the mechanical accuracy of the allowance by reviewing the calculation criteria and recalculating them to ensure that they are in line with the group policy. We have also reviewed the aging of the inventory items and compared selected inventory's carrying values to recent sales transactions.

We have also assessed the adequacy of the disclosures made in the financial statements.

### **Assessing the carrying value of intangible assets**

Refer to Notes 2A and 2B to the financial statements for the relevant accounting policy and key estimates used in the valuation of intangibles respectively, and Note 14 on intangible assets at the financial year end.

Intangible assets amounted to \$11,230,000, representing 27.12% of the group's total assets as at 31 March 2024. We have focused on this area due to the size of the intangible assets and the inherent judgement involved in forming a valuation of the intangible assets, particularly regarding future sales and profit forecasts.

Management applied judgement in assessing the carrying value of intangible assets as at the reporting date. Management used the “value in use” method to determine the recoverable value. This required management making estimates that take into consideration of the various factors, including revenue growth rates, profit margins, prevailing market conditions, future demand anticipated selling prices, terminal growth rates and discount rates.

We have discussed with management the processes over the determination of the forecasted revenue growth of the sale of electric motorcycles, the profit margins, terminal growth rates and discount rates. We assessed management's estimates applied in the value in use model based on our knowledge of the operations. Our in-house valuation specialists also performed a review of the management's methodology, expectations and the discount rates used in the impairment assessment and tested the accuracy of the computations.

We have also assessed the adequacy of the disclosures made in the financial statements.

# INDEPENDENT AUDITOR'S REPORT

For the Financial Year Ended 31 March 2024

## Other information

Management is responsible for the other information. The other information comprises the statement by directors and 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.

## Responsibilities of management and directors for the financial statements

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

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

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

## Auditor's responsibilities for the audit of the financial statements

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

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

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

# INDEPENDENT AUDITOR'S REPORT

For the Financial Year Ended 31 March 2024

## Auditor's responsibilities for the audit of the financial statements (cont'd)

- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

# **INDEPENDENT AUDITOR'S REPORT**

For the Financial Year Ended 31 March 2024

## **Report on other legal and regulatory requirements**

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

The engagement partner on the audit resulting in this independent auditor's report is Tan Beng Teck.

RSM SG Assurance LLP  
Public Accountants and  
Chartered Accountants  
Singapore

15 July 2024

Engagement partner – effective from year ended 31 March 2022

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year Ended 31 March 2024

	Notes	Group	
		2024 \$'000	2023 \$'000
<b>Revenue</b>	5	25,123	60,884
Cost of sales		(21,282)	(52,768)
<b>Gross profit</b>		3,841	8,116
Other income	6	1,315	1,998
Interest income		41	15
Other gains	7	119	371
Marketing and distribution expenses	8	(1,963)	(2,451)
Administrative expenses	8	(11,108)	(11,899)
Other losses	7	(319)	(118)
Finance costs	8	(430)	(316)
<b>Loss before income tax</b>		(8,504)	(4,284)
Income tax expense	10	(103)	(160)
<b>Net loss</b>		(8,607)	(4,444)
<b>Other comprehensive (loss) / income:</b>			
<b>Item that may be reclassified subsequent to profit or loss:</b>			
Foreign currency translation adjustment		(3)	1
<b>Total comprehensive loss</b>		(8,610)	(4,443)
<b>Net loss attributable to:</b>			
Equity holders of the company		(7,701)	(3,963)
Non-controlling interests		(906)	(481)
<b>Net loss</b>		(8,607)	(4,444)
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the company		(7,704)	(3,962)
Non-controlling interests		(906)	(481)
<b>Total comprehensive loss</b>		(8,610)	(4,443)
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per share (loss):</b>			
Basic and diluted	11	(3.11)	(1.56)

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



# STATEMENTS OF FINANCIAL POSITION

As at 31 March 2024

	Notes	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Plant and equipment	12	2,061	2,302	–	–
Right-of-use assets	13	1,977	3,438	1,473	3,438
Intangible assets	14	11,230	7,205	–	–
Investment in subsidiaries	15	–	–	12,444	10,208
Financial assets at FVTPL	16	139	139	139	139
Other non-financial assets	19	–	90	–	–
<b>Total non-current assets</b>		<b>15,407</b>	<b>13,174</b>	<b>14,056</b>	<b>13,785</b>
<b>Current assets</b>					
Inventories	17	12,123	12,146	–	–
Trade and other receivables	18	2,279	1,889	4,057	1,118
Other non-financial assets	19	6,295	4,336	574	438
Cash and cash equivalents	20	5,302	9,053	20	124
<b>Total current assets</b>		<b>25,999</b>	<b>27,424</b>	<b>4,651</b>	<b>1,680</b>
<b>Total assets</b>		<b>41,406</b>	<b>40,598</b>	<b>18,707</b>	<b>15,465</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	21	15,046	15,866	15,046	15,866
Other reserves		423	376	–	–
Accumulated losses		(9,219)	(972)	(12,402)	(10,650)
<b>Equity attributable to equity holders of the company</b>		<b>6,250</b>	<b>15,270</b>	<b>2,644</b>	<b>5,216</b>
Non-controlling interests		3,768	4,113	–	–
<b>Total equity</b>		<b>10,018</b>	<b>19,383</b>	<b>2,644</b>	<b>5,216</b>
<b>Non-current liabilities</b>					
Other financial liabilities	23	3,669	1,588	3,388	–
Lease liabilities	24	–	2,411	–	1,532
<b>Total non-current liabilities</b>		<b>3,669</b>	<b>3,999</b>	<b>3,388</b>	<b>1,532</b>
<b>Current liabilities</b>					
Trade and other payables	22	4,983	5,267	9,143	6,708
Other financial liabilities	23	8,249	2,582	2,000	–
Lease liabilities	24	2,394	2,311	1,532	2,009
Other non-financial liabilities	25	11,992	6,944	–	–
Income tax payable		101	112	–	–
<b>Total current liabilities</b>		<b>27,719</b>	<b>17,216</b>	<b>12,675</b>	<b>8,717</b>
<b>Total liabilities</b>		<b>31,388</b>	<b>21,215</b>	<b>16,063</b>	<b>10,249</b>
<b>Total equity and liabilities</b>		<b>41,406</b>	<b>40,598</b>	<b>18,707</b>	<b>15,465</b>

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

# STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 March 2024

<b>Group:</b>	<b>Share capital</b>	<b>Other reserves</b>	<b>Accumulated losses</b>	<b>Attributable to equity holders of the company</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Current year:</b>						
Opening balance at 1 April 2023	15,866	376	(972)	15,270	4,113	19,383
Total comprehensive loss for the year	–	(3)	(7,701)	(7,704)	(906)	(8,610)
Changes in ownership interests without a change in control	–	3	(546)	(543)	543	–
Purchase of treasury shares (Note 21)	(820)	–	–	(820)	–	(820)
Share-based payment (Note 9)	–	47	–	47	18	65
<b>Closing balance at 31 March 2024</b>	<b>15,046</b>	<b>423</b>	<b>(9,219)</b>	<b>6,250</b>	<b>3,768</b>	<b>10,018</b>
<b>Previous year:</b>						
Opening balance at 1 April 2022	17,231	177	(937)	16,471	2,899	19,370
Total comprehensive loss for the year	–	1	(3,963)	(3,962)	(481)	(4,443)
Capital contribution from a non-controlling interest (“NCI”) in subsidiary	–	–	–	–	5,542	5,542
Changes in ownership interests without a change in control	–	–	3,928	3,928	(3,928)	–
Purchase of treasury shares (Note 21)	(1,365)	–	–	(1,365)	–	(1,365)
Share-based payment (Note 9)	–	198	–	198	81	279
<b>Closing balance at 31 March 2023</b>	<b>15,866</b>	<b>376</b>	<b>(972)</b>	<b>15,270</b>	<b>4,113</b>	<b>19,383</b>

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

# STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 March 2024

<b>Company:</b>	<b>Share capital \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
<b>Current year:</b>			
Opening balance at 1 April 2023	15,866	(10,650)	5,216
Total comprehensive loss for the year	–	(1,752)	(1,752)
Purchase of treasury shares (Note 21)	(820)	–	(820)
<b>Closing balance at 31 March 2024</b>	<b>15,046</b>	<b>(12,402)</b>	<b>2,644</b>
<b>Previous year:</b>			
Opening balance at 1 April 2022	17,231	(9,487)	7,744
Total comprehensive loss for the year	–	(1,163)	(1,163)
Purchase of treasury shares (Note 21)	(1,365)	–	(1,365)
<b>Closing balance at 31 March 2023</b>	<b>15,866</b>	<b>(10,650)</b>	<b>5,216</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 March 2024

	Group	
	2024 \$'000	2023 \$'000
<b>Cash flows used in operating activities</b>		
Loss before tax	(8,504)	(4,284)
Adjustments for:		
Depreciation of plant and equipment	518	1,222
Depreciation of right-of-use assets	2,329	2,083
(Gain) / loss on disposal of plant and equipment	(28)	117
Interest income	(41)	(15)
Interest expense on financial liabilities	259	209
Interest expense on lease liabilities	171	107
Performance share expense	65	279
Provision of warranty expenses	57	64
Operating cash flows used in before changes in working capital	(5,174)	(218)
Inventories	23	331
Trade and other receivables	(390)	(563)
Other non-financial assets	(1,869)	5,029
Other non-financial liabilities	4,991	(9,541)
Trade and other payables	(284)	1,034
Net cash flows used in operations	(2,703)	(3,928)
Income taxes expense	(114)	(56)
<b>Net cash flows used in operating activities</b>	<b>(2,817)</b>	<b>(3,984)</b>
<b>Cash flows used in investing activities</b>		
Additions to intangible assets	(4,025)	(2,232)
Purchase of plant and equipment (Note 12)	(496)	(869)
Disposal of plant and equipment	247	239
Purchase of financial assets at FVTPL (Note 16)	–	(139)
Interest income received	41	15
<b>Net cash flows used in investing activities</b>	<b>(4,233)</b>	<b>(2,986)</b>
<b>Cash flows from financing activities</b>		
Repayment of loans and borrowing	(2,607)	(2,355)
Increase in loans and borrowing	6,967	1,350
Increase in security deposits for banking facilities	(69)	(51)
Proceeds from issue of share capital to non-controlling interests in a subsidiary (Note 15A and 15B)	–	5,757
Purchase of treasury shares	(820)	(1,365)
Payment of lease liabilities	(3,367)	(2,447)
Proceeds from issue of convertible bond	3,300	–
Interest expense paid	(171)	(209)
<b>Net cash flows from financing activities</b>	<b>3,233</b>	<b>680</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,817)</b>	<b>(6,290)</b>
Cash and cash equivalents, statement of cash flows, beginning balance	4,557	10,846
Effect of currency translation	(3)	1
<b>Cash and cash equivalents, statement of cash flows, ending balance (Note 20A)</b>	<b>737</b>	<b>4,557</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 1. GENERAL

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollar and they cover the company (referred to as “parent”) and the subsidiaries.

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

The principal activities of the company are those of an investment holding company and the provision of management services. The principal activities of the subsidiaries are disclosed in Note 15 to the financial statements.

The company is listed on Catalist which is a shares market on Singapore Exchange Securities Trading Limited.

The registered office and principal place of business is at 24 Leng Kee Road #01-03 Singapore 159096.

