



OFFER DOCUMENT DATED 16 OCTOBER 2023

(Registered by the Singapore Exchange Securities Trading Limited (the "SGX-ST"), acting as agent on behalf of the Monetary Authority of Singapore (the "MAS" or the "Authority") on 16 October 2023).

This document is important. Before making any investment in the securities being offered, you should consider the information provided in this document carefully, and consider whether you understand what is described in this document. You should also consider whether an investment in the securities being offered is suitable for you, taking into account your investment objectives and risk appetite. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser(s). You are responsible for your own investment choices.

THIS OFFER (AS DEFINED HEREIN) IS MADE IN OR ACCOMPANIED BY THIS OFFER DOCUMENT (THE "OFFER DOCUMENT") WHICH HAS BEEN REGISTERED BY THE SGX-ST, ACTING AS AGENT ON BEHALF OF THE MAS, ON 16 October 2023.

This is the initial public offering of the ordinary shares (the "Shares") of Sheffield Green Ltd. (the "Company"). The Company is issuing and making an offering of 24,000,000 Shares (the "Offering Shares") for subscription by investors at the Offering Price (as defined below). The Offering (as defined below) comprises of (i) a placement of 20,400,000 Offering Shares to investors (the "Placement Shares"), including institutional and other investors in Singapore (the "Placement"), and (ii) an offering of 3,600,000 Offering Shares (the "Public Offer Shares") by way of a public offer in Singapore (the "Public Offering" and together with the Placement, the "Offering"). The Offering will consist of an aggregate of 24,000,000 Offering Shares. The Offering Shares may be reallocated between the Placement and the Public Offering at the discretion of the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and the Joint Placement Agent (each as defined below) (in consultation with the Company), subject to any applicable laws. See "Plan of Distribution". The offering price for each Offering Share is S\$0.25 (the "Offering Price").

Prior to the Offering, there was no public market for the Shares. Evolve Capital Advisory Private Limited ("ECA" or the "Sponsor, Issue Manager and Joint Placement Agent") has, on behalf of the Company, made an application to the SGX-ST for permission to deal in, and for the listing and quotation of all the Company's Shares, including the Offering Shares, on the Catalist Board of the SGX-ST ("Catalist") (the "Listing"). Such permission will be granted when the Company has been admitted to the Official List of Catalist.

Acceptance of applications for the Offering Shares will be conditional upon, among others, the issue of the Offering Shares for the listing and quotation of all the Company's existing issued Shares and the Offering Shares on Catalist. Monies paid in respect of any application accepted will be returned to you, at your own risk, without interest or any share of revenue or other benefit arising therefrom, if the Offering is not completed because the said permission is not granted or for any other reason, and you will not have any right or claim against the Group, the Sponsor, Issue Manager and Joint Placement Agent and CGS-CIMB Securities (Singapore) Pte. Ltd. (the "Underwriter and Joint Placement Agent"). The dealing in, and quotation of, the Shares will be in Singapore dollars.

The Company's admission to the Official List of Catalist is not to be taken as an indication of the merits of the Offering, the Company and the Shares (including the Offering Shares). The SGX-ST assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Offer Document. Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the Shares traded on Catalist. You should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with your professional adviser(s).

A copy of this Offer Document has been lodged with and registered by the SGX-ST, acting as agent on behalf of the MAS. Neither the MAS nor the SGX-ST has examined or approved the contents of this Offer Document. Neither the MAS nor the SGX-ST assumes any responsibility for the contents of this Offer Document, including the correctness of any of the statements or opinions made or reports contained in this Offer Document. The SGX-ST does not normally review the application for admission but relies on the Sponsor, Issue Manager and Joint

Placement Agent confirming that the Company is suitable to be listed and complies with the Catalist Rules (as defined herein). Neither the MAS nor the SGX-ST has in any way considered the merits of the Shares being offered for investment. The registration of this Offer Document by the SGX-ST, acting as agent on behalf of the MAS, does not imply that the Securities and Futures Act 2001 of Singapore (the "SFA"), or any other legal or regulatory requirements, or requirements under the Catalist Rules, have been complied with.

The Company has not lodged or registered this Offer Document in any other jurisdiction.

After the expiration of six (6) months from the date of registration of this Offer Document by the SGX-ST, acting as agent on behalf of the MAS, no person may make an offer of securities, or allot, issue or sell any securities, on the basis of this Offer Document; and no officer or equivalent person or promoter of the Company will authorise or permit the offer of any securities or the allotment, issue or sale of any securities, on the basis of this Offer Document.

Investing in the Shares involves risks. See "Risk Factors" for a discussion of certain risks to be considered in connection with an investment in the Shares.

Prospective investors applying for Offering Shares by way of Application Forms or Electronic Applications (both as referred to in "Appendix F – Terms, Conditions and Procedures for Application and Acceptance") in the Offering will pay the Offering Price on application, subject to refund of the full amount or, as the case may be, the balance of the application monies (in each case without interest or any share of revenue or other benefit arising therefrom and without any right or claim against the Company, the Sponsor, Issue Manager and Joint Placement Agent or the Underwriter and Joint Placement Agent), where (i) an application is rejected or accepted in part only, or (ii) the Offering does not proceed for any reason including if the minimum amount to be raised is not met.



Sheffield Green Ltd.

(Company Registration No.: 202134454W)

(Incorporated in the Republic of Singapore on 4 October 2021)

Offering in respect of 24,000,000 Offering Shares comprising of 24,000,000 new Shares at S\$0.25 per Offering Share as follows:

- (1) 3,600,000 Public Offer Shares by way of Public Offering; and
- (2) 20,400,000 Placement Shares by way of Placement, payable in full on application.

Sponsor, Issue Manager and Joint Placement Agent



Evolve Capital Advisory Private Limited

(Company Registration No. 201718400R)

(Incorporated in the Republic of Singapore)

Underwriter and Joint Placement Agent



CGS-CIMB Securities (Singapore) Pte. Ltd.

(Company Registration No. 198701621D)

(Incorporated in the Republic of Singapore)

SHEFFIELD GREEN – AT A GLANCE

ABOUT SHEFFIELD GREEN

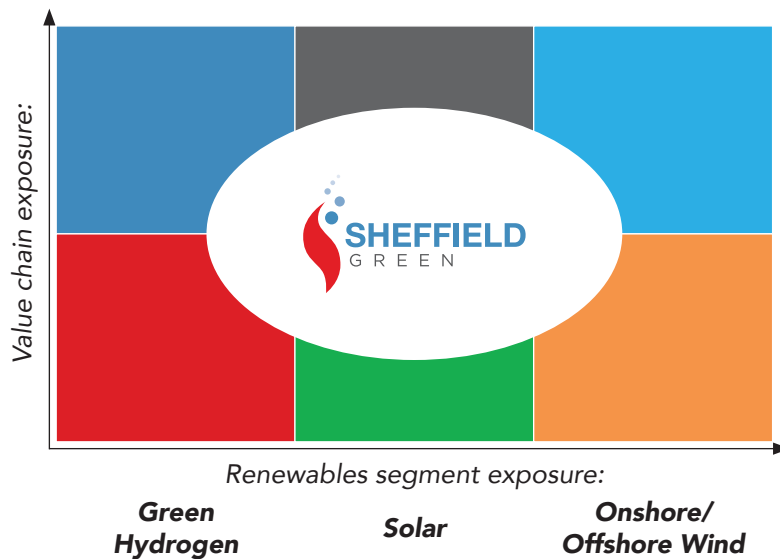
- The Group is a human resource service provider for EPCI (Engineering, Procurement, Construction and installation) works in the renewable energy industry, which includes onshore wind, offshore wind, solar and green hydrogen.
- Headquartered in Singapore with subsidiaries incorporated in Singapore, Japan and a branch office in Taiwan.
- Provides comprehensive end-to-end suite of human resource services ranging from sourcing and training of workers, to provision of equipment kits such as personal protective equipment.
- Its HR solutions are segmented as follows:
 - a) Provision of human resource services – Able to supply a wide range of personnel in accordance with its clients ranging from management personnel (including C-suite personnel), technical personnel, to offshore crewing personnel across industry sub-segments.
 - b) Ancillary Services – The Group provides a range of end-to-end ancillary services related to the provision of personnel, which include primarily visa and work permit applications, training and deployment logistics.
- In order to capitalise in the renewable energy industry, the Group’s renewable energy business was carved out from the business of Sheffield Energy Pte. Ltd.

VALUE CHAIN POSITIONING AND MARKET EXPOSURE



Human Resource Services

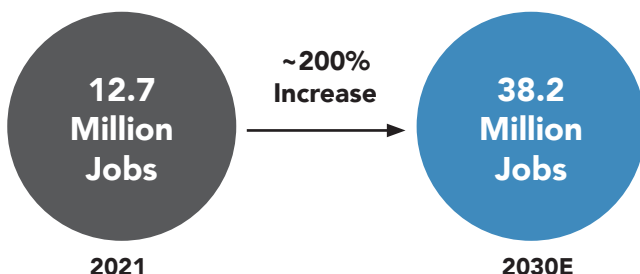
Ancillary Services



TRENDS

1 The Group expects revenue to increase due to the growing wind energy industry as jobs within the renewable energy industry grew to 12.7 million in 2021 and is expected to deliver record growth with expectations of 38.2 million worldwide employment by 2030.