### Uncertainties relating to the current macroeconomic conditions

The group continues to face challenges from the uncertain and challenging macroeconomic and geopolitical environment that has caused widespread increase in interest rates and a significant rise in inflation, affecting the cost of many of the goods and services for customers, suppliers and employees, and which had and will continue to have an adverse effect on its financial position, financial performance of operations, cash flows and medium and long-term prospects for the foreseeable future.

The sector in which our group operates has faced adverse effects following the increase in car taxes for high-end vehicles announced in the Singapore Budget of 2023. The group has incurred a loss after tax of \$8,607,000 for the financial year and as at that date, its current liabilities exceeded its current assets by \$1,720,000. The net cash flows used in operating activities was \$2,817,000. The disruptions arising from the current economic conditions may materially affect the group’s ability to generate sufficient cash flows from its operations. However, management reached a conclusion that the going concern basis of accounting is appropriate due to the following mitigating actions that include: generate sufficient cash flows from operating activities to support the operating expenses in the next 12 months and raising fresh funds with the potential investors for the group to meet the group’s debt obligations, operations and capital needs.

### Basis for going concern

The group incurred a net loss of \$8,607,000 and has negative net cash outflows used in operating activities of \$2,817,000 during the financial year ended 31 March 2024, and as of that date, the group and the company’s current liabilities exceeded their current assets by \$1,720,000 and \$8,024,000 respectively. These circumstances represent a material uncertainty on the group and company’s abilities to continue as going concerns.

Notwithstanding the negative working capital position, the management is however of the view that the use of going concern basis in the preparation of these financial statements is appropriate, after taking into account the following matters:

- The group is confident of its Automobile Distribution business’ ability to generate sufficient operating cash flow to support its operating expenses in the next 12 months.
- Subsequent to the financial year end, and as of the date of this report, the group has received \$1,600,000 in loans and has entered into a loan agreement of \$3,000,000 to support the operations for the next 12 months.
- The electric motorcycle venture has made significant progress and achieved key milestones in FY2024. There is strong feedback from the public, potential distributors, and industry stakeholders. We have received a favourable opinion letter on the electric motorcycle venture, issued by an independent valuation specialist, management is confident in its ability to raise more funds to grow the business.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 1. GENERAL (CONT'D)

### Basis for going concern (cont'd)

If the group is unable to successfully conclude the above matters and the going concern assumption is inappropriate, adjustments may have to be made to reflect the situation that assets may need to be realised for amounts other than those at which they are currently recorded in the statements of financial position.

### Statement of compliance with financial reporting standards

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

### Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

### Basis of presentation and principles of consolidation

The consolidated financial statements include the financial statements made up to the end of the financial year of the company and all of its subsidiaries. The consolidated financial statements are the financial statements of the group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

Changes in the group’s ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group’s and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

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



# NOTES TO THE **FINANCIAL STATEMENTS**

31 March 2024

## **2. DISCLOSURES OF MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION**

### **2A. Material accounting policy information and other explanatory information**

#### **Revenue recognition**

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

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

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

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

Interest is recognised using the effective interest method.

#### **Employee benefits**

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 2. DISCLOSURES OF MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information and other explanatory information (cont'd)

#### Share-based compensation

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

Benefits to employees are provided in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The fair value of the employee services rendered is measured by reference to the fair value of the shares granted or rights granted, excluding the impact of any non-market vesting conditions. These are fair valued based on the market price of the entity's shares (or an estimated market price, if the entity's shares are not publicly traded). This fair value amount is charged to profit or loss over the vesting period of the share-based payment scheme, with the corresponding increase in equity. The value of the charge is adjusted in profit or loss over the remainder of the vesting period to reflect expected and actual quantities vesting, with the corresponding adjustment made in equity. Cancellations of grants of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) are accounted for as an acceleration of vesting, therefore any amount unrecognised that would otherwise have been charged is recognised immediately in profit or loss.

#### Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowings. Interest expense is calculated using the effective interest rate method. Borrowing costs are recognised as an expense in the period in which they are incurred.

#### Foreign currency transactions

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

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 2. DISCLOSURES OF MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information and other explanatory information (cont'd)

#### Income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the financial year in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the financial year; calculated using rates enacted or substantively enacted at the statement of financial position date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous financial years. Deferred tax is recognised using the liability method; based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the financial year end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit.

#### Plant and equipment

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Plant and equipment	–	10 to 33%
Motor vehicles	–	10%
Additions and alterations	–	20%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements. The gain or loss arising from the derecognition of an item of plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss.

The residual value and the useful life of an asset is reviewed at least at the end of the financial year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted. Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

#### Right-of-use assets

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

Premises	–	Over the terms of lease up to 3 years
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# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 2. DISCLOSURES OF MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information and other explanatory information (cont'd)

#### Intangible assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. This also applies to an internally generated intangible asset. Research expenditure is expensed when incurred. Development cost incurred relating to the design and testing of new or improved products are recognised as intangible assets when it is probable that the project will be viable considering its commercial and technical feasibility and its costs can be measured reliably and there are sufficient resources to complete development. Where no internally generated intangible asset can be recognised, development cost is expensed when incurred. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use. The useful lives are as follows:

Development cost	–	5 years
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During the financial year, there is no amortisation recognised for intangible assets since the asset is not ready for use.

#### Leases of lessee

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

#### Leases of lessor

For a lessor a lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Operating leases are for rental income. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and it is presented in its statement of financial position as a receivable at an amount equal to the net investment in the lease. For a finance lease the finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 2. DISCLOSURES OF MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information and other explanatory information (cont'd)

#### Subsidiaries

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

#### Business combinations

A business combination is a transaction or other event which requires that the assets acquired and liabilities assumed constitute a business. It is accounted for by applying the acquisition method of accounting.

There were no business combinations during the financial year.

#### Non-controlling interests

The non-controlling interest is equity in a subsidiary not attributable, directly or indirectly, to the group as the parent. The non-controlling interest is presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant Note. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

#### Inventories

Automobiles and watches held for sale are measured at the lower of cost (specific identification method) and net realisable value. Inventories other than automobiles and watches are measured at the lower of cost (weighted average method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 2. DISCLOSURES OF MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information and other explanatory information (cont'd)

#### Carrying amounts of non-financial assets

The carrying amount of non-financial assets is reviewed at each end of the financial year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is expensed. Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use.

When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the financial year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

#### Financial instruments

Recognition and derecognition of financial instruments:

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



# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 2. DISCLOSURES OF MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information and other explanatory information (cont'd)

#### Financial instruments (cont'd)

Categories of financial assets and financial liabilities:

The financial reporting standard on financial instruments has four categories of financial assets and two categories for liabilities. At the end of the financial year, the group had the following categories:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
- Financial asset classified as measured at FVTPL: All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
- Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

#### Cash and cash equivalents

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

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

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 2. DISCLOSURES OF MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information and other explanatory information (cont'd)

#### Fair value measurement

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

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

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

#### Segment reporting

The group discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 2. DISCLOSURES OF MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information and other explanatory information (cont'd)

#### Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the financial year they occur.

#### Warranty provisions

A provision is made for the estimated cost of product warranties at the time revenue is recognised. The warranty provision is established based upon best estimates of the amounts necessary to settle future and existing claims on products sold as of the end of each financial year. As new products incorporating complex technologies are continuously introduced, and as regulations and practices may change, changes in these estimates could result in additional allowances or changes to recorded allowances being required in future periods.

#### Treasury shares

Where the reporting entity reacquires its own equity instruments as treasury shares, the consideration paid, including any directly attributable incremental cost is deducted from equity attributable to the entity's owners until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the entity's owners and no gain or loss is recognised in profit or loss.

### 2B. Critical judgements, assumptions and estimation uncertainties

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

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 2. DISCLOSURES OF MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2B. Critical judgements, assumptions and estimation uncertainties (cont'd)

#### Assessing the net realisable value of inventories

Inventory is subjected to periodically review and at the reporting date for its net realisable value. Net realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the financial year and inherently involves estimates regarding the future expected realisable value. These reviews require management to consider the future demand for the products. Other considerations include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and materially affects the carrying amount of inventories at the end of the financial year. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the financial year is disclosed in Note 17 on inventories.

#### Assessing the carrying value of intangible assets

The intangible assets are costs incurred to develop the electric motorcycles. The realisation of the benefits of intangibles assets is dependent upon the successful market acceptance of the electric motorcycles. An assessment is made of the carrying value of identifiable intangible assets annually, or more frequently if events or changes in circumstances indicate that such carrying value may not be recoverable. The assessment process is complex and highly judgmental and is based on assumptions that are affected by expected future market or economic conditions. As a result, judgement is required in evaluating the assumptions and methodologies used by management, in particular those relating to the forecasted revenue growth and profit margins. Details on the assumptions used in the determination of the recoverable amount of intangible assets are disclosed in Note 14 on intangible assets.

#### Estimating the useful lives of plant and equipment

The estimates for the useful lives and related depreciation charges for plant and equipment are based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are shorter than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset (or class of assets) at the end of the financial year affected by the assumption is disclosed in Note 12 on plant and equipment.

#### Assessing the impairment loss on plant and equipment

An assessment is made for the financial year whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating units if applicable is measured based on the fair value less costs of disposal or value in use calculations. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount is disclosed in Note 12 on plant and equipment.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 2. DISCLOSURES OF MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2B. Critical judgements, assumptions and estimation uncertainties (cont'd)

#### Assessing the expected credit loss allowance on trade and other receivables

An allowance is made for expected credit loss on trade accounts resulting from the inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. To the extent that it is feasible, impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the end of the financial year, the trade receivables carrying amount approximates the fair value and the carrying amounts might change materially within the next financial year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the financial year. The carrying amount is disclosed in Note 18 on trade and other receivables.

#### Measuring the fair value of unlisted convertible bond

Unlisted convertible bond stated at fair values are not based on quoted prices in active markets, and therefore there is material measurement uncertainty involved in this measurement of fair value. Management has determined it is necessary to use a model to value the unlisted convertible bond based on their structure and terms and to make any adjustments where necessary to the output of the model to reflect the assumptions that marketplace participants would use in similar circumstances. The carrying amount is disclosed in Note 23 on other financial liabilities.

#### Assessing the impairment of cost of investments and amount due from subsidiaries

Where an investee is in net equity deficit and or has suffered recurring losses, a test is made to determine whether the investment in the investee has suffered any impairment. This measurement requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the asset or liability affected. The carrying amount of the specific asset or liability (or class of assets or liabilities) at the end of the financial year affected by the assumption is disclosed in Note 15 and Note 18 on investment in subsidiaries and trade and other receivables respectively.

## 3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

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

The ultimate controlling parties are Mr Goh Kim San and Mr Goh Kim Hup.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONT'D)

### 3A. Related party transactions and balances

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

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

### 3B. Key management compensation

	Group	
	2024 \$'000	2023 \$'000
Salaries and other short-term employee benefits	2,146	2,145

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

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

The above amounts are included under employee benefits expenses.

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS

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

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

For management purposes the group is organised into the following major strategic operating segments that offer different products and services: (1) automobiles distribution and (2) sustainable mobility. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system.

It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.



# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

### 4A. Information about reportable segment profit or loss, assets and liabilities (cont'd)

The principal segments and type of products and services are as follows:

- (1) Automobiles distribution business retails new luxury automobiles as well as pre-owned automobiles;
- (2) Sustainable mobility (electric motorcycles); and
- (3) Other includes sales of watch.

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

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment's operating results comprise mainly profit before taxation.

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

### 4B. Profit or loss from continuing operations and reconciliation

	Group	
	2024 \$'000	2023 \$'000
<b>Revenue by segment</b>		
Automobiles distribution	25,098	60,759
Sustainable mobility	2	2
Other	23	123
Total	25,123	60,884
<b>Segment result</b>		
Automobiles distribution	(4,243)	(1,363)
Sustainable mobility	(4,263)	(3,008)
Other	2	87
Loss before tax	(8,504)	(4,284)
Income tax expense	(103)	(160)
Loss for the year	(8,607)	(4,444)

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

### 4C. Assets and reconciliation

	Group	
	2024 \$'000	2023 \$'000
<b>Segment assets</b>		
Automobiles distribution	33,942	30,780
Sustainable mobility	16,344	12,442
Other	54	31
	50,340	43,253
Elimination of inter-segment assets	(8,934)	(2,655)
Total	41,406	40,598

### 4D. Liabilities and reconciliation

	Group	
	2024 \$'000	2023 \$'000
<b>Segment liabilities</b>		
Automobiles distribution	28,689	20,595
Sustainable mobility	7,129	750
Other	4,689	4,668
	40,507	26,013
Elimination of inter-segment liabilities	(9,119)	(4,798)
Total	31,388	21,215

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

### 4E. Other material items and reconciliation

	Group	
	2024 \$'000	2023 \$'000
<b>Depreciation of plant and equipment:</b>		
Automobiles distribution	251	935
Sustainable mobility	267	286
Other	–	1
Total	518	1,222
<b>Depreciation of right-of-use assets:</b>		
Automobiles distribution	2,131	2,083
Sustainable mobility	198	–
Total	2,329	2,083
<b>Finance costs:</b>		
Automobiles distribution	417	314
Sustainable mobility	13	2
Total	430	316
<b>Capital expenditure for intangible assets:</b>		
Sustainable mobility	4,025	2,232

### 4F. Geographical information

The following table provides an analysis of the revenue by geographical market, irrespective of the origin of the goods:

	Group	
	2024 \$'000	2023 \$'000
Singapore	15,985	39,280
South East Asia (exclude Singapore)	8,988	17,524
Other countries	150	4,080
Total	25,123	60,884

No geographical information is provided for non-current assets as the group's operations are located primarily in Singapore.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

### 4G. Information about major customer

There are no customers with revenue transactions over 10% of the group's revenue.

## 5. REVENUE

### Revenue from contracts with customers

	Group	
	2024 \$'000	2023 \$'000
Sales of automobiles	21,371	55,902
Sales of merchandise, parts and servicing	3,729	4,859
Sales of watches	23	123
	25,123	60,884

The revenue from sales of automobiles, watches, merchandise, parts and servicing are recognised based on point in time and all contracts with customers are less than 12 months. The customers are corporate customers and individuals.

## 6. OTHER INCOME

	Group	
	2024 \$'000	2023 \$'000
Commission income	122	563
Government income	38	1
Rental income	114	147
Storage income	290	178
Incentives from manufacturers	–	1,027
Other income <sup>(a)</sup>	751	82
	1,315	1,998

### Note:

(a) Other income includes the sales of certificate of entitlement and forfeited customer deposits.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 7. OTHER GAINS AND (OTHER LOSSES)

	Group	
	2024 \$'000	2023 \$'000
Allowance for impairment on trade and other receivables (Note 18)	(319)	(1)
Foreign exchange gains, net	87	356
Gain / (loss) on disposal of plant and equipment	28	(117)
Others	4	15
Net	(200)	253
Presented in profit or loss as:		
Other gains	119	371
Other losses	(319)	(118)
	(200)	253

## 8. MARKETING AND DISTRIBUTION EXPENSES, ADMINISTRATIVE EXPENSES AND FINANCE COSTS

The major components include the following:

	Group	
	2024 \$'000	2023 \$'000
<b>Marketing and distribution expenses</b>		
Advertising and promotions	1,503	862
Employee benefits expense (Note 9)	161	808
Entertainment	299	738
<b>Administrative expenses</b>		
Rental expense of premises (Note 24)	255	578
Depreciation of plant and equipment (Note 12)	518	1,222
Depreciation of right-of-use assets (Note 13)	2,329	2,083
Employee benefits expense (Note 9)	4,680	5,097
<b>Finance costs</b>		
Interest expense on financial liabilities	259	209
Interest expense on lease liabilities	171	107

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 9. EMPLOYEE BENEFITS EXPENSE

	Group	
	2024 \$'000	2023 \$'000
Wages and salaries	4,136	5,076
Contributions to defined contribution plan	598	576
Other benefits	358	346
Performance share scheme	65	279
Total employee benefits expense	5,157	6,277
Presented in profit or loss as:		
Cost of sales	316	372
Marketing and distribution expenses (Note 8)	161	808
Administrative expenses (Note 8)	4,680	5,097
	5,157	6,277

The company's subsidiary, Scorpio Electric Pte. Ltd. ("**SEC**") adopted a Performance Share Plan by shareholders of the subsidiary at general meeting on 27 September 2019. The purpose of the SEC Plan is to assist SEC in recruiting and retaining individuals with ability and initiative by enabling such persons to participate in the future success of SEC and to associate their interests with those of SEC and its shareholders. The vesting period ranges from immediate to 5 years, and it is dependent on the performance targets set being satisfied (whether fully or partially) at the end of the performance period to be assessed by the committee.

The exercise price for each SEC shares shall not be less than the fair market value of the SEC shares on the grant date, and such fair market value shall be as reasonably determined by the committee in good faith in accordance with accepted industry practices.

For the financial year ended 31 March 2024, 1,956 (2023: 51,293) performance shares are granted to the employees of SEC and a contractor. The fair value of the performance share granted at the grant date is determined by reference to the market value of the shares of the subsidiary issued to non-controlling interests for US\$1,000,000 (equivalent to \$1,349,180) (2023 :US\$3,000,000 (equivalent to \$3,939,000)).

Performance shares expense of \$65,000 is recognised in profit or loss for the financial year ended 31 March 2024 (2023: \$279,000). The corresponding increase is made in the other reserves.



# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 10. INCOME TAX

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

	Group	
	2024 \$'000	2023 \$'000
<u>Current tax expense:</u>		
Current tax expense	101	112
Under provision adjustment in respect to prior periods	2	48
<b>Total income tax expense</b>	<b>103</b>	<b>160</b>

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

	Group	
	2024 \$'000	2023 \$'000
Loss before tax	(8,504)	(4,284)
Income tax income at the above rate	(1,446)	(728)
Non-deductible expenses	113	774
Income not subject to tax	(29)	(16)
Stepped income exemption	(17)	(28)
Deferred tax assets not recognised	1,485	121
Under provision adjustment to tax in respect to prior periods	2	48
Others	(5)	(11)
<b>Total income tax expense</b>	<b>103</b>	<b>160</b>

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

The major expense items not subject to tax include the following:

	Group	
	2024 \$'000	2023 \$'000
Depreciation on non-qualifying plant and equipment	518	1,222

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 10. INCOME TAX (CONT'D)

### 10B. Unrecognised deferred tax assets

	Group	
	2024 \$'000	2023 \$'000
<u>Deferred tax liabilities</u>		
Right-of-use assets	(336)	(584)
Total deferred tax liabilities	(336)	(584)
<u>Deferred tax assets</u>		
Excess of tax values over net book value of plant and equipment	551	750
Lease liabilities	348	602
Tax loss carry forwards	7,364	5,848
Provision	174	–
Total deferred tax assets	8,437	7,200
Net deferred tax assets	8,101	6,616
Deferred tax assets not recognised	(8,101)	(6,616)
Net	–	–

The above deferred tax assets for the tax losses and unutilised capital allowances have not been recognised in the financial statements as there is no reasonable certainty of their realisation in the future periods. The realisation of the future income tax benefits from tax loss are available for an unlimited future periods subject to the conditions imposed by law including the retention of majority shareholders as defined.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 11. EARNINGS PER SHARE (LOSS)

Basic loss per share is calculated by dividing the loss attributable to ordinary equity holders of the company by the weighted average number of ordinary shares of no par value as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Net loss attributable to equity holders of the company	(7,701)	(3,963)

	<b>Group</b>	
	<b>Number of ordinary shares</b>	
	<b>2024</b>	<b>2023</b>
	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares	247,809	254,234

The weighted average number of ordinary shares refers to the average number of ordinary shares in circulation during the financial year, adjusted for the time they are outstanding. The computation of diluted loss per share does not assume the conversion of convertible bonds as the convertible bonds are considered anti-dilutive. Additionally, there were no potential dilutive ordinary shares existing for the financial year. For the previous financial year, diluted loss per share was similar to basic loss per share as there were no potentially dilutive ordinary shares during that year.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 12. PLANT AND EQUIPMENT

Group	Plant and equipment \$'000	Motor vehicles \$'000	Additions and alterations \$'000	Total \$'000
<u>Cost:</u>				
At 1 April 2022	2,858	3,564	4,116	10,538
Additions	315	398	156	869
Disposals	(268)	(291)	(417)	(976)
At 31 March 2023	2,905	3,671	3,855	10,431
Additions	447	–	49	496
Disposals	(3)	(414)	–	(417)
At 31 March 2024	3,349	3,257	3,904	10,510
<u>Accumulated depreciation:</u>				
At 1 April 2022	2,140	1,854	3,533	7,527
Depreciation for the year	314	497	411	1,222
Disposals	(225)	(30)	(365)	(620)
At 31 March 2023	2,229	2,321	3,579	8,129
Depreciation for the year	283	141	94	518
Disposals	(2)	(196)	–	(198)
At 31 March 2024	2,510	2,266	3,673	8,449
<u>Carrying value:</u>				
At 1 April 2022	718	1,710	583	3,011
At 31 March 2023	676	1,350	276	2,302
At 31 March 2024	839	991	231	2,061

Depreciation expense is included under administrative expenses.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 13. RIGHT-OF-USE ASSETS

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

<b>Group</b>	<b>Premises \$'000</b>
<u>Cost:</u>	
At 1 April 2022	7,310
Additions	4,420
Disposal	(7,310)
At 31 March 2023	4,420
Additions	868
At 31 March 2024	5,288
<u>Accumulated depreciation:</u>	
At 1 April 2022	(5,911)
Depreciation for the year	(2,083)
Disposal	7,012
At 31 March 2023	(982)
Depreciation for the year	(2,329)
At 31 March 2024	(3,311)
<u>Carrying value:</u>	
At 1 April 2022	1,399
At 31 March 2023	3,438
At 31 March 2024	1,977

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 13. RIGHT-OF-USE ASSETS (CONT'D)

Company	Premises \$'000
<u>Cost:</u>	
At 1 April 2022	7,310
Additions	4,420
Disposal	(7,310)
At 31 March 2023 and 31 March 2024	<u>4,420</u>
<u>Accumulated depreciation:</u>	
At 1 April 2022	(5,911)
Depreciation for the year	(2,083)
Disposal	7,012
At 31 March 2023	(982)
Depreciation for the year	(1,965)
At 31 March 2024	<u>(2,947)</u>
<u>Carrying value:</u>	
At 1 April 2022	<u>1,399</u>
At 31 March 2023	<u>3,438</u>
At 31 March 2024	<u>1,473</u>

The depreciation is charged to administrative expenses.