2 The Group expects that there will be an increasing focus on the training of local workers due to the local content requirements of various local governments.



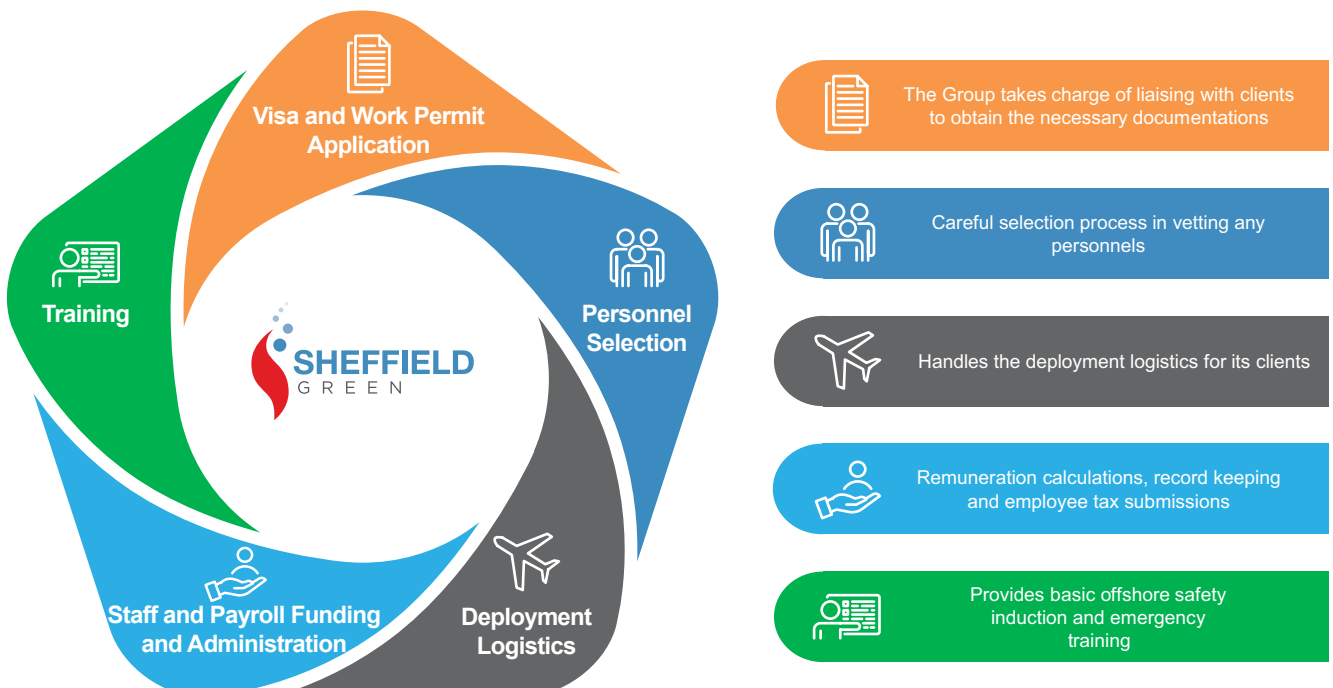
COMPETITIVE STRENGTHS

- 1 THE GROUP OFFERS A COMPREHENSIVE RANGE OF HUMAN RESOURCE SERVICES ACROSS THE ENTIRE RENEWABLE ENERGY VALUE CHAIN**
 - Provides a range of end-to-end human resource services as compared to most of its competitors which only provides recruitment services.
- 2 THE GROUP HAS ESTABLISHED LOCAL PRESENCES AND EXPERTISE IN THE KEY GEOGRAPHICAL LOCATIONS IN WHICH THE GROUP OPERATES**
 - Established strong and direct local presence provides the Group with a competitive advantage over other competitors in the industry.
- 3 THE GROUP HAS THE CAPABILITY AND CAPACITY TO SOURCE FOR AND PROCURE A LARGE NUMBER OF WORKERS TO MEET THE MANPOWER DEMANDS OF LARGE-SCALE PROJECTS**
 - The Group's experienced recruitment teams have a clear understanding and knowledge of technical requirements.
- 4 THE GROUP HAS AN ESTABLISHED TRACK RECORD AND MARKET REPUTATION**
 - The Group's emphasis on providing quality service has enabled the Group to develop a market reputation as a quality human resource services provider in the renewable energy industry.



COMPREHENSIVE RANGE OF SERVICES ACROSS THE RENEWABLE ENERGY VALUE CHAIN

Provides a suite of services as compared to its competitors which only provides recruitment services



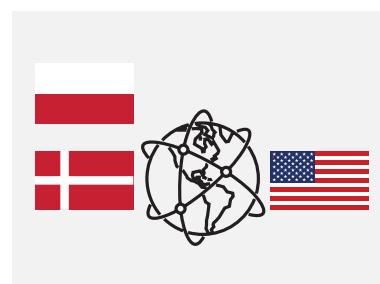
BUSINESS STRATEGIES AND FUTURE PLANS

STRATEGIES

1

Expanding the Scale of Existing Business and Geographical Coverage

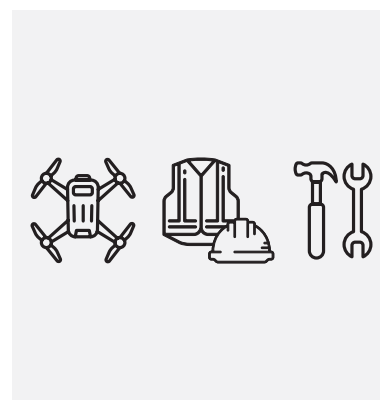
- Plans to grow organically by expanding its business coverage and geographical presence in locations where there are significant renewable energy related activities.
- Strengthen the presence of its existing overseas offices by increasing the amount of resources and staff at these strategic locations.



2

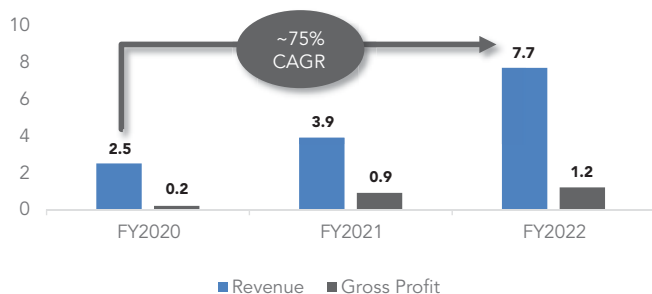
Expansion into Complementary Offerings

- Intends to identify new service offerings and capabilities such as ship chandelling and catering business in Taiwan to serve its clients that it can develop and operate in-house and thereby minimising reliance on third-party service providers.
- Will also continue to explore acquisition and/or strategic partnership opportunities with third-party service providers.
- Intends to diversify its existing business segments by providing training and development through training schools and centres in Taiwan.

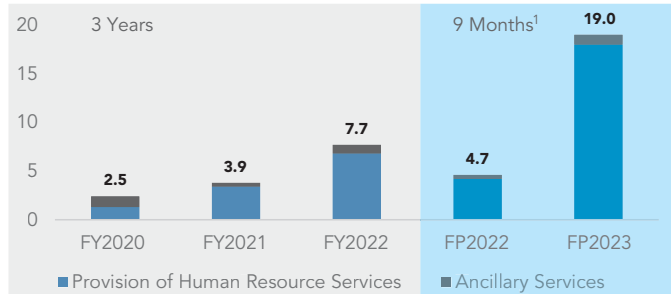


STRONG FINANCIAL GROWTH

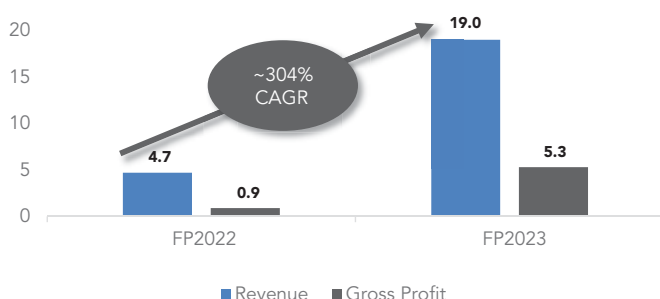
Selected Financials (3 Years) | US\$ Millions



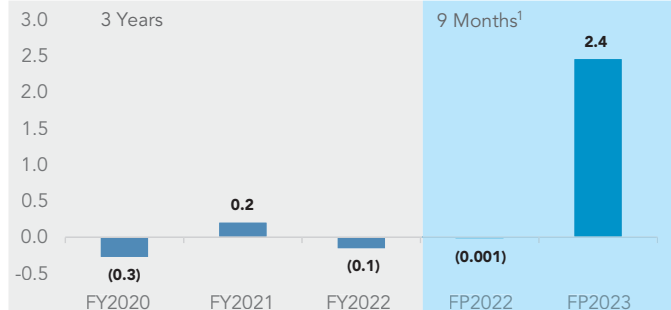
Segment Information | US\$ Millions



Selected Financials (9 Months)¹ | US\$ Millions



Net Profit After Tax | US\$ Millions



1: 9 months financial period ended 31st March

Sheffield Green has continued its positive trajectory over the track record period, demonstrating its strong position to capitalise on the robust sector growth

PROPOSED DIVIDENDS

The Directors intend to recommend and distribute dividends of thirty per cent. (30%) of the Company net profit after tax attributable to equity holders of the Company for FY2023 to FY2024.

TABLE OF CONTENTS

| | |
|---|----|
| CORPORATE INFORMATION | 1 |
| DEFINITIONS | 3 |
| GLOSSARY OF TECHNICAL TERMS | 13 |
| CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS | 16 |
| PRESENTATION OF FINANCIAL AND STATISTICAL INFORMATION | 19 |
| SELLING RESTRICTIONS | 20 |
| DETAILS OF THE OFFERING | 21 |
| INDICATIVE TIMETABLE FOR LISTING | 26 |
| PLAN OF DISTRIBUTION | 28 |
| MANAGEMENT AND SPONSORSHIP, UNDERWRITING AND PLACEMENT ARRANGEMENTS | 30 |
| OFFER DOCUMENT SUMMARY | 37 |
| THE COMPANY | 37 |
| BUSINESS OVERVIEW | 37 |
| COMPETITIVE STRENGTHS | 42 |
| BUSINESS STRATEGIES AND FUTURE PLANS | 44 |
| PROSPECTS | 46 |
| TRENDS | 48 |
| THE COMPANY'S CONTACT DETAILS | 49 |
| THE OFFERING | 50 |
| OFFERING STATISTICS | 51 |
| RISK FACTORS | 53 |
| RISKS RELATING TO THE GROUP'S BUSINESS OR THE INDUSTRY IN WHICH THE GROUP OPERATES | 53 |
| RISKS RELATING TO AN INVESTMENT IN THE COMPANY'S SHARES | 77 |

TABLE OF CONTENTS

| | |
|---|-----|
| USE OF PROCEEDS AND LISTING EXPENSES | 82 |
| USE OF PROCEEDS | 82 |
| LISTING EXPENSES | 83 |
| DIVIDEND POLICY | 85 |
| PAST DIVIDENDS | 85 |
| DIVIDEND POLICY | 85 |
| SHARE CAPITAL | 87 |
| SHAREHOLDERS | 91 |
| OWNERSHIP STRUCTURE | 91 |
| SIGNIFICANT CHANGES IN PERCENTAGE OF OWNERSHIP | 94 |
| MORATORIUM | 94 |
| CAPITALISATION AND INDEBTEDNESS | 98 |
| DILUTION | 100 |
| RESTRUCTURING EXERCISE | 102 |
| GROUP STRUCTURE | 106 |
| THE SUBSIDIARIES | 108 |
| SELECTED AUDITED COMBINED FINANCIAL INFORMATION | 109 |
| STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME . | 109 |
| STATEMENTS OF FINANCIAL POSITION | 110 |
| STATEMENTS OF CASHFLOWS | 111 |
| BASIS OF PREPARATION | 113 |
| MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION | 114 |
| REVIEW OF RESULTS OF OPERATIONS | 121 |
| REVIEW OF FINANCIAL POSITION | 125 |
| LIQUIDITY AND CAPITAL RESOURCES | 130 |
| CAPITAL EXPENDITURE, DIVESTMENTS AND COMMITMENTS | 136 |

TABLE OF CONTENTS

| | |
|--|------------|
| FOREIGN EXCHANGE MANAGEMENT | 136 |
| SEASONALITY | 137 |
| SIGNIFICANT ACCOUNTING POLICY CHANGES | 138 |
| EXCHANGE RATES | 138 |
| EXCHANGE CONTROLS | 139 |
| SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION | |
| UNAUDITED PRO FORMA STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME | 140 |
| UNAUDITED PRO FORMA STATEMENTS OF FINANCIAL POSITION | 142 |
| UNAUDITED PRO FORMA STATEMENTS OF CASHFLOWS | 144 |
| BASIS OF PREPARATION | 147 |
| CLEARANCE AND SETTLEMENT | 148 |
| GENERAL INFORMATION ON THE GROUP | 149 |
| HISTORY | 149 |
| KEY MILESTONES | 150 |
| BUSINESS OVERVIEW | 152 |
| COMPETITIVE STRENGTHS | 158 |
| BUSINESS STRATEGIES AND FUTURE PLANS | 158 |
| QUALITY CONTROL | 159 |
| MARKETING AND BUSINESS DEVELOPMENT | 159 |
| MAJOR CLIENTS | 159 |
| MAJOR SUPPLIERS | 162 |
| CREDIT TERMS | 163 |
| PROPERTIES AND FIXED ASSETS | 163 |
| LICENCES, PERMITS, APPROVALS AND CERTIFICATIONS | 165 |
| INSURANCE | 168 |
| RESEARCH AND DEVELOPMENT | 168 |

TABLE OF CONTENTS

| | |
|--|------------|
| INTELLECTUAL PROPERTY | 168 |
| COMPETITION | 169 |
| PROSPECTS | 169 |
| TRENDS | 170 |
| ORDER BOOK | 170 |
| CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY | 170 |
| GOVERNMENT REGULATIONS | 172 |
| INTERESTED PERSON TRANSACTIONS | 179 |
| PAST INTERESTED PERSON TRANSACTIONS | 180 |
| PRESENT AND ON-GOING INTERESTED PERSON TRANSACTIONS | 183 |
| GUIDELINES AND REVIEW PROCEDURES FOR ON-GOING AND FUTURE INTERESTED PERSON TRANSACTIONS | 185 |
| POTENTIAL CONFLICTS OF INTERESTS | 187 |
| MANAGEMENT AND CORPORATE GOVERNANCE | 200 |
| MANAGEMENT REPORTING STRUCTURE | 200 |
| DIRECTORS | 200 |
| EXECUTIVE OFFICERS | 205 |
| DIRECTORS' AND EXECUTIVE OFFICERS' REMUNERATION | 207 |
| EMPLOYEES | 208 |
| SERVICE AGREEMENT | 209 |
| CORPORATE GOVERNANCE | 210 |
| GENERAL INFORMATION | 220 |
| INFORMATION ON DIRECTORS, EXECUTIVE OFFICERS AND CONTROLLING SHAREHOLDERS | 220 |
| SHARE CAPITAL | 222 |
| THE CONSTITUTION | 222 |
| MATERIAL CONTRACTS | 222 |

TABLE OF CONTENTS

| | |
|--|------------|
| LITIGATION | 223 |
| MISCELLANEOUS | 223 |
| CONSENTS | 225 |
| RESPONSIBILITY STATEMENT BY THE DIRECTORS | 226 |
| DOCUMENTS AVAILABLE FOR INSPECTION | 226 |
| APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 | A-1 |
| APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023 | B-1 |
| APPENDIX C – SUMMARY OF SELECTED REGULATIONS OF THE CONSTITUTION OF THE COMPANY | C-1 |
| APPENDIX D – DESCRIPTION OF THE SHARES | D-1 |
| APPENDIX E – TAXATION | E-1 |
| APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE | F-1 |

CORPORATE INFORMATION

| | | |
|--|---|--|
| BOARD OF DIRECTORS | : | Mr. Kee Boo Chye (CEO, Chairman and Executive Director) Mr. Liang Shian On (Lead Independent Non-executive Director) Dr. Ong Seh Hong (Independent Non-executive Director) Mr. Tan Kheng Soon (Independent Non-executive Director) Ms. Tan Yuni (Non-executive Director) |
| COMPANY SECRETARY | : | Chia Foon Yeow (Advocate and Solicitor of the Supreme Court of Singapore) |
| REGISTERED OFFICE | : | 11 Collyer Quay #06-01, The Arcade Singapore 049317 |
| REGISTRATION NUMBER | : | 202134454W |
| SPONSOR, ISSUE MANAGER AND JOINT PLACEMENT AGENT | : | Evolve Capital Advisory Private Limited 138 Robinson Road #13-02, Oxley Tower Singapore 068906 |
| UNDERWRITER AND JOINT PLACEMENT AGENT | : | CGS-CIMB Securities (Singapore) Pte. Ltd. 10 Marina Boulevard #10-01, Marina Bay Financial Centre Tower 2 Singapore 018983 |
| SOLICITOR TO THE OFFERING AND LEGAL ADVISER TO THE COMPANY AS TO THE LAW OF SINGAPORE | : | Loo & Partners LLP 160 Robinson Road #15-06, SBF Center Singapore 068914 |
| SOLICITOR TO THE SPONSOR, ISSUE MANAGER AND JOINT PLACEMENT AGENT AND UNDERWRITER AND JOINT PLACEMENT AGENT | : | Dentons Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624 |