Other information about the leasing activities relating to the right-of-use assets are summarised as follows: The remaining term for the group and company is 9 months (2023: 1 year and 9 months); there are no options to purchase and no variable payments linked to an index.

The leases are for warehouses, office and a showroom.

There are restrictions or covenants imposed by the leases to sublet the asset to another party. The right-of-use asset can only be used by the lessee. Unless permitted by the owner, the lease prohibits from selling or pledging the underlying leased assets as security. The leases are non-cancellable or may only be cancelled by incurring a substantive termination fee.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 14. INTANGIBLE ASSETS

Group	Development cost \$'000
<u>Cost:</u>	
At 1 April 2022	4,973
Additions	2,232
At 31 March 2023	7,205
Additions	4,025
At 31 March 2024	11,230
<u>Accumulated amortisation and impairment:</u>	
At 1 April 2022, 31 March 2023 and 31 March 2024	–
<u>Carrying value:</u>	
At 1 April 2022	4,973
At 31 March 2023	7,205
At 31 March 2024	11,230

Development cost relates to sustainable mobility in developing the electric motorcycles. The amortisation of the development cost begins when the development is complete and the asset is available for use.

All research costs and development cost not eligible for capitalisation have been expensed and are recognised in profit or loss.

The intangible assets were tested for impairment at the end of the financial year. An impairment loss is the amount by which the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit (“CGU”) is the higher of its fair value less costs of disposal or its value in use. The recoverable amounts of cash-generating units have been measured based on the value in use method.

The value in use was measured by management. The value in use is a recurring fair value measurement. The quantitative information about the value in use measurement using significant unobservable inputs for the cash generating unit are consistent with those used for the measurement last performed and is analysed as follows:

The value in use is prepared on the assumption that the electric motorcycles are expected to generate revenue from financial year 2025 onwards.

### Valuation technique and unobservable inputs

#### Discounted cash flow method:

	<b>Range (weighted average)</b>	
	<b>2024</b>	<b>2023</b>
Estimated discount rates using pre-tax rates that reflect current market assessments at the risks specific to the intangible assets	22%	50%
Terminal growth rate	4.5%	4%
Cash flow forecasts derived from the most recent financial budgets and plans approved by management	7 years	5 years



# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 14. INTANGIBLE ASSETS (CONT'D)

Actual outcomes could vary from these estimates. There would be no impairment loss on the carrying value of the intangible assets:

- a) If the estimated discount rate applied to the discounted cash flows had been 2.5% less favourable than management's estimates; or
- b) If the estimated terminal growth rate applied to the discounted cash flows had been 2.5% less favourable than management's estimates.

Management believes that any reasonably possible change in the key assumptions on which this division's recoverable amount is based would not cause the carrying amount to exceed its recoverable amount.

## 15. INVESTMENT IN SUBSIDIARIES

	Company	
	2024 \$'000	2023 \$'000
Carrying value of investment:		
Balance at beginning of the year	10,208	10,208
Additions	2,236	–
Balance at the end of the year	12,444	10,208
Total carrying value comprising:		
Unquoted equity shares at cost	12,544	10,308
Allowance for impairment	(100)	(100)
	12,444	10,208

The recoverable amount of investment in a subsidiary is the greater of its value in use and its fair value less cost of disposals. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

The subsidiaries held by the company and its subsidiaries are listed below:

Name of subsidiaries, country of incorporation, place of operation and principle activities (and independent auditors)	Carrying value of investment		Effective percentage of equity held by group	
	2024 \$'000	2023 \$'000	2024 %	2023 %
EuroSports Auto Pte Ltd <sup>(a)</sup> Singapore Distribution and retailing of imported automobiles, import of parts and accessories and repairs and servicing of automobile	7,953	7,953	100	100
EuroAutomobile Pte. Ltd. <sup>(a)</sup> Singapore Distribution and retailing of imported automobiles, import of parts and accessories and repairs and servicing of automobile	— <sup>(c)</sup>	— <sup>(c)</sup>	100	100
Scorpio Electric Pte. Ltd. (SEC) <sup>(a) (e)</sup> Singapore Developing a next-generation motorcycle that is fully electric	4,236	2,000	74.02	73.69
deLaCour Asia Pacific Pte. Ltd. <sup>(a)</sup> Singapore Trading and distribution of watches and related accessories	— <sup>(c)</sup>	— <sup>(c)</sup>	100	100
Prosper Auto Pte. Ltd. <sup>(a)</sup> Singapore Distribution of automobiles, parts and accessories in Indonesia	255	255	51	51
JES Auto Pte. Ltd. <sup>(g)</sup> Singapore Distribution of automobiles, parts and accessories in Indonesia	— <sup>(d)</sup>	— <sup>(d)</sup>	100	100

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

The subsidiaries held by the company and its subsidiaries are listed below: (cont'd)

Name of subsidiaries, country of incorporation, place of operation and principle activities (and independent auditors)	Carrying value of investment		Effective percentage of equity held by group	
	2024 \$'000	2023 \$'000	2024 %	2023 %
<u>Held through Scorpio Electric Pte. Ltd.:</u>				
EVI Electric Pte. Ltd. <sup>(a)</sup> Singapore Electric mobility manufacturer and energy system provider	–	–	74.02	73.69
Scorpio Electric (Shenzhen) Co., Ltd. <sup>(f)</sup> People's Republic of China Wholesale, retail and research and development of Electric motorcycles and spares part	–	–	74.02	73.69
Scorpio Electric Europa, Sociedad De Responsabilidad Limitada <sup>(b)</sup> Spain Import, export and distribution of motorcycles, scooters and two-wheelers	–	–	74.02	–

### Notes:

- (a) Audited by RSM SG Assurance LLP.
- (b) Not audited, as it is not material and first year of incorporation and exempted from audit.
- (c) The cost of investment is less than \$1,000.
- (d) The cost of investment has been fully impaired.
- (e) Also see Note 15B.
- (f) Not required to be audited under the laws of the country of incorporation.
- (g) In the process of striking off.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

There are subsidiaries that have non-controlling interests ("NCI") that are considered material to the group and additional disclosures on them (amounts before inter-company eliminations) are presented below.

	Group	
	2024 \$'000	2023 \$'000
<u>Prosper Auto Pte. Ltd.</u>		
The profit allocated to NCI of the subsidiary during the financial year	336	317
Accumulated NCI of the subsidiary at the end of the financial year	1,344	1,011
The summarised financial information to the subsidiary (not adjusted for the percentage ownership held by the group and before inter-company elimination) is as follows:		
Current assets	8,426	6,084
Non-current assets	65	87
Current liabilities	(5,733)	(4,087)
Non-current liabilities	–	(13)
Revenue	11,272	13,517
Profit for the financial year	686	647
Total comprehensive income	686	647
Net cash flows used in operating activities	(1,801)	(3)
Net cash flows generated from / (used in) financing activities	876	(1,620)
<u>Scorpio Electric Pte. Ltd. and its subsidiaries:</u>		
The loss allocated to NCI of the subsidiary during the financial year	(1,242)	(798)
Accumulated NCI of the subsidiary at the end of the financial year	2,424	3,102
The summarised financial information to the subsidiary (not adjusted for the percentage ownership held by the group and before inter-company elimination) is as follows:		
Current assets	4,074	4,361
Non-current assets	12,271	7,953
Current liabilities	(7,035)	(638)
Non-current liabilities	(94)	–
Revenue	2	2
Loss for the financial year	(4,761)	(3,285)
Other comprehensive income	–	1
Total comprehensive loss	(4,761)	(3,284)
Net cash flows used in operating activities	(3,769)	(4,912)
Net cash flows used in investing activities	(4,304)	(2,574)
Net cash flows generated from financing activities	6,935	5,745

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

### 15A. Changes in ownership interest without a change in control

In the financial year ended 31 March 2023, SEC entered into a US\$5 million share subscription agreement with investor Su Lin Investment Corporation Pte Ltd for the subscription of the SEC's shares, where share subscription will be based on milestones achieved by SEC. As at 31 March 2024, SEC has achieved multiple milestones and 49,347 ordinary shares were issued, which details are described in the next paragraph. As at the financial year ended 31 March 2024, 49,348 ordinary shares remained unissued.

In the financial year ended 31 March 2023, SEC raised \$5.76 million (equivalent to US\$4.25 million) by issuing a series of 80,077 ordinary shares in total to the non-controlling interest ("NCI"). Net consideration received was \$5.54 million after deducting transaction costs directly attributable to the fund raising of \$215,000. Consequently, the company's ownership percentage in SEC was diluted from 75.93% to 73.69%. This change in ownership interest did not result in a change of control and, therefore, was considered an equity transaction. Any difference between the amount by which the carrying value of the company's share in SEC was adjusted and the fair value of the consideration received was recognised directly in equity and attributed to the controlling interest.

	<b>2023</b>
	<b>\$'000</b>
Consideration from issuance of shares to NCI	5,542
Net assets attributable to NCI	(1,614)
Increase in equity attributable to company	<u>3,928</u>

During the financial year ended 31 March 2024, EuroSports Global Limited subscribed for 34,911 ordinary shares of SEC for a consideration of \$2.24 million. Consequently, the company's ownership percentage in SEC was increased from 73.69% to 74.02%

### 15B. Issuance of founder share

The SEC founder share constituted as a separate class of ordinary share. In the financial year ended 31 March 2023, SEC issued 1 founder share to Eurosports Global Limited. SEC's Founder share has all the rights, benefits and entitlements of ordinary shares and rank pari passu in all respects with ordinary shares, and the voting rights equal to 75% of all voting rights.

## 16. FINANCIAL ASSETS AT FVPTL

	<b>Group and Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Quoted equity shares at FVPTL	139	139

The fair value (Level 1) is a reasonable approximation of the carrying amount.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 17. INVENTORIES

	Group	
	2024 \$'000	2023 \$'000
Automobiles	8,684	9,580
Automobile parts, accessories and others	3,439	2,566
	12,123	12,146

Inventories are stated after allowance.

	Group	
	2024 \$'000	2023 \$'000
<u>Movements in allowance:</u>		
Balance at beginning of the year	3,316	3,595
Charge / (reversed) to profit or loss included in cost of sales	233	(87)
Used	–	(192)
Balance at end of the year	3,549	3,316
The amount of inventories included in cost of sales	20,770	52,226
The write-downs of inventories charged / (reversed) to profit or loss included in cost of sales	233	(87)

The carrying amount of inventories under lease agreement and bank loan are \$2,526,000 (2022: \$2,520,000) and \$3,635,000 (2022: \$1,500,000) respectively.

Inventories of \$3,635,000 (2022: \$1,500,000) are pledged as security for the bank facilities (Note 23).

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 18. TRADE AND OTHER RECEIVABLES

	Group	
	2024 \$'000	2023 \$'000
<u>Trade receivables:</u>		
Outside parties	1,460	1,386
Less: allowance for impairment	(488)	(248)
Net trade receivables – subtotal	972	1,138
<u>Other receivables:</u>		
Outside parties	1,633	998
Less: allowance for impairment	(326)	(247)
Net other receivables – subtotal	1,307	751
Total trade and other receivables	2,279	1,889
<u>Movements in above allowance:</u>		
Balance at beginning of the year	495	494
Charged for receivables to profit or loss included in other gains and other losses (Note 7)	319	1
Balance at end of the year	814	495
<b>Company</b>		
<u>Other receivables:</u>		
Subsidiaries	4,500	1,571
Outside parties	47	37
Less: allowance for impairment	(490)	(490)
Total other receivables	4,057	1,118
<u>Movements in above allowance:</u>		
Balance at beginning and end of the year	490	644
Reversed for receivables to profit or loss	–	(154)
Balance at the end of the year	490	490

The group has graded its customers as low risk individually. These trade and other receivables shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. The trade receivables are considered to have low credit risk individually.

At the end of the financial year, a loss allowance is recognised at an amount equal to 12 months expected credit losses because there has not been a significant increase in credit risk since initial recognition. The group and company has loss allowance of \$814,000 (2023: \$495,000) and \$490,000 (2023: \$490,000) recognised respectively. There are no collaterals held as security and other credit enhancements for the trade receivables.



# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 18. TRADE AND OTHER RECEIVABLES (CONT'D)

The group's average credit term is 30 days (2023: 30 days). Longer credit terms may be granted to customers on a case by case basis, depending on the contract value, relationship with the customer and payment track record of the customer.

- (a) Ageing analysis of the age of trade receivable amounts as at the end of financial year:

	Group	
	2024 \$'000	2023 \$'000
<b>Trade receivables:</b>		
Less than 30 days	407	275
31 to 60 days	112	246
61 to 90 days	57	17
Over 90 days	884	848
<b>Total</b>	<b>1,460</b>	<b>1,386</b>

Ageing analysis as at the end of financial year of trade receivable amounts that are impaired:

	Group	
	2024 \$'000	2023 \$'000
<b>Trade receivables:</b>		
Less than 365 days	412	205
Over 365 days	76	43
<b>Total</b>	<b>488</b>	<b>248</b>

The other receivables at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. The other receivables at amortised cost and which can be graded as low risk individually are considered to have low credit risk. At the end of the first financial period a loss allowance is recognised at an amount equal to 12 months expected credit losses because there has not been a significant increase in credit risk since initial recognition.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 19. OTHER NON-FINANCIAL ASSETS

	Group	
	2024 \$'000	2023 \$'000
<b>Non-current:</b>		
Prepayments	–	90
Non-current, subtotal	–	90
<b>Current:</b>		
Deposits placed to purchase automobiles and secure services	2,420	1,354
Prepayments	3,875	2,982
Current, subtotal	6,295	4,336
<b>Total</b>	<b>6,295</b>	<b>4,426</b>

	Company	
	2024 \$'000	2023 \$'000
<b>Current:</b>		
Deposits placed to secure services	514	384
Prepayments	60	54
<b>Total</b>	<b>574</b>	<b>438</b>

## 20. CASH AND CASH EQUIVALENTS

	Group	
	2024 \$'000	2023 \$'000
Not restricted in use	737	4,557
Security deposits for bank facilities	4,565	4,496
<b>Total</b>	<b>5,302</b>	<b>9,053</b>

	Company	
	2024 \$'000	2023 \$'000
Not restricted in use	20	124

The interest earning balances are not material.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 20. CASH AND CASH EQUIVALENTS (CONT'D)

### 20A. Cash and cash equivalents in the statement of cash flows:

	Group	
	2024 \$'000	2023 \$'000
Amount as shown above	5,302	9,053
Security deposits for bank facilities	(4,565)	(4,496)
Cash and cash equivalents for statement of cash flows purposes at end of the year	737	4,557

	Company	
	2024 \$'000	2023 \$'000
Amount as shown above	20	124

The security deposits for bank facilities bear interest of 0.10% to 2.00% (2023: 0.10% to 2.00%) per annum for the group during the financial year. As at 31 March 2024, the security deposits of \$4,565,000 (2023: \$4,496,000) of the group have been pledged to banks for its bank facilities.

### 20B. Reconciliation of liabilities arising from financing activities:

	Group					
	2023 \$'000	Cash flows \$'000	Non-cash changes			2024 \$'000
Acquisition <sup>(1)</sup> \$'000			Interest expense \$'000	Other <sup>(2)</sup> \$'000		
<u>Lease liabilities</u>						
- current	2,311	(3,367)	868	171	2,411	2,394
- non-current	2,411	-	-	-	(2,411)	-
<u>Loans and borrowings</u>						
- current	2,582	4,360	-	-	1,307	8,249
- non-current	1,588	-	-	-	(1,307)	281
<u>Convertible bond</u>						
non-current	-	3,300	-	88	-	3,388
	8,892	4,293	868	259	-	14,312

#### Notes:

- (1) Recognition of right-of-use assets (Note 13) and acquisition of inventories purchased under lease liabilities (Note 24).
- (2) Relates to reclassification of non-current portions due to passage of time.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 20. CASH AND CASH EQUIVALENTS (CONT'D)

### 20B. Reconciliation of liabilities arising from financing activities: (cont'd)

	Group					2023 \$'000
	2022 \$'000	Cash flows \$'000	Non-cash changes			
			Acquisition <sup>(1)</sup> \$'000	Interest expense \$'000	Other <sup>(2)</sup> \$'000	
<u>Lease liabilities</u>						
- current	1,690	(2,447)	5,372	107	(2,411)	2,311
- non-current	-	-	-	-	2,411	2,411
<u>Loans and borrowings</u>						
- current	2,355	(1,005)	-	-	1,232	2,582
- non-current	2,820	-	-	-	(1,232)	1,588
	<u>6,865</u>	<u>(3,452)</u>	<u>5,372</u>	<u>107</u>	<u>-</u>	<u>8,892</u>

#### Notes:

- (1) Recognition of right-of-use assets (Note 13) and acquisition of inventories purchased under lease liabilities (Note 24).  
(2) Relates to reclassification of non-current portions due to passage of time.

## 21. SHARE CAPITAL

	Number of shares issued '000	Share capital \$'000
<b>Group and Company</b>		
<u>Ordinary shares of no par value:</u>		
Balance at 1 April 2022	257,868	17,231
Purchase of treasury shares	(7,340)	(1,365)
Balance at 31 March 2023	250,528	15,866
Purchase of treasury shares	(4,516)	(820)
Balance at 31 March 2024	<u>246,012</u>	<u>15,046</u>

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The company is not subject to any externally imposed capital requirements.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 21. SHARE CAPITAL (CONT'D)

### Treasury shares:

Under the mandate approved at the last annual general meeting, 4,515,600 treasury shares were acquired during the financial year on the Singapore Stock Exchange for a total consideration of \$820,000.

	Number of treasury shares		Fair value	
	2024 '000	2023 '000	2024 \$'000	2023 \$'000
Balance at beginning of the year	14,472	7,132	2,603	1,238
Purchase during the year	4,516	7,340	820	1,365
Balance at the end of the year	18,988	14,472	3,423	2,603

### Capital management:

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

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

	Group	
	2024 \$'000	2023 \$'000
<b>Net debt:</b>		
All current and non-current borrowings including lease liabilities	14,312	8,892
Less cash and cash equivalents	(5,302)	(9,053)
Net debt / (cash)	9,010	(161)
<b>Adjusted capital:</b>		
Total equity	10,018	19,383
Adjusted capital	10,018	19,383
Debt-to-adjusted capital ratio	0.90	N.M

The increase in the debt-to-adjusted capital ratio for the financial year resulted primarily from the increase in new debts.

N.M - Not meaningful as the group has net cash as at 31 March 2023.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 21. SHARE CAPITAL (CONT'D)

In order to maintain its Listing on the Catalist Board of the SGX-ST, the company has to have share capital with a free float of at least 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the financial year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the financial year. The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

## 22. TRADE AND OTHER PAYABLES

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Outside parties and accrued liabilities	4,983	5,267

	<b>Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Subsidiaries	8,668	6,256
Outside parties and accrued liabilities	475	452
Total	9,143	6,708

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 23. OTHER FINANCIAL LIABILITIES

	Group	
	2024 \$'000	2023 \$'000
<b>Non-current:</b>		
<u>Financial instruments with floating interest rates</u>		
Bank loans (Note 23A)	281	1,588
<u>Financial instruments with fixed interest rates</u>		
Convertible bond (Note 23D)	3,388	–
Non-current, subtotal	3,669	1,588
<b>Current:</b>		
<u>Financial instruments with floating interest rates</u>		
Bank loans (Note 23A)	1,282	1,232
Trust receipts and bills payables (secured) (Note 23C)	1,956	–
<u>Financial instruments with fixed interest rates</u>		
Short term loans (Note 23B)	5,011	1,350
Current, subtotal	8,249	2,582
Total	11,918	4,170
The non-current portion is repayable as follows:		
Due within 2 to 5 years	3,669	1,588
Total non-current portion	3,669	1,588

The range of floating rate interest rates paid was as follows:

	Group	
	2024 %	2023 %
Bank loans	2.00	2.00
Trust receipts and bill payables	5.80 – 8.10	–



# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 23. OTHER FINANCIAL LIABILITIES (CONT'D)

The range of fixed rate interest rates paid was as follows:

	Group	
	2024 %	2023 %
Short term loan	0 – 7.25	7.35

	Company	
	2024 \$'000	2023 \$'000
<b>Non-current:</b>		
<u>Financial instruments with fixed interest rates</u>		
Convertible bond (Note 23D)	3,388	–
<b>Current:</b>		
Short term loans (Note 23B)	2,000	–
Total	5,388	–

### 23A. Bank loans

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

- Corporate guarantee by the company; and
- The bank loans comprised temporary bridging loans under Enterprise Financing Scheme, which is repayable in 48 monthly instalments of approximately: (i) \$43,000 from 1 June 2021 and (ii) \$65,000 from 1 July 2021 respectively.

### 23B. Short term loans

Short term loans amounting to \$5,011,000 (2023: \$1,350,000) bear fixed interest between 0% to 7.25% (2023: 7.35%) per annum.

Amount of \$1,511,000 (2023: \$1,350,000) included in short term loans are secured by pledge over the inventories of the group.

### 23C. Trust receipts and bills payables

The credit facilities for trust receipts and bills payables provide among other matters for the following:

- A fixed and floating charge over security deposits, inventories and accounts receivables; and
- Corporate guarantee by the company.

The period of financing under trust receipts was 120 days inclusive of suppliers' credit. The interest rate applicable is 5.80% – 8.10% (2023: Nil) per annum as determined by the bank on the day of transaction or at such other rate at the sole discretion of the bank.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 23. OTHER FINANCIAL LIABILITIES (CONT'D)

### 23D. Convertible bond

On 3 August 2023, the company issued 4% convertible bonds denominated in Singapore dollars with a nominal value of S\$3,300,000. The convertible bonds have a maturity term of 36 months and a coupon rate of 4.00%, payable annually in arrears. Additionally, bondholders have the option to convert into ESG or exchange into Scorpio Electric Pte. Ltd. ("SEC") ordinary shares at conversion prices of S\$0.45 per share (the "ESG Conversion Price") and S\$74.72 per share (the "SEC Conversion Price") respectively, at any time commencing from the date of issuance.

Bondholders may opt to redeem up to 50% of the subscription amount in cash at maturity or, under specific conditions, such as SEC entering into a 'Business Combination Agreement' with a listed Special Purpose Acquisition Company ("SPAC") through a de-SPAC process, an Initial Public Offering of SEC, a Trade Sale of SEC, or the volume-weighted average price of the company's shares reaching and/or exceeding S\$0.60 per share for seven consecutive market days, to convert the bonds to ESG or SEC shares based on the conversion prices mentioned.