CORPORATE INFORMATION

| | | |
|---|---|---|
| LEGAL ADVISER TO THE GROUP AS TO THE LAW OF THE REPUBLIC OF CHINA (TAIWAN) | : | Thanlwin Legal No. 12, Sec. 2, Bade Rd. Daan Dist. Taipei, Taiwan 10666 |
| LEGAL ADVISER TO THE GROUP AS TO THE LAW OF JAPAN | : | City-Yuwa Partners Marunouchi Mitsui Building, 2-2-2 Marunouchi, Chiyoda-ku, Tokyo 100-0005, Japan |
| LEGAL ADVISER TO THE COMPANY AS TO THE LAW OF FRANCE | : | Orrick, Herrington & Sutcliffe (Europe) LLP 61 rue des Belles Feuilles 75116 Paris Cedex 16 France |
| INDEPENDENT AUDITORS AND REPORTING ACCOUNTANTS | : | Deloitte & Touche LLP 6 Shenton Way, #33-00, OUE Downtown Singapore 068809 Partner-in-charge: Ms. Mao Meijiao (a member of the Institute of Singapore Chartered Accountants) |
| INTERNAL AUDITORS | : | Crowe Horwath First Trust Risk Advisory Pte. Ltd. 9 Raffles Place #19-20, Republic Plaza Tower 2 Singapore 048619 |
| SHARE REGISTRAR AND SHARE TRANSFER OFFICE | : | Boardroom Corporate & Advisory Services Pte. Ltd. 1 Harbourfront Avenue #14-07, Keppel Bay Tower Singapore 098632 |
| PRINCIPAL BANKER | : | The Hongkong and Shanghai Banking Corporation Limited 10 Marina Boulevard #48-01, Marina Bay Financial Centre Singapore 018983 |
| RECEIVING BANKER | : | The Bank of East Asia, Limited Singapore Branch 60 Robinson Road, BEA Building, Singapore 068892 |

DEFINITIONS

In this Offer Document and the accompanying Application Forms, unless the context otherwise requires, the following definitions apply where the context so admits:

GROUP COMPANIES

| | | |
|------------------------------|---|--|
| “Company” | : | Sheffield Green Ltd. incorporated in Singapore |
| “Group” or “Group Companies” | : | The Company, SGAPL, SGKK and WATPL |
| “SGAPL” | : | Sheffield Green (Asia) Pte. Ltd. incorporated in Singapore |
| “SGAPL (Taiwan Branch)” | : | Sheffield Green (Asia) Pte. Ltd. Taiwan Branch registered as a foreign branch of SGAPL in Taiwan |
| “SGKK” | : | Sheffield Green K.K. incorporated in Japan |
| “WATPL” | : | Wind Asia Training Pte. Ltd. incorporated in Singapore |

OTHER CORPORATIONS AND AGENCIES

| | | |
|--|---|---|
| “Authority” or “MAS” | : | The Monetary Authority of Singapore |
| “CDP” or “Depository” | : | The Central Depository (Pte) Ltd |
| “CGS-CIMB” or “Underwriter and Joint Placement Agent” | : | CGS-CIMB Securities (Singapore) Pte. Ltd. |
| “Crowe” or “Internal Auditors” | : | Crowe Horwath First Trust Risk Advisory Pte. Ltd. |
| “Deloitte” or “Independent Auditors and Reporting Accountants” | : | Deloitte & Touche LLP |
| “DSPL” | : | Daya Sheffield Pte. Ltd. incorporated in Singapore |
| “DSSB” | : | Daya Sheffield Sdn. Bhd. incorporated in Malaysia |
| “ECA” or “Sponsor, Issue Manager and Joint Placement Agent” | : | Evolve Capital Advisory Private Limited |
| “the Holdco” | : | Sheffield Energies Pte. Ltd. incorporated in Singapore |
| “Joint Placement Agents” | : | ECA and CGS-CIMB |
| “PTSEI” | : | PT Sheffield Energy Indonesia incorporated in Indonesia |

DEFINITIONS

| | | |
|------------------------|---|---|
| “Receiving Banker” | : | The Bank of East Asia Limited |
| “RSSSB” | : | Rumpun Sega Sheffield Sdn. Bhd. incorporated in Malaysia |
| “SATSCL” | : | Sheffield Alliance Technical Services Company Limited incorporated in Myanmar |
| “SDIPL” | : | Sheffield Drilling International Pte. Ltd. incorporated in Singapore |
| “SDPL” | : | Sheffield Development Pte. Ltd. incorporated in Singapore |
| “SE(UK)L” | : | Sheffield Energy (UK) Limited incorporated in the United Kingdom |
| “SEBV” | : | Sheffield Energy B.V. incorporated in the Netherlands |
| “SECL” | : | Sheffield Energy Co. Ltd. incorporated in Cambodia |
| “SEIPL” | : | Sheffield Energy India Private Limited incorporated in India |
| “SELHK” | : | Sheffield Energy Limited incorporated in Hong Kong |
| “SELLC” | : | Sheffield Energy LLC incorporated in Qatar |
| “SELTH” | : | Sheffield Energy Limited incorporated in Thailand |
| “SEPL” | : | Sheffield Energy Pte. Ltd. (formerly known as Sheffield Offshore Services Pte. Ltd.) |
| “SEPL (Taiwan Branch)” | : | Sheffield Energy Pte. Ltd. (Taiwan Branch) registered as a foreign branch of SEPL in Taiwan |
| “SESB” | : | Sheffield Energy Sdn. Bhd. incorporated in Malaysia |
| “SGSAS” | : | Sheffield Green SAS incorporated in France |
| “SICSSL” | : | Sheffield Information and Consultancy Services (Shenzhen) Ltd. incorporated in China |
| “ST(S)PL” | : | Sheffield Techni-link (S) Pte. Ltd. incorporated in Singapore |
| “STRL” | : | Sheffield Technical Recruitment Limited incorporated in Thailand |

DEFINITIONS

| | | |
|--------------------------------------|---|--|
| “ <i>STSPL</i> ” | : | Sheffield Technical Services Pte. Ltd. incorporated in Singapore |
| “ <i>SGX-ST</i> ” | : | Singapore Exchange Securities Trading Limited |
| “ <i>Share Registrar</i> ” | : | Boardroom Corporate & Advisory Services Pte. Ltd. |
| “ <i>Sheffield Energy Group</i> ” | : | SEPL, SEBV, PTSEI, SESB, SELTH, SICSSL, SECL, SELHK, SEIPL, SELLC, DSSB, RSSSB and SGSAS |
| “ <i>Sheffield Technical Group</i> ” | : | STSPL, ST(S)PL, SATSCL and STRL |

GENERAL

| | | |
|------------------------------|---|--|
| “ <i>Application Forms</i> ” | : | The printed application forms to be used for the purpose of the Offering and which form part of this Offer Document |
| “ <i>Application List</i> ” | : | The list of applications for subscription of the Offering Shares |
| “ <i>associate</i> ” | : | (a) In relation to any director, CEO, substantial shareholder or controlling shareholder (being an individual) means: (i) his immediate family; (ii) the trustees, acting in their capacity as such trustees, of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; or (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more; (b) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a fellow subsidiary of any such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more |
| “ <i>ATM</i> ” | : | Automated teller machines of a Participating Bank |
| “ <i>Audit Committee</i> ” | : | The audit committee of the Company as at the date of this Offer Document, unless the context otherwise requires |

DEFINITIONS

| | | |
|---------------------------------|---|---|
| “Board” or “Board of Directors” | : | The board of Directors of the Company as at the date of this Offer Document, unless the context otherwise requires |
| “Catalist” | : | The Catalist Board of the SGX-ST |
| “Catalist Rules” | : | Section B of the Listing Manual dealing with the rules of Catalist, as from time to time amended, modified or supplemented |
| “CEO” | : | The CEO of the Company |
| “CG 2018” | : | Code of Corporate Governance 2018, as amended, modified or supplemented from time to time |
| “Companies Act” | : | The Companies Act 1967 as amended or modified from time to time |
| “Constitution” | : | The constitution of the Company, as amended or modified from time to time |
| “Controlling Shareholder” | : | As defined in the Catalist Rules: (a) a person who holds directly or indirectly 15.0% or more of the nominal amount of all voting shares in the Company (unless otherwise determined by the SGX-ST); or (b) a person who in fact exercises control over the Company |
| “CPF” | : | The Central Provident Fund |
| “DBS” | : | DBS Bank Ltd. |
| “Directors” | : | The directors of the Company as at the date of this Offer Document, unless the context otherwise requires |
| “Electronic Applications” | : | Applications for the Public Offer Shares made through an ATM or through the internet banking website of the Participating Bank in accordance with the terms and conditions of this Offer Document |
| “Employment Act” | : | The Employment Act 1968 as amended or modified from time to time |
| “EPS” | : | Earnings per Share |
| “Executive Director” | : | The executive director of the Company as at the date of this Offer Document, unless the context otherwise requires |

DEFINITIONS

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| <i>“Executive Officers”</i> | : | The Group’s executive officers as at the date of this Offer Document, unless the context otherwise requires |
| <i>“Exposure Period”</i> | : | The minimum period of 14 calendar days (unless extended by the SGX-ST) following the lodgement of this Offer Document by the Sponsor, Issue Manager and Joint Placement Agent with the SGX-ST, during which this Offer Document is exposed for public comment |
| <i>“FP”</i> | : | Nine (9) month financial period ended 31 March or, as the case may be, ending 31 March |
| <i>“FY”</i> | : | Financial year ended or, as the case may be, ending 30 June |
| <i>“GST”</i> | : | Goods and services tax |
| <i>“Income Tax Act”</i> | : | The Income Tax Act 1947 as amended or modified from time to time |
| <i>“Independent Directors”</i> | : | The independent directors of the Company as at the date of this Offer Document, unless the context otherwise requires |
| <i>“JV”</i> | : | Joint venture |
| <i>“Latest Practicable Date”</i> | : | 15 September 2023, being the latest practicable date for the purposes of lodgement of this Offer Document with the SGX-ST |
| <i>“Listing”</i> | : | The listing of the Company and the quotation of the Company’s Shares on Catalist |
| <i>“Listing Date”</i> | : | The date of commencement of dealing in the Shares on the SGX-ST |
| <i>“Listing Manual”</i> | : | The provisions of Sections A and B of the listing manual of the SGX-ST as from time to time amended, modified or supplemented |
| <i>“Management and Sponsorship Agreement”</i> | : | The management and sponsorship agreement dated 16 October 2023 entered into between the Company and the Sponsor, Issue Manager and Joint Placement Agent in relation to the Offering |
| <i>“Market Day”</i> | : | A day on which the SGX-ST is open for trading in securities |
| <i>“NAV”</i> | : | Net asset value |

DEFINITIONS

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| “ <i>Nominating Committee</i> ” | : | The nominating committee of the Company as at the date of this Offer Document, unless the context otherwise requires |
| “ <i>Non-executive Directors</i> ” | : | The Non-executive Directors of the Company (including Independent Directors) as at the date of this Offer Document, unless the context otherwise requires |
| “ <i>NTA</i> ” | : | Net tangible assets |
| “ <i>Offer Document</i> ” | : | This offer document dated 16 October 2023 issued by the Group in respect of the Offering |
| “ <i>Offering</i> ” | : | The Placement and the Public Offering |
| “ <i>Offering Price</i> ” | : | S\$0.25 for each Offering Share |
| “ <i>Offering Shares</i> ” | : | The 24,000,000 Shares offered by the Company in the Offering |
| “ <i>Official List</i> ” | : | The list of issuers maintained by the SGX-ST in relation to Catalist |
| “ <i>Oil & Gas Business</i> ” | : | Sheffield Energy Group’s business of providing human resource services focusing on the oil and gas industries, excluding the business activities of SGSAS in France |
| “ <i>Participating Bank</i> ” | : | DBS (including POSB) |
| “ <i>PER</i> ” | : | Price-Earnings ratio |
| “ <i>Period Under Review</i> ” | : | The period which comprises FY2020, FY2021, FY2022 and FP2023 |
| “ <i>Placement</i> ” | : | The placement of the Placement Shares at the Offering Price by the Joint Placement Agents on behalf of the Company, subject to and on the terms and conditions of this Offer Document |
| “ <i>Placement Agreement</i> ” | : | The placement agreement dated 16 October 2023 entered into between the Company and the Joint Placement Agents in relation to the Offering, pursuant to which the Joint Placement Agents shall use its best efforts to procure subscriptions for the Placement Shares at the Offering Price |
| “ <i>Placement Shares</i> ” | : | The 20,400,000 Offering Shares which are the subject of the Placement |

DEFINITIONS

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| <i>“Pre-IPO Investors”</i> | : | Tan Keng Chung Edwin, Poh Heng, Chan Ya Yi, Wang Tie Cheng, Seah Boon Hwa, Sia Ling Sing, Chua Kian Lin, Lim Chin Hian, Seah Chong Pok, Wee Choo Chuan, Lim Eng Hock, Ng Han Meng, Lee Swee Keng, Lum May Fun, Tan Mah Cheow, Yee Chia Hsing and Tan Kim Hong |
| <i>“Public Offer Shares”</i> | : | The 3,600,000 Offering Shares which are the subject of the Public Offering |
| <i>“Public Offering”</i> | : | The offering of Public Offer Shares by way of a public offer in Singapore |
| <i>“Regulations”</i> | : | Regulations of the Company’s Constitution as amended from time to time |
| <i>“Remuneration Committee”</i> | : | The remuneration committee of the Company as at the date of this Offer Document, unless the context otherwise requires |
| <i>“Renewable Energy Business”</i> | : | The Group’s business of providing human resource services focusing on the renewable energy industry |
| <i>“Restructuring Exercise”</i> | : | The corporate restructuring exercise undertaken in connection with the Offering as set out in the section “Restructuring Exercise” in this Offer Document |
| <i>“Securities Account”</i> | : | The securities account maintained by a Depositor with CDP |
| <i>“Service Agreement”</i> | : | The service agreement entered into between the Company and the CEO and Executive Director, Kee Boo Chye, as set out under the section “Management and Corporate Governance – Service Agreement” of this Offer Document |
| <i>“SGSAS Call Option and ROFR Deed”</i> | : | The deed of call option and right of first refusal dated 31 July 2023 entered among SEPL, the Company and SGSAS, whereby SEPL had granted in favour of the Company a call option and a right of first refusal in respect of the shares in SGSAS held by SEPL |
| <i>“SFA”</i> | : | The Securities and Futures Act 2001 of Singapore, as amended or modified from time to time |
| <i>“SFR”</i> | : | The Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore, as amended or modified from time to time |
| <i>“SFRS(I)”</i> | : | Singapore Financial Reporting Standards (International) |

DEFINITIONS

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| “ <i>Share Split</i> ” | : | The sub-division of the 10,401 issued Shares into 15,600 issued Shares, which was effected on 19 September 2023 |
| “ <i>Shareholders</i> ” | : | Registered holders of Shares, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with Shares |
| “ <i>Shares</i> ” | : | Ordinary shares in the capital of the Company |
| “ <i>Singapore</i> ” | : | The Republic of Singapore |
| “ <i>Substantial Shareholders</i> ” | : | Persons who have an interest in the Shares, the nominal amount of which is not less than 5.0% of the aggregate of the nominal amount of all the voting shares of the Company |
| “ <i>Taiwan</i> ” | : | The Republic of China |
| “ <i>UK</i> ” | : | The United Kingdom |
| “ <i>Underwriting Agreement</i> ” | : | The underwriting agreement dated 16 October 2023 entered into between the Company and the Underwriter and Joint Placement Agent in relation to the Public Offering |
| “ <i>US</i> ” | : | The United States |
| Currencies, Units and Others | | |
| “%” or “ <i>per cent.</i> ” | : | Per centum |
| “ <i>EUR</i> ” or “ <i>€</i> ” | : | Euro, lawful currency of the member states of the European Union |
| “ <i>GBP</i> ” or “ <i>£</i> ” | : | Pound, lawful currency of the UK |
| “ <i>JPY</i> ” or “ <i>¥</i> ” | : | Yen, lawful currency of Japan |
| “ <i>NT\$</i> ” or “ <i>NTD</i> ” | : | New Taiwan Dollars, lawful currency of Taiwan |
| “ <i>Rp</i> ” or “ <i>IDR</i> ” | : | Indonesian Rupiah, lawful currency of Indonesia |
| “ <i>sq. ft</i> ” | : | Square feet |
| “ <i>S\$</i> ” or “ <i>SGD</i> ” and “ <i>cents</i> ” | : | Singapore dollars and cents respectively, lawful currency of Singapore |
| “ <i>THB</i> ” | : | Thailand Baht, lawful currency of Thailand |
| “ <i>US\$</i> ” or “ <i>USD</i> ” | : | United States dollars, lawful currency of the USA |

DEFINITIONS

The expressions “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The expressions “associate”, “associated company”, “associated entity”, “Controlling Shareholder”, “related corporation” and “subsidiary” shall have the meanings ascribed to them in the Fourth Schedule of the SFR, save that in “Interested Person Transactions” and “Directors, Executive Officers and Employees”, such terms, if used, shall have the meanings ascribed to them in the Catalyst Rules and/or the SFR as the context so requires.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference in this Offer Document and the Application Forms, and, in relation to the Electronic Applications, the instructions appearing on the screens of the ATM or the relevant pages of the internet banking website of the Participating Bank or the mobile banking interfaces of the Participating Bank to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA or any statutory modification thereof and used in this Offer Document and the Application Forms shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA or any statutory modification thereof, as the case may be.

Any reference in this Offer Document and the Application Forms to any statute or enactment is to that statute or enactment as amended or re-enacted.

Any reference in this Offer Document and the Application Forms to Offering Shares being allotted to an applicant includes allotment and/or allocation to CDP for the Securities Account of that applicant.

Any reference to a time of day in this Offer Document shall be a reference to Singapore time unless otherwise stated.

Any reference to dates or times of day in this Offer Document, the Application Forms and, in relation to the Electronic Applications, the instructions appearing on the screens of the ATM or the relevant pages of the internet banking websites of the Participating Bank or the mobile banking interfaces of the Participating Bank, are to Singapore dates and times unless otherwise stated.

The information on the Group’s website, any website directly or indirectly linked to the Group’s website or the websites of any of the Group’s related corporations or other entities in which the Group may have an interest, or any website, is not incorporated by reference into this Offer Document and should not be relied on.

Any discrepancies in the tables included herein between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them. Unless otherwise stated, figures and percentages are rounded off.

Unless indicated otherwise, all information in this Offer Document is presented on the basis of the Group.

DEFINITIONS

The clients, suppliers and competitors where named in this Offer Document may be referred to in this Offer Document by their trade names or by a general description of their business. Each of the Group's contracts with each client or supplier is typically with an entity or entities in that client's or supplier's group of companies.