Convertible bond issued by the company is designated as financial liability measured at fair value through profit or loss. Accordingly, the company has engaged an independent professional valuer to determine the fair value of the convertible bond at the balance sheet date, taking into consideration certain parameters such as the credit rating, share price, strike price, trigger price, volatility, risk-free rate, and credit spread. The fair value of the convertible bond at the end of the financial year was not recognised as the difference was not material.

## 24. LEASE LIABILITIES

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

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Lease liabilities, current	2,394	2,311
Lease liabilities, non-current	–	2,411
	<b>2,394</b>	<b>4,722</b>

	<b>Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Lease liabilities, current	1,532	2,009
Lease liabilities, non-current	–	1,532
	<b>1,532</b>	<b>3,541</b>

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 24. LEASE LIABILITIES (CONT'D)

A summary of the maturity analysis of lease liabilities is disclosed in Note 27E. Total cash outflows from leases are shown in the statement of cash flows. The related right-of-use assets are disclosed in Note 13.

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets.

The weighted average incremental borrowing rate applied to lease liabilities recognised ranges from 1.90% to 5.68% (2023: 1.90% to 4.03%) per year.

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

	Group	
	2024 \$'000	2023 \$'000
Expense relating to short-term leases included in administrative expenses (Note 8)	255	578
Total commitments on short-term leases at year end date	–	132

## 25. OTHER NON-FINANCIAL LIABILITIES

	Group	
	2024 \$'000	2023 \$'000
Warranty provision (Note 25A)	503	600
Deposits from customers (Note 25B)	11,489	6,344
Total	11,992	6,944

### 25A. Warranty provision

	Group	
	2024 \$'000	2023 \$'000
Balance at beginning of the year	600	751
Provision charged to profit or loss included in cost of sales	57	64
Used	(154)	(215)
Balance at end of the year	503	600

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 25. OTHER NON-FINANCIAL LIABILITIES (CONT'D)

### 25A. Warranty provision (cont'd)

Certain products of the Group are sold with warranty. These products have on occasions failed within the 5 year warranty period. If the customer does not have the option to purchase a warranty separately, the warranty is accounted as a provision in accordance with the financial reporting standard on provisions, contingent liabilities and contingent assets. Replacements are expected to be supplied evenly over that warranty period as the product failure is random, not related to particular batches.

If the actual claims costs were to differ by 10% from management's estimates, the warranty obligations would be an estimated \$50,300 (2023: \$60,000) higher or \$50,300 (2023: \$60,000) lower.

### 25B. Deposits from customers

Deposits from customers are not refundable and will be utilised upon purchases of automobiles by customers. These are expected to be recognised as revenue within a year.

## 26. OPERATING LEASE INCOME COMMITMENTS - AS LESSOR

At the end of the financial year the total of future minimum lease receivables committed under non-cancellable operating leases are as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Not later than one year	43	59	1,542	2,056
Between 1 and 2 years	20	2	–	1,542
Total	63	61	1,542	3,598
Rental income for the year				
- Continuing operations	114	147	2,056	2,180

Operating lease income commitments are for office premises and leasing of automobiles. The lease rental income terms are negotiated for an average term of two years.

Office premises and automobiles are covered by insurance to insure the group's and company's assets against obligations for future repairs and maintenance required by the lessees.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 27. FINANCIAL INSTRUMENTS: INFORMATION ON MATERIAL POLICY INFORMATION AND FINANCIAL RISKS

### 27A. Categories of financial assets and liabilities.

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the financial year:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Financial assets:</u>				
Financial assets at amortised cost	7,581	10,942	4,077	1,242
Financial assets at FVTPL	139	139	139	139
At end of the year	7,720	11,081	4,216	1,381
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	15,907	14,159	12,675	10,249
Financial liabilities at FVTPL	3,388	–	3,388	–
At end of the year	19,295	14,159	16,063	10,249

Further quantitative disclosures are included throughout these financial statements.

### 27B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's reporting, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency rate and price risk exposures. Management has certain practices for the management of financial risks. The guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The guidelines includes the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following acceptable market practices.
5. When appropriate consideration is given to entering into derivatives or any other similar instruments solely for hedging purposes.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

# NOTES TO THE *FINANCIAL STATEMENTS*

31 March 2024

## **27. FINANCIAL INSTRUMENTS: INFORMATION ON MATERIAL POLICY INFORMATION AND FINANCIAL RISKS (CONT'D)**

### **27C. Fair values of financial instruments**

The analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

### **27D. Credit risk on financial assets**

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks, receivables and other financial assets. The general approach in the financial reporting standard on financial instruments is applied to measure expected credit losses ("**ECL**") allowance on financial assets. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 20 discloses the cash balances. There was no identified impairment loss.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 27. FINANCIAL INSTRUMENTS: INFORMATION ON MATERIAL POLICY INFORMATION AND FINANCIAL RISKS (CONT'D)

### 27E. Liquidity risk – financial liabilities maturity analysis

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Less than 1 year \$'000	2 – 5 years \$'000	Total \$'000
<b>Group</b>			
<u>2024:</u>			
Non-derivative financial liabilities:			
Trade and other payables	4,983	–	4,983
Other financial liabilities	8,361	3,983	12,344
Lease liabilities	2,442	–	2,442
At end of the year	15,786	3,983	19,769
<u>2023:</u>			
Non-derivative financial liabilities:			
Trade and other payables	5,267	–	5,267
Other financial liabilities	2,749	2,365	5,114
Lease liabilities	2,441	2,435	4,876
At end of the year	10,457	4,800	15,257
<b>Company</b>			
<u>2024:</u>			
Non-derivative financial liabilities:			
Trade and other payables	9,143	–	9,143
Other financial liabilities	2,039	3,696	5,735
Lease liabilities	1,542	–	1,542
At end of the year	12,724	3,696	16,420
<u>2023:</u>			
Non-derivative financial liabilities:			
Trade and other payables	6,708	–	6,708
Lease liabilities	2,069	1,542	3,611
At end of the year	8,777	1,542	10,319

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay. At the end of the financial year no claims on the financial guarantees are expected.



# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 27. FINANCIAL INSTRUMENTS: INFORMATION ON MATERIAL POLICY INFORMATION AND FINANCIAL RISKS (CONT'D)

### 27E. Liquidity risk – financial liabilities maturity analysis (cont'd)

#### Financial guarantee contracts:

	Group and company	
	2024 \$'000	2023 \$'000
Banker's guarantees in favour of subsidiaries	25,240	11,911

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

#### Bank facilities:

	Group and company	
	2024 \$'000	2023 \$'000
Undrawn borrowing facilities	13,891	20,764
Unused bank guarantees	130	205

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations.

### 27F. Interest rate risk

The interest rate risk exposure is mainly from changes in floating interest rates and it mainly concerns financial liabilities. The interest income from financial assets including cash balances is not significant. The following table analyses the breakdown of the significant financial instruments (excluding derivatives) by type of interest rate:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Financial liabilities with interest:</u>				
Fixed rates	10,793	6,072	6,920	3,541
Floating rates	3,519	2,820	–	–
Total at end of the year	14,312	8,892	6,920	3,541
<u>Financial assets with interest:</u>				
Floating rates	4,565	4,496	–	–

The interest rates are disclosed in the respective notes.

Sensitivity analysis: The effect on post-tax loss is not material.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 27. FINANCIAL INSTRUMENTS: INFORMATION ON MATERIAL POLICY INFORMATION AND FINANCIAL RISKS (CONT'D)

### 27G. Foreign currency risks

Analysis of significant amounts denominated in non-functional currencies:

Group	USD \$'000	Euro \$'000	Total \$'000
<u>2024:</u>			
<u>Financial assets:</u>			
Financial assets at FVTPL	139	–	139
Cash and cash equivalents	28	16	44
Total financial assets	167	16	183
<u>Financial liabilities:</u>			
Trade and other payables	324	311	635
Total financial liabilities	324	311	635
Net financial (liabilities) / assets at end of the year	(157)	(295)	(452)
<u>2023:</u>			
<u>Financial assets:</u>			
Financial assets at FVTPL	139	–	139
Cash and cash equivalents	1,155	16	1,171
Total financial assets	1,294	16	1,310
<u>Financial liabilities:</u>			
Trade and other payables	(37)	(31)	(68)
Total financial liabilities	(37)	(31)	(68)
Net financial assets / (liabilities) at end of the year	1,257	(15)	1,242

There is exposure to foreign currency risk as part of its normal business.

Sensitivity analysis: The effect on post-tax loss is not material.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 28. CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Contractual obligations for the development costs of sustainable mobility	2,186	2,074

	<b>Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Banker's guarantees in favour of subsidiaries	25,240	11,911

## 29. CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For the current financial year the ASC issued amendment to SFRS 1 and Practice Statement 2 on disclosures of material accounting policy information and other explanatory information. Immaterial information need not be disclosed. Disclosures should not obscure material accounting policy information (such as material information being obscured, or information regarding a material item, transaction or other event is scattered throughout the financial statements, etc). In addition, the ASC issued certain new or revised financial reporting standards. None had a material impact on the group.

## 30. NEW OR AMENDED STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

For the future financial years the ASC issued certain new or revised financial reporting standards. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any material modification of the measurement methods or the presentation in the financial statements for the following financial year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application. Those applicable to the group for future financial years are listed below.

<b>FRS No.</b>	<b>Title</b>	<b>Effective date for periods beginning on or after</b>
SFRS(I) 1-1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current	1 January 2024
SFRS(I) 1-1	Presentation of Financial Statements- amendment relating to Non-current Liabilities with Covenants	1 January 2024

# STATISTICS OF SHAREHOLDINGS

As at 1 July 2024

## SHARE CAPITAL

Issued and paid-up capital	:	S\$19,152,863
Number of Issued Shares (including of Treasury Shares)	:	265,000,000
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per share
Number of Treasury Shares	:	19,318,500
Percentage of Treasury Shares	:	7.86%
Number of subsidiary holdings held	:	Nil

## DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholdings
1 - 99	0	0.00	0	0.00
100 - 1,000	41	11.55	29,500	0.01
1,001 - 10,000	147	41.41	767,400	0.31
10,001 - 1,000,000	154	43.38	16,270,000	6.62
1,000,001 and above	13	3.66	228,614,600	93.06
<b>Total</b>	<b>355</b>	<b>100.00</b>	<b>245,681,500</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	84,827,300	34.53
2	GOH KIM SAN	79,010,200	32.16
3	GOH KIM HUP	31,815,600	12.95
4	YAP BOH SIM	8,400,000	3.42
5	OCBC SECURITIES PRIVATE LTD	5,628,700	2.29
6	GOH YI SHUN JOSHUA	4,982,700	2.03
7	RAFFLES NOMINEES (PTE) LIMITED	3,463,400	1.41
8	LEO CHUN KONG	2,663,300	1.08
9	BEN CHNG BENG BENG	2,055,000	0.84
10	KAN CHEE GIN	1,970,100	0.80
11	PENG YANAN	1,527,000	0.62
12	NIKI HAN JIAYI	1,246,300	0.51
13	WONG QUEE QUEE JEFFREY (HUANG GUIGUI JEFFREY)	1,025,000	0.42
14	UOB KAY HIAN PTE LTD	900,900	0.37
15	LIM JIT SOON PAUL	765,000	0.31
16	ONG TECK BENG	700,000	0.28
17	UNITED OVERSEAS BANK NOMINEES PTE LTD	600,000	0.24
18	PETER TEO @ZHANG QINGYING	500,000	0.20
19	NG KIM SWEE	500,000	0.20
20	VYASA MAHIZHNAN ARUNACHALAM	445,000	0.18
	<b>Total</b>	<b>233,025,500</b>	<b>94.84</b>

# STATISTICS OF SHAREHOLDINGS

As at 1 July 2024

## SUBSTANTIAL SHAREHOLDERS

### LIST OF SUBSTANTIAL SHAREHOLDERS

(As per the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
Goh Kim San <sup>(1)</sup>	79,010,200	32.16	40,403,300	16.45
Goh Kim Hup <sup>(2)</sup>	31,815,600	12.95	19,500,000	7.94

#### Notes:

- (1) Mr Goh Kim San is deemed to be interested in 40,403,300 shares held by Citibank Nominees Singapore Pte. Ltd. by virtue of Section 7 of the Companies Act 1967.
- (2) Mr Goh Kim Hup is deemed to be interested in 19,500,000 shares held in a nominee account held by Citibank Nominees Singapore Pte. Ltd. by virtue of Section 7 of the Companies Act 1967.