Information in this Offer Document relating to the Public Offer Shares and Placement Shares which may be subscribed pursuant to the Offering, and issued and paid up Shares after the Offering have been presented on the assumption that all Placement Shares shall be successfully subscribed. In the event not all of the Placement Shares is successfully subscribed pursuant to the Offering, the actual number of Offering Shares and Placement Shares subscribed pursuant to the Offering and issued and paid up Shares after the Offering may be materially different from such information which is presented in this Offer Document. The actual number of Placement Shares to be issued shall be determined by the Joint Placement Agents in accordance with the Placement Agreement.

GLOSSARY OF TECHNICAL TERMS

The glossary contains explanations of certain technical terms and abbreviations used in this Offer Document in connection with the Group and the Group's business.

To facilitate a better understanding of the Group's business, the following glossary provides a description (which should not be treated as being definitive of their meanings) of some of the technical terms and abbreviations used in this Offer Document relating to the Group's business. The terms and their assigned meanings may not correspond to standard industry meanings or usage of these terms:

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| <i>"banksman"</i> | : | A person who is responsible for ensuring the safe movement of heavy equipment, vehicles, and machinery on a work site |
| <i>"crew personnel"</i> | : | Technicians, engineers, and other skilled workers who are responsible for constructing, operating and maintaining renewable energy facilities |
| <i>"EPCI"</i> | : | "Engineering, Procurement, Construction and Installation", a common form of contracting arrangement in the renewable energy industry |
| <i>"FCAW"</i> | : | Flux-Cored Arc Welding which is a type of welding that uses a continuously-fed wire electrode and a shielding gas to create a weld. This process is commonly used in construction, manufacturing, and other industrial settings |
| <i>"fitter"</i> | : | A worker who is responsible for installing, maintaining, and repairing equipment used in the production, transmission, and distribution of energy |
| <i>"GWEC"</i> | : | Global Wind Energy Council, a non-profit organisation that represents the wind energy sector worldwide whose mission is to promote the development of wind energy as a sustainable and cost-effective source of renewable energy |
| <i>"GWO"</i> | : | Global Wind Organisation, a non-profit organisation established to develop and administer safety training standards for the wind industry |
| <i>"green hydrogen"</i> | : | Hydrogen gas that is produced through the process of electrolysis, using renewable energy sources such as wind or solar power |
| <i>"IEA"</i> | : | International Energy Agency which is an intergovernmental organisation that was established to promote international cooperation and collaboration on energy issues |

GLOSSARY OF TECHNICAL TERMS

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| “IRENA” | : | The International Renewable Energy Agency, which is an intergovernmental organisation that promotes the widespread adoption of renewable energy technologies around the world |
| “ISO9606-1” | : | An international standard that specifies the requirements for qualification testing of welders |
| “MLC” | : | Maritime Labor Certificate, an international labor standard established by the International Labor Organization (ILO) to ensure decent working and living conditions for seafarers on board ships |
| “ <i>medic</i> ” | : | A trained medical professional who is responsible for providing medical care to employees working in the energy industry, such as on offshore wind farms or in remote areas where medical facilities are limited |
| “NDT” | : | Non-destructive testing |
| “ <i>offshore wind</i> ” | : | Generation of electricity from wind turbines located in bodies of water, such as oceans, seas, and lakes |
| “ <i>onshore wind</i> ” | : | Generation of electricity from wind turbines located on land |
| “ <i>ordinary seaman</i> ” | : | An entry-level position in the maritime industry that involves assisting with the operation and maintenance of ships and other vessels used in the exploration and production of energy resources |
| “ <i>personal protective equipment</i> ” or “ <i>kit</i> ” | : | Clothing, equipment, and accessories that are designed to protect workers from potential hazards in the workplace, such as heat, flames, chemicals, and electrical currents |
| “QAQC” | : | Quality assurance and quality control |
| “ <i>rigger</i> ” | : | A worker who is responsible for setting up and maintaining the equipment used in the installation and maintenance of energy infrastructure, such as wind turbines and transmission towers |
| “ <i>rigger foreman</i> ” | : | A worker who is responsible for overseeing and coordinating the work of other riggers in the construction, maintenance, and repair of heavy equipment and structures |
| “ <i>rigger leaderman</i> ” | : | A worker who supervises and coordinates the work of other riggers in the construction, maintenance, and repair of heavy equipment and structures |

GLOSSARY OF TECHNICAL TERMS

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| <i>“SAW”</i> | : | Submerged Arc Welding which is a type of welding that uses a granular flux and a continuously-fed wire electrode to create a weld. This process is commonly used in welding heavy materials, such as structural steel, pipelines, and pressure vessels |
| <i>“solar”</i> | : | The conversion of sunlight into usable electricity or thermal energy |
| <i>“steward”</i> | : | A professional who is responsible for ensuring that the operations of an energy company comply with safety, health, environmental, and regulatory requirements |
| <i>“surveyor”</i> | : | A professional who specialises in the measurement, analysis, and mapping of land and natural resources related to energy exploration, production, and distribution |
| <i>“welder”</i> | : | A worker who specialises in welding and related processes used in the production, transmission, and distribution of energy |
| <i>“welder 1G SAW”</i> | : | A worker who specialises in performing welding operations using the SAW process in the 1G position which refers to a flat welding position, where the welder is welding in a horizontal direction on a flat surface |
| <i>“welder 3G/4G FCAW”</i> | : | A worker who specialises in performing welding operations, where 3G means vertical up welding and 4G means overhead welding, using the FCAW process |
| <i>“welder 6G FCAW”</i> | : | A worker who specialises in performing welding operations using the FCAW process in the 6G position which refers to a pipe welding position, where the welder must weld in a fixed position around a pipe joint that is in a 45-degree angle |
| <i>“welding inspector”</i> | : | A professional who is responsible for ensuring that welded components and structures used in the production, transmission, and distribution of energy are fabricated and installed in compliance with applicable codes, standards, and specifications |

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Document, statements made in press releases and oral statements that may be made by the Group or the Company's Directors, officers, employees or other party acting on the Group's behalf, that are not statements of historical fact, constitute "forward-looking statements". You can identify some of these forward-looking statements by terms such as "expects", "believes", "plans", "intends", "predicts", "estimates", "anticipates", "may", "will", "would" and "could" or similar expressions. However, you should note that these words or phrases are not the exclusive means of identifying forward-looking statements. All statements regarding the Group's expected financial position, business strategies, plans and prospects are forward-looking statements.

These forward-looking statements, including without limitation, statements as to the Group's revenue and profitability, cost measures, planned strategy and anticipated expansion plans, expected growth in demand, expected industry trends and any other matters discussed in this Offer Document regarding matters that are not historical fact, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group's actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include, among others, the following:

- (a) fluctuations of the Group's results of operations and cash flows depending on the availability and timing of contract awards, renewals, maturity or termination and the need for the Group to maintain a high level of working capital to sustain the Group's operations;
- (b) the Group's ability to successfully bid for and secure tenders for projects on similar terms;
- (c) the Group's dependence on the renewable energy industry which its clients operate in;
- (d) loss of or reduction in business from major clients which could adversely impact the Group's financial results;
- (e) the Group's dependence on the continued service of the Group's key management personnel;
- (f) the Group's ability to pass on costs to clients;
- (g) the Group being subject to laws, regulations and policies imposed by various government and regulatory authorities in the jurisdictions in which it operates;
- (h) the Group's ability to obtain licences, permits, approvals and/or certifications for the Group's business and operations;
- (i) the Group's ability to source for sufficient or suitable manpower to fulfil the Group's clients' needs;
- (j) the availability of reliable and competent employees or subcontractors;
- (k) the Group's exposure to credit risks of clients;
- (l) the Group's involvement in disputes with its clients or third parties;

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

- (m) the Group's dependence on the clients' renewal of contracts which may lead to revenue, profit and/or cash flow fluctuations from financial year to financial year;
- (n) the Group's lack of trade marks registered under the applicable laws of Singapore, Taiwan and Japan;
- (o) competition from new and existing competitors;
- (p) the success of the Group's business strategies and future plans;
- (q) the Group's exposure to potential liabilities arising from personal injuries, property damage and/or fatal accidents;
- (r) the Group's exposure to substantial liability claims resulting from work performed by personnel who are contracted with the Group;
- (s) the Group's exposure to certain risks against which the Group does not insure, and may have difficulty obtaining insurance on acceptable terms or at all;
- (t) effects of adverse weather conditions on the Group's business operations;
- (u) changes in political, social and economic conditions, the regulatory environment, laws and regulations;
- (v) legal, economic and market conditions of the countries in which the Group operates;
- (w) changes in taxation in the countries in which the Group operates;
- (x) the Group's exposure to currency fluctuations;
- (y) other factors beyond the Group's control; and
- (z) the factors described in the section entitled "Risk Factors" of this Offer Document.

Some of these risk factors are discussed in greater detail in this Offer Document, in particular, but not limited to, the discussions under the sections "Risk Factors" and "Management's Discussion and Analysis of Results of Operations and Financial Position" of this Offer Document. These forward-looking statements are applicable only as of the date of this Offer Document.

This Offer Document includes market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information.