## PUBLIC FLOAT

Based on the information provided and to the best knowledge of the Directors, approximately 28.39% of the issued ordinary shares of the Company is held in the hands of the public as at 1 July 2024 and therefore Rule 723 of the Listing Manual (Section B: Rules of Catalist) of Singapore Exchange Security Trading Limited is complied with.

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting ("**AGM**") of EuroSports Global Limited (the "**Company**") will be held at 24 Leng Kee Road, #01-06, Singapore 159096 on Tuesday, 30 July 2024 at 2:00 p.m. for the following business:

## 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 2024, together with the Independent Auditor's Report thereon. **(Resolution 1)**
2. To re-elect Mr Goh Kim Hup who is retiring pursuant to Article 113 of the Constitution of the Company, and who, being eligible, offers himself for re-election, as Director of the Company. **(Resolution 2)**  
[See Explanatory Note (i)]
3. To note the retirement of Mr Tan Siok Sing who is retiring pursuant to Article 113 of the Constitution of the Company, as Director of the Company.  
  
Mr Tan Siok Sing will not be seeking for re-election and will retire as Director of the Company on 30 July 2024 at the close of the AGM. Accordingly, Mr Tan Siok Sing will relinquish his position as the Lead Independent Director, Chairman of Nominating Committee and a member of Audit Committee and Remuneration Committee.
4. To approve the payment of Directors' fees of S\$120,000 for the financial year ending 31 March 2025, payable quarterly in arrears. (FY2024: S\$120,000) **(Resolution 3)**
5. To re-appoint Messrs RSM SG Assurance LLP as auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 4)**
6. To transact any other ordinary business which may properly be transacted at an AGM of the Company.

## AS SPECIAL BUSINESS:

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

### 7. SHARE ISSUE MANDATE

"That pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Companies Act**") and Rule 806 of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and notwithstanding the provisions of the Constitution of the Company, authority be and is hereby given to the Directors of the Company to:

- (a) (i) allot and issue shares in the capital of the Company (the "**Shares**") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

# NOTICE OF ANNUAL GENERAL MEETING

- (b) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such issuance of shares,

provided that:

- (i) 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 (ii) below), or such other limit as may be prescribed by the Catalist Rules as at the date of this Resolution is passed, of which the aggregate number of Shares to be issued other than on a pro-rata basis to members 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 (ii) below) or any such other limit as may be prescribed by the Catalist Rules as at the date of this Resolution is passed;
- (ii) (subject to such manner of calculation and adjustments 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 (i) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time of the passing of this Resolution, after adjusting for:
- (1) new Shares arising from the conversion or exercise of any convertible securities;
  - (2) new Shares arising from exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with the Catalist Rules; and
  - (3) any subsequent bonus issue, consolidation or subdivision of Shares;

Adjustments for (1) and (2) 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;

- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the rules, guidelines and measures issued by the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, the Constitution for the time being of the Company; and
- (iv) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.”

**(Resolution 5)**

[See Explanatory Note (ii)]



# NOTICE OF ANNUAL GENERAL MEETING

## 8. PROPOSED RENEWAL OF SHARE PURCHASE MANDATE

“That:-

- (a) for the purposes of Companies Act and the Catalist Rules, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued Shares not exceeding in aggregate the Maximum Limit (as defined herein), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as defined herein), whether by way of:
- (i) on-market purchases (the “**Market Purchase(s)**”), effected on the SGX-ST through the SGX-ST trading system through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
  - (ii) off-market purchases (the “**Off-Market Purchase(s)**”) effected pursuant to an equal access scheme(s) as may be determined or formulated by the Directors of the Company from time to time as they consider fit, which scheme(s) shall satisfy all conditions prescribed by 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 Purchase Mandate**”);

- (b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase 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 resolution relating to the Share Purchase Mandate and expiring on:
- (i) the date on which the next annual general meeting of the Company is held or required by law to be held, whichever is the earlier;
  - (ii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in a general meeting; or
  - (iii) the date on which the Share Purchases are carried out to the full extent mandated, whichever is the earliest;

- (c) in this Resolution relating to the Share Purchase Mandate:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded, immediately preceding the day on which the purchase or acquisition of Shares was made or as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Catalist Rules, for any corporate action that occurs after the relevant five (5) Market Days;

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

# NOTICE OF ANNUAL GENERAL MEETING

**"Market Day"** means a day on which the SGX-ST is open for trading in securities;

**"Maximum Limit"** means that number of Shares representing not more than 10.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the resolution passed in relation to the Share Purchase Mandate, unless the Company has, at any time during the Relevant Period, reduced its share capital in accordance with the applicable provisions of the Companies Act, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered after such capital reduction (excluding any treasury shares and subsidiary holdings as may be held by the Company from time to time);

**"Maximum Price"** in relation to a Share to be purchased, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:

- (a) in the case of a Market Purchase, 105.0% of the Average Closing Price; and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120.0% of the Average Closing Price; and

**"Relevant Period"** means the period commencing from the date of the resolution passed in relation to the Share Purchase Mandate and expiring on the date on which the next annual general meeting of the Company is or is required by law to be held, whichever is the earlier;

- (d) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Purchase Mandate shall, at the discretion of the Directors of the Company; either be cancelled or held in treasury and dealt with in accordance with the Companies Act; and
- (e) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including without limitation, executing such documents as may be required and to approve any amendments, alterations or modifications to any documents) as they or he may consider desirable, expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution relating to the Share Purchase Mandate." **(Resolution 6)**  
[See Explanatory Note (iii)]

## 9. **AUTHORITY TO GRANT AWARDS, ALLOT AND ISSUE SHARES UNDER EUROSPORTS PERFORMANCE SHARE PLAN 2023**

"That authority be and is hereby given to the Directors to offer and grant awards in accordance with the provisions of the EuroSports Performance Share Plan 2023 (the "**PSP 2023**") and to allot and issue or deliver from time to time such number of fully paid-up Shares as may be required to be issued pursuant to the vesting of awards under the PSP 2023, provided that the aggregate number of Shares to be allotted and issued pursuant to the PSP 2023 when aggregated with the aggregate number of Shares over which awards are granted under any other share schemes shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time. The authority conferred by this Resolution shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier."

[See Explanatory Note (iv)]

**(Resolution 7)**

# NOTICE OF ANNUAL GENERAL MEETING

## 10. AUTHORITY TO GRANT OPTIONS, ALLOT AND ISSUE SHARES UNDER EUROSPORTS EMPLOYEE SHARE OPTION SCHEME 2023

“That authority be and is hereby given to the Directors to offer and grant options in accordance with the provisions of the EuroSports Employee Share Option Scheme 2023 (the “**ESOS 2023**”) and to allot and issue or deliver from time to time such number of fully paid-up Shares as may be required to be issued pursuant to the exercise of options granted under the ESOS 2023, provided always that the aggregate number of Shares to be allotted and issued pursuant to the ESOS 2023, when aggregated to the aggregate number of Shares issued and issuable or transferred and to be transferred in respect of all options under any other share option schemes shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time. The authority conferred by this Resolution shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.”

**(Resolution 8)**

[See Explanatory Note (v)]

By Order of the Board

Sin Chee Mei  
Company Secretary  
Singapore, 15 July 2024

### EXPLANATORY NOTES:

- (i) **Resolution 2**, Mr Goh Kim Hup will, upon re-election as a Director of the Company, remain as an Executive Director and Deputy Chief Executive Officer of the Company. Detailed information on Mr Goh Kim Hup can be found under the “Board of Directors” and “Corporate Governance Report” sections in the Company’s Annual Report.
- (ii) **Resolution 5**, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments. The aggregate number of Shares (including Shares to be made in pursuance of Instruments made or granted pursuant to this Resolution) which the Directors may allot and issue, shall not exceed, in total, one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company, of which the total number of Shares issued other than on a pro-rata basis to existing shareholders of the Company, shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company.
- (iii) **Resolution 6**, if passed, will empower 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 terms and conditions set out in the Appendix dated 15 July 2024 to this Notice of AGM, the Companies Act and the Catalist Rules. Please refer to Appendix dated 15 July 2024 circulated together with the Company’s Annual Report for details. 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 revoked or waived at a general meeting.
- (iv) **Resolution 7**, if passed, will empower the Directors of the Company to offer and grant awards, and to allot and issue new shares in the capital of the Company, pursuant to the PSP 2023 as may be modified by the Remuneration Committee from time to time, provided that the aggregate number of Shares to be allotted and issued pursuant to the PSP 2023 shall not exceed 15% of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.

# NOTICE OF ANNUAL GENERAL MEETING

- (v) **Resolution 8**, if passed, will empower the Directors of the Company to offer and grant options, and to allot and issue new shares in the capital of the Company, pursuant to the ESOS 2023 as may be modified by the Remuneration Committee from time to time, provided that the aggregate number of Shares to be allotted and issued pursuant to the ESOS 2023 shall not exceed 15% of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.

## NOTES:

### (a) Participation in the AGM

1. The AGM will be held in a wholly physical format at the AGM venue set out above and there will be no option for members to participate virtually. The Notice of AGM, Proxy Form, Request Form, Annual Report and Appendix dated 15 July 2024 to this Notice of AGM will be made available on the SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://investor.eurosportsglobal.com/agm.html>. A printed copy of the Notice of AGM, Proxy Form and Request Form will be sent to the members of the Company.
2. Members may participate in the AGM by:
  - (a) attending the AGM in person;
  - (b) submitting questions in relation to any agenda item in this Notice of AGM in advance of, or at the AGM; and/or
  - (c) voting at the AGM by themselves or through their duly appointed proxy(ies).

Details of the steps for registration, asking of questions and voting at the AGM by members, are set out in the notes below.