Neither the Group, the Sponsor, Issue Manager and Joint Placement Agent or the Underwriter and Joint Placement Agent, nor any person(s) acting on the Group's or their behalf have conducted an independent review or verified the accuracy or veracity of such data, information, financial analysis, forecast, figures and statements, assumptions and projections or ascertained the underlying assumptions relied upon therein (the "**Third Party Data**"). Where any of the Third Party Data or any information in this Offer Document has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Company's Directors, the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent, or any person(s) acting on the Group's or their behalf has been to ensure that such Third Party Data or information has been accurately and correctly extracted from these sources and/or reproduced in this Offer Document in its proper form and context. No representation is made by the Group, the Sponsor, Issue Manager and Joint Placement Agent or the Underwriter and Joint Placement Agent, or any person(s) acting on the Group's or their behalf in respect of any such Third Party Data or information and neither the Group, the Sponsor, Issue Manager and Joint Placement Agent or the Underwriter and Joint Placement Agent, nor any person(s) acting on the Group's or their behalf take any responsibility for any of such Third Party Data or information as to its accuracy or completeness and shall not be obliged to provide any updates on the same.

Given the risks and uncertainties that may cause the Group's actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Document, undue reliance must not be placed on these statements. None of the Group, the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent or any other person represents or warrants that the Group's actual future results, performance or achievements will be as discussed in those statements.

All forward-looking statements by or attributable to the Group, or persons acting on the Group's behalf, contained in this Offer Document are expressly qualified in their entirety by such factors. The actual future results may differ materially from those anticipated in these forward-looking statements as a result of the risks faced by the Group. The Group, the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

The Group is, however, subject to the provisions of the SFA and the Catalist Rules regarding corporate disclosure. In particular, pursuant to Section 241 of the SFA, if after the Offer Document is registered by the SGX-ST, acting as agent on behalf of the Authority, but before the close of the Offering, the Group becomes aware of:

- (a) a false or misleading statement or matter in the Offer Document;
- (b) an omission from the Offer Document of any information that should have been included in it under Section 243 of the SFA, the SFR or the Catalist Rules; or
- (c) a new circumstance that has arisen since the Offer Document was lodged with the SGX-ST, acting as agent on behalf of the Authority, and would have been required by Section 243 of the SFA, the SFR or the Catalist Rules to be included in the Offer Document if it had arisen before the Offer Document was lodged,

and that is materially adverse from the point of view of an investor, the Company may lodge a supplementary or replacement Offer Document with the SGX-ST acting as agent on behalf of the Authority.

PRESENTATION OF FINANCIAL AND STATISTICAL INFORMATION

This Offer Document contains the audited financial statements for FY2020, FY2021, FY2022 and FP2023 of the Company together with the related notes thereto, as set out in Appendix A to this Offer Document, the unaudited pro forma financial information for FY2022 and FP2023 together with the related notes thereto, as set out in Appendix B to this Offer Document, each of which has been prepared in accordance with SFRS(I).

SFRS(I) differs in certain respects from generally accepted accounting principles in certain other countries, including the United States. The Company has not provided a quantitative reconciliation or narrative discussion of these differences in this Offer Document. Investors should consult their own professional advisers for an understanding of the differences between SFRS(I) and generally accepted accounting principles in other countries, including the United States and how those differences might affect such financial statements and financial information and, more generally, the financial results of the Group going forward.

The preparation of the Group's financial statements in conformity with SFRS(I) at times requires the Company's management to make subjective estimates and judgements regarding matters that are inherently uncertain. Such estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These estimates and judgements affect reported amounts and disclosures. The results of operations may differ if prepared under different estimates and judgements.

The Company will, in accordance with the relevant laws and regulations in Singapore, prepare all future periodic financial reports which the Company will release on SGXNET, and all audited financial statements which the Company will provide to the Shareholders, in accordance with SFRS(I).

Certain numerical figures set out in this Offer Document, including financial data presented in millions or thousands and percentages, have been subject to rounding adjustments, and, as a result, the totals of the data in this Offer Document may vary slightly from the actual arithmetic totals of such information. Percentages and amounts reflecting changes over time periods relating to financial and other data set forth in "Management's Discussion and Analysis of Results of Operations and Financial Position" of this Offer Document are approximate figures and have been calculated using the numerical data in the Company's financial statements or the tabular presentation of other data (subject to rounding) contained in this Offer Document, as applicable, and not using the numerical data in the narrative description thereof.

SELLING RESTRICTIONS

This Offer Document does not constitute an offer, solicitation or invitation to subscribe for and/or purchase the Offering Shares in any jurisdiction in which such offer, solicitation or invitation is unlawful or is not authorised to any person to whom it is unlawful to make such offer, solicitation or invitation.

No action has been or will be taken under the requirements of the legislation or regulations of, or of the legal or regulatory requirements of any jurisdiction, except for the lodgement and/or registration of this Offer Document in Singapore in order to permit an offering of the Offering Shares and the public distribution of this Offer Document in Singapore. The distribution of this Offer Document and the offering of the Offering Shares in other jurisdictions may be restricted by the relevant laws in such jurisdictions. Persons who may come into possession of this Offer Document are required by the Group, the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent to inform themselves about, and to observe and comply with, any such restrictions at their own expense and without liability to the Group, the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent.

Persons to whom a copy of this Offer Document has been issued shall not circulate to any other persons, reproduce or otherwise distribute this Offer Document or any information herein for any purpose whatsoever nor permit or cause the same to occur.

DETAILS OF THE OFFERING

LISTING ON CATALIST

An application has been made to the SGX-ST for permission to deal in, and for the listing and quotation of, all the existing Shares of the Company and the Offering Shares on Catalist. Such permission will be granted when the Company is admitted to the Official List of Catalist. The acceptance of applications will be conditional upon, among others, the issue of the Offering Shares and upon permission being granted by the SGX-ST to deal in, and for quotation of, the existing Shares of the Company and the Offering Shares. Monies paid in respect of any application accepted will be returned, without interest or any share of revenue or other benefit arising therefrom and at the applicant's own risk, if the completion of the Offering does not occur because the said permission is not granted or for any reason, and the applicant will not have any claim against the Group, the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent. No Offering Shares will be allotted on the basis of this Offer Document later than six months after the date of registration of this Offer Document by the SGX-ST on behalf of the Authority.

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the SGX-ST Main Board. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the shares or units of shares traded on Catalist. You should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with your professional adviser(s).

Neither the Authority nor the SGX-ST has examined or approved the contents of this Offer Document. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Offer Document, including the correctness of any of the statements or opinions made or reports contained in this Offer Document. The SGX-ST does not normally review the application for admission but relies on the Sponsor, Issue Manager and Joint Placement Agent certifying that the Group is suitable to be listed and complies with the Catalist Rules. Neither the Authority nor the SGX-ST has in any way considered the merits of the Offering Shares being offered for investment.

Admission to the Official List of Catalist is not to be taken as an indication of the merits of the Offering, the Company, the Company's existing issued Shares, the Group's subsidiaries or the Offering Shares.

A copy of this Offer Document has been lodged with and registered by the SGX-ST acting as an agent on behalf of the Authority. Registration of the Offer Document by the SGX-ST does not imply that the SFA, the SFR or any other legal or regulatory requirements, have been complied with. The SGX-ST has not, in any way, considered the merits of the Company's existing issued Shares or the new Offering Shares, as the case may be, being offered or in respect of which an invitation is made, for investment. The Company has not lodged this Offer Document in any other jurisdiction.

This Offer Document has been seen and approved by the Directors and they individually and collectively accept full responsibility for the accuracy of the information given in this Offer Document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, this Offer Document constitutes full and true disclosure of all material facts about the Offering and the Group, and we are not aware of any facts the omission of which would make any statement in this offer document misleading.

DETAILS OF THE OFFERING

Where information in this Offer Document has been extracted from published or otherwise publicly available sources or obtained from a named source, the Directors' sole responsibility has been to ensure that such information has been accurately and correctly extracted from these sources and/or reproduced in this Offer Document in its proper form and context.

The Group is subject to the provisions of the SFA, the SFR and the Catalist Rules regarding corporate disclosure. In particular, if after the registration of this Offer Document but before the close of the Offering, the Group becomes aware of:

- (a) a false or misleading statement or matter in the Offer Document;
- (b) an omission from the Offer Document of any information that should have been included in it under the requirements of Section 243 of the SFA, the SFR and the Catalist Rules; or
- (c) a new circumstance that has arisen since the Offer Document was lodged with the SGX-ST which would have been required under the requirements of Section 243 of the SFA, the SFR or the Catalist Rules to be included in the Offer Document if it had arisen before this Offer Document was lodged,

that is materially adverse from the point of view of an investor, the Company, in consultation with the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent, may lodge a supplementary or replacement Offer Document with the SGX-ST.

In the event that a supplementary or replacement Offer Document is lodged with the SGX-ST, the Offering shall be kept open for at least 14 days after the lodgement of such supplementary or replacement Offer Document.

Where prior to the lodgement of the supplementary or replacement Offer Document, applications have been made under this Offer Document to subscribe for the Offering Shares and:

- (a) where the Offering Shares have not been issued to the applicants, the Company shall either:
 - (i) (A) within two days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement Offer Document, give the applicants notice in writing of how to obtain, or arrange to receive, a copy of the supplementary or replacement Offer Document, as the case may be, and provide the applicants with an option to withdraw their applications; and (B) take all reasonable steps to make available within a reasonable period the supplementary or replacement Offer Document, as the case may be, to the applicants who have indicated that they wish to obtain, or have arranged to receive, a copy of the supplementary or replacement Offer Document;
 - (ii) within seven (7) days from the date of lodgement of the supplementary or replacement Offer Document, give the applicants the supplementary or replacement Offer Document, as the case may be, and provide the applicants with an option to withdraw their applications; or
 - (iii) (A) treat the applications as withdrawn and cancelled, in which case the applications shall be deemed to have been withdrawn and cancelled; and (B) the Company shall, within seven days from the date of lodgement of the supplementary replacement Offer Document, return all monies paid in respect of any application, without interest or any share of revenue or other benefit arising therefrom and at the applicants' own risk; or

DETAILS OF THE OFFERING

- (b) where the Offering Shares have been issued to the applicants, the Company shall either:
- (i) (A) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement Offer Document, give the applicants notice in writing of how to obtain, or arrange to receive, a copy of the supplementary or replacement Offer Document, as the case may be, and provide the applicants with an option to return to the Company the Offering Shares which they do not wish to retain title in; and (B) take all reasonable steps to make available within a reasonable period the supplementary or replacement Offer Document, as the case may be, to the applicants who have indicated that they wish to obtain, or have arranged to receive, a copy of the supplementary or replacement Offer Document;
 - (ii) within seven (7) days from the date of lodgement of the supplementary or replacement Offer Document, give the applicants the supplementary or replacement Offer Document, as the case may be, and provide the applicants with an option to return to the Company the Offering Shares which they do not wish to retain title in; or
 - (iii) treat the issue of the Offering Shares as void, in which case the issue shall be deemed void and the Company shall, within seven days from the date of lodgement of the supplementary replacement Offer Document, return all monies paid in respect of any application, without interest or any share of revenue or other benefit arising therefrom and at the applicants' own risk,

and the applicants shall not have any right or claim against the Group, its Directors, the Sponsor, Issue Manager and Joint Placement Agent, the Underwriter and Joint Placement Agent or its or their advisers or agents.

Any applicant who wishes to exercise his option under paragraph (a)(i) or (a)(ii) to withdraw his application shall, within 14 days from the date of lodgement of the supplementary or replacement Offer Document, notify the Company of this, whereupon the Company shall, within seven days from the receipt of such notification, return the application monies without interest or any share of revenue or other benefit arising therefrom and at his own risk, and he will not have any claim against the Group, the Sponsor, Issue Manager and Joint Placement Agent or the Underwriter and Joint Placement Agent.

An applicant who wishes to exercise his option under paragraph (b)(i) or (b)(ii) to return the Offering Shares issued to him shall, within 14 days from the date of lodgement of the supplementary or replacement Offer Document, notify the Company of this and return all documents, if any, purporting to be evidence of title to those Offering Shares to the Company, whereupon the Company shall, within seven days from the receipt of such notification and documents, if any, pay to him all monies paid by him for those Shares, without interest or any share of revenue or other benefit arising therefrom and at his own risk, and the issue of those Offering Shares shall be deemed to be void, and he will not have any claim against the Group, the Sponsor, Issue Manager and Joint Placement Agent or the Underwriter and Joint Placement Agent.

Pursuant to Section 242 of the SFA, the Authority may, in certain circumstances issue a stop order (the "**Stop Order**") to the Company, directing that no or no further Shares to which this Offer Document relates, be allotted or issued. Such circumstances will include a situation where this Offer Document (i) contains any statement or matter which, in the Authority's opinion, is false or misleading (ii) omits any information that should have been included in it under the SFA, (iii) does not, in the Authority's opinion, comply with the requirements of the SFA, or (iv) the Authority is of the opinion that it is in the public interest to do so.

DETAILS OF THE OFFERING

In the event that the Authority and/or the SGX-ST, acting as agent on behalf of the Authority issues a Stop Order and applications to subscribe for the Offering Shares have been made prior to the Stop Order, then:

- (a) where the Offering Shares have not been issued to the applicants, the applications for the Offering Shares shall be deemed to have been withdrawn and cancelled and the Company shall, within 14 days from the date of the Stop Order, pay to the applicants all monies the applicants have paid on account of their applications for the Offering Shares; or
- (b) where the Offering Shares have been issued to the applicants, the issue of the Offering Shares shall be deemed to be void and the Company shall, within 14 days from the date of the Stop Order, pay to the applicants all monies paid by them for the Offering Shares.

Such monies paid in respect of an application will be returned to the applicants at their own risk, without interest or a share of revenue or other benefit arising therefrom, and they will not have any claims against the Group, the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent.

None of the Company, the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent or any other parties involved in the Offering is making any representation to any person regarding the legality of an investment by such person under any investment or other laws or regulations. No information in this Offer Document should be considered as being business, legal or tax advice regarding an investment in the Company's Shares. Each prospective investor should consult his own professional or other advisers for business, legal or tax advice regarding an investment in the Company's Shares.

No person has been or is authorised to give any information or to make any representation not contained in this Offer Document in connection with the Offering and, if given or made, such information or representation must not be relied upon as having been authorised by the Group, the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent. Neither the delivery of this Offer Document and the Application Forms nor any documents relating to the Offering, nor the Offering shall, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change or development reasonably likely to create any change in the Group's affairs, conditions or prospects, or the Offering Shares or in the statements of fact or information contained in this Offer Document since the date of this Offer Document. Where such changes occur and are material or are required to be disclosed by law, the SGX-ST and/or any other regulatory or supervisory body or agency, the Group may make an announcement of the same to the SGX-ST and the public and if required, the Group may lodge a supplementary or replacement Offer Document with the SGX-ST and will comply with the requirements of the SFA and/or any other requirements of the SGX-ST. All applicants should take note of any such announcements and, upon the release of such an announcement, shall be deemed to have notice of such changes.

Save as expressly stated in this Offer Document, nothing herein is, or may be relied upon as, a promise or representation as to the Group's future performance or policies. The Offering Shares are offered for subscription solely on the basis of the information contained and representations made in this Offer Document.

This Offer Document has been prepared solely for the purpose of the Offering and may not be relied upon by any persons other than the applicants in connection with their application for the Offering Shares or for any other purpose.

DETAILS OF THE OFFERING

This Offer Document does not constitute an offer, solicitation or invitation of the Offering Shares in any jurisdiction in which such offer, solicitation or invitation is unlawful or unauthorised nor does it constitute an offer, solicitation or invitation to any person to whom it is unlawful to make such offer, solicitation or invitation.

The Company is entitled to withdraw the Offering at any time before closing, subject to compliance with certain conditions set out in the Underwriting Agreement and Placement Agreement (as defined herein). The Company is making the Offering subject to the terms described in this Offer Document and the Underwriting Agreement and Placement Agreement.

Notification under Section 309B of the SFA: The Shares are prescribed capital market products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Copies of this Offer Document and the Application Forms may be obtained on request, subject to availability during office hours, from:

Evolve Capital Advisory Private Limited
138 Robinson Road
#13-02, Oxley Tower
Singapore 068906

CGS-CIMB Securities (Singapore) Pte. Ltd.
10 Marina Boulevard
#09-01, Marina Bay Financial Centre
Tower 2
Singapore 018983

An electronic copy of this Offer Document is also available on the SGX-ST website at <http://www.sgx.com>.

The Offering will be open from 16 October 2023 immediately upon the registration of the Offer Document by the SGX-ST, acting as agent on behalf of the Authority (the “Registration”) to 26 October 2023.

The Application List will open on 16 October 2023 and will remain open until 12.00 noon on 26 October 2023 or for such further period or periods as the Company’s Directors may, in consultation with the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent, in their absolute discretion decide, subject to any limitation under all applicable laws and regulations. In the event a supplementary Offer Document or replacement Offer Document is lodged with the SGX-ST, acting as agent on behalf of the Authority, the Application List will remain open for at least 14 days after the lodgement of the supplementary or replacement Offer Document.

Details of the procedures for application of the Offering Shares are set out in “Appendix F – Terms, Conditions and Procedures for Application and Acceptance” to this Offer Document.

INDICATIVE TIMETABLE FOR LISTING

An indicative timetable on the trading of the Company's Shares is set out below:

| Indicative date/time | Event |
|--|--|
| 16 October 2023 (immediately upon the Registration of this Offer Document) | Open of Offering |
| 26 October 2023 at 12.00 noon | Close of Application List |
| 27 October 2023 | Balloting of applications in the Public Offering, if necessary (in the event of an over-subscription for the Public Offer Shares). Commence returning or refunding of application monies to unsuccessful or partially successful applicants, if necessary. |
| 30 October 2023 at 9.00 a.m. | Commence trading on a "ready" basis |
| 1 November 2023 | Settlement date for all trades done on a "ready" basis |

The above timetable is only indicative as it assumes that the date of closing of the Application List is 26 October 2023, the date of admission of the Company to the Official List of Catalist is 30 October 2023, the shareholding spread requirement will be complied with and the Offering Shares will be issued and fully paid-up prior to 30 October 2023. The actual date on which the Shares will commence trading on a "ready" basis will be announced when it is confirmed by the SGX-ST. All dates and times referred to above are Singapore dates and times.

Please note that the above timetable is indicative only and is subject to change (whether in relation to the Offering Shares or any mode of application thereof) at the discretion of the Company with the agreement of the Sponsor, Issue