### (b) Registration in person to attend the AGM

1. Members, including CPF and SRS investors can attend the AGM in person.  
 To do so, they will need to register in person at the registration counter(s) outside the AGM venue on the day of the event. Please bring along your NRIC/Passport to enable the Company to verify your identity. Members and/or their proxy(ies) are advised to arrive early to facilitate the registration process and exercise social responsibility and not to attend the AGM if they are feeling unwell. The Company reserves the right to refuse admittance to the AGM if the attendee's identity cannot be verified accurately.
2. For investors who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act including CPF and SRS Investors and who wish to participate in the AGM should contact their respective relevant intermediaries (including CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

### (c) Asking Questions

1. Members, including CPF and SRS investors may ask question relating to the item on the agenda of the AGM during the AGM physically or submitting their question to the Company in advance ("**Advanced Questions**") no later than 5:00 p.m. on 22 July 2024 ("**Cut-off Time**") through any of the following means:
  - (i) by post, to be deposited at the Company's registered office at 24 Leng Kee Road, #01-03, Singapore 159096; or
  - (ii) by email to [IR@eurosportsglobal.com](mailto:IR@eurosportsglobal.com).
2. Members, including CPF and SRS investors must identify themselves when posting questions through email or mail by providing the following details:
  - (a) Full name (for individuals)/company name (for corporate) as per CDP/SRS/CPF account records;
  - (b) NRIC or Passport number (for individuals)/Company Registration Number (for corporate);
  - (c) Number of shares held;
  - (d) Contact number;
  - (e) Email address; and
  - (f) Shareholding type (e.g. CDP or CPF/SRS).

# NOTICE OF ANNUAL GENERAL MEETING

3. The Company will address all substantial and relevant Advanced Questions through announcement on the SGX website at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://investor.europortsglobal.com/agm.html>. by 2:00 p.m. on 26 July 2024.
4. The Company will endeavor to address (i) subsequent clarifications sought, (ii) follow-up questions, or (iii) subsequent substantial and relevant questions which are received after the Cut-off Time at the AGM itself or via an announcement on SGXNet and the Company's website. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
5. The Company will, within one month after the AGM, publish the minutes of the AGM on the SGXNet and the Company's website and the minutes will include the responses to the substantial and relevant questions raised during the AGM.

**(d) Voting at the AGM or voting by appointing proxy(ies)**

1. Members will be able to vote at the AGM in person, or by appointing proxy(ies) to vote on their behalf.
2. The instrument appointing a proxy duly executed must be submitted through any one of the following means by 2:00 p.m. on 28 July 2024, being not less than forty-eight (48) hours before the time set for holding the AGM (or any adjournment thereof) and in default the instrument of proxy shall not be treated as valid:
  - (a) by depositing a physical copy at the Company's registered office at 24 Leng Kee Road, #01-03, Singapore 159096; or
  - (b) by sending a scanned PDF copy by email to [proxyform@europortsglobal.com](mailto:proxyform@europortsglobal.com).

The proxy form is made available on SGXNet and the Company's website at <https://investor.europortsglobal.com/agm.html>. and may be accessed through announcement on the SGX website at <https://www.sgx.com/securities/company-announcements>.

The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act or under the hand of an attorney or an officer duly authorized, or in some other manner approved by the Directors. Where the instrument appointing a 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 of proxy.

3. A proxy need not be a member of the Company.
4. A member of the Company which is a corporation is entitled to appoint its authorized representatives or proxies to vote on his behalf.
5. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

6. For investors who holds shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act), including CPF and SRS Investors:
  - (a) may vote at the AGM if they are appointed as proxies by their respective relevant intermediaries, and should contact their respective relevant intermediaries if they have any queries regarding their appointment as proxies; or
  - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM,

in which case they should approach their relevant intermediaries to submit their votes at least seven (7) working days prior to the AGM.

# NOTICE OF ANNUAL GENERAL MEETING

7. A member (other than a Relevant Intermediary) is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints more than one (1) proxy, the proportion of the shareholding concerned to the represented by each proxy shall be specified in the form of the proxy.
8. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote in his/her stead at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

“Relevant Intermediary” has the meaning ascribed to it in Section 181 of the Companies Act.

9. The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company shall be entitled to reject any instrument appointing a proxy or proxies if the member, being the appointer, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by the Central Depository (Pte) Limited to the Company.

## PERSONAL DATA PRIVACY

By (a) submitting an instrument appointing the Chairman of the Meeting, proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, or (b) submitting any question prior to the AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed 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), addressing relevant and substantial questions from members received before and/or during the AGM and if necessary, following up with the relevant members in relation to such questions and enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities (collectively, the “**Purposes**”); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. 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 of the AGM. Accordingly, the personal data of the member of the Company or the member's proxy(ies) or representative(s) (such as his/her name, his/her presence at the AGM and any questions he/she may raise or motions he/she propose/second) may be recorded by the Company for such Purposes.

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# EUROSPORTS GLOBAL LIMITED

(Registration No. 201230284Z)

(Incorporated in the Republic of Singapore)

## ANNUAL GENERAL MEETING PROXY FORM

### IMPORTANT:

1. The Annual General Meeting ("AGM") will be held physically at 24 Leng Kee Road, #01-06 Singapore 159096. Members have no option to participate virtually.
2. A Relevant Intermediary may appoint more than two proxies to attend the AGM and vote (please see note 2 for the definition of "Relevant Intermediary").
3. For investors holding shares through a Relevant Intermediary including CPF and SRS investors, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. The investors should contact their respective relevant intermediaries, Agent Banks or SRS Operations if they have any queries regarding their appointment as proxies.

I/We\*, \_\_\_\_\_ (Name), NRIC/Passport No./Registration No.\* \_\_\_\_\_

of \_\_\_\_\_ (Address)

being a member/members\* of Eurosports Global Limited (the "Company"), hereby appoint

Name	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate):

Name	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her/them\*, the Chairman of the Meeting, as my/our\* proxy/proxies\* to vote for me/us\* on my/our\* behalf, at the Annual General Meeting (the "Meeting" or "AGM") of the Company, to hold physically at 24 Leng Kee Road, #01-06, Singapore 159096 on Tuesday, 30 July 2024 at 2:00 p.m. and at any adjournment thereof.

I/We\* direct my/our\* proxy/proxies\* to vote for, against, or abstain the Resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting is given, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid at the AGM and at any adjournment thereof.

No.	Resolutions relating to:	For	Against	Abstain
1	Adoption of the Directors' Statement and the Audited Financial Statements for the financial year ended 31 March 2024 together with the Auditors' Report thereon			
2	Re-election of Mr Goh Kim Hup as Director of the Company			
3	Approval of Directors' fees of S\$120,000 for the financial year ending 31 March 2025, payable quarterly in arrears			
4	Re-appointment of Messrs RSM SG Assurance LLP as Auditors and to authorize the Directors to fix their remuneration			
5	Authority for Directors to allot and issue new shares			
6	Proposed renewal of Share Purchase Mandate			
7	Authority for Directors to grant awards, allot and issue shares under EuroSports Performance Share Plan 2023			
8	Authority for Directors to grant options, allot and issue shares under EuroSports Employee Share Option Scheme 2023			

\* Delete where inapplicable

NOTES: All resolutions put to vote at the AGM shall be decided by way of poll. If you wish to exercise all your votes "For" or "Against" or "Abstain" the relevant resolution, please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing 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.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Total Number of Shares held in:	No. of shares
CDP Register	
Register of Members	

\_\_\_\_\_  
Signature(s) of member(s)/  
and, Common Seal of Corporate Member

**IMPORTANT: PLEASE READ NOTES OVERLEAF**



## NOTES

1. A member of the Company (other than a Relevant Intermediary) is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where such member's form of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
2. A member of the Company who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend and vote in his/her stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

**"Relevant Intermediary"** means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A proxy need not be a member of the Company.
  4. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.  
  
In appointing the Chairman of the Meeting 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.
  5. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
  6. A member should insert the total number of shares held. If the member has shares entered against his/her name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act), he/she should insert that number of shares. If the member has shares registered in his/her name in the Register of Members of the Company, he/she should insert that number of shares. If the member has shares entered against his/her name in the Depository Register and registered in his name in the Register of Members, he/she should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all shares held by the member.
  7. The instrument appointing a proxy duly executed must be submitted through any one of the following means by 2:00 p.m. on 28 July 2024, being not less than forty-eight (48) hours before the time set for holding the AGM (or any adjournment thereof) and in default the instrument of proxy shall not be treated as valid:
    - (a) by depositing a physical copy at the Company's registered office at 24 Leng Kee Road, #01-03, Singapore 159096; or
    - (b) by sending a scanned PDF copy by email to [proxyform@eurosportsglobal.com](mailto:proxyform@eurosportsglobal.com).

Members are strongly encouraged to submit completed proxy forms electronically via email.

8. For investors who holds shares of the Company through their respective relevant intermediaries (as defined in Section 181 of the Companies Act), including CPF and SRS Investors:
  - (a) may vote at the AGM if they are appointed as proxies by their respective relevant intermediaries, and should contact their respective relevant intermediaries if they have any queries regarding their appointment as proxies; or
  - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM,in which case they should approach their relevant intermediaries to submit their votes at least seven (7) working days prior to the date of the AGM.
9. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act 1967 or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing a 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 of proxy.
10. The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company shall be entitled to reject any instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by the Central Depository (Pte) Limited to the Company.

## PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to vote at the AGM and/or any adjournment thereof, the member of the Company is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of Annual General Meeting of the Company dated 15 July 2024.

# CORPORATE INFORMATION

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## **BOARD OF DIRECTORS**

**Melvin Goh**

Executive Chairman and CEO

**Andy Goh**

Executive Director and Deputy CEO

**Tan Siok Sing**

Non-Executive and Lead Independent Director

**Foo Say Tun**

Non-Executive and Independent Director

**Anthony Ang Meng Huat**

Non-Executive and Independent Director

## **AUDIT COMMITTEE**

**Anthony Ang Meng Huat** (Chairman)

**Tan Siok Sing**

**Foo Say Tun**

## **NOMINATING COMMITTEE**

**Tan Siok Sing** (Chairman)

**Anthony Ang Meng Huat**

**Foo Say Tun**

## **REMUNERATION COMMITTEE**

**Foo Say Tun** (Chairman)

**Anthony Ang Meng Huat**

**Tan Siok Sing**

## **COMPANY SECRETARY**

**Sin Chee Mei**

## **REGISTERED OFFICE**

24 Leng Kee Road #01-03

Singapore 159096

Tel: (65) 6565 5995

Fax: (65) 6567 5515

## **AUDITORS**

**RSM SG Assurance LLP**

8 Wilkie Road

#03-08 Wilkie Edge

Singapore 228095

Partner-in-charge: **Tan Beng Teck**

(a member of the Institute of Singapore Chartered Accountants)

## **SHARE REGISTRAR AND SHARE TRANSFER OFFICE**

**Tricor Barbinder Share Registration Services**

9 Raffles Place #26-01

Republic Plaza Tower 1

Singapore 048619

## **PRINCIPAL BANKERS**

**United Overseas Bank Limited**

80 Raffles Place

UOB Plaza

Singapore 048624

**Malayan Banking Berhad**

2 Battery Road

Maybank Tower

Singapore 049907

## **SPONSOR**

**RHT Capital Pte. Ltd.**

36 Robinson Road,

#10-06 City House,

Singapore 068877

## **INVESTOR RELATIONS**

**Email:** [ir@eurosportsglobal.com](mailto:ir@eurosportsglobal.com)



# EUROSPORTS GLOBAL

(Incorporated in the Republic of Singapore on 12 December 2012)  
(Company Registration No.: 201230284Z)

**EUROSPORTS GLOBAL LIMITED**  
24 Leng Kee Road, #01-03,  
Singapore 159096

[www.eurosportsglobal.com](http://www.eurosportsglobal.com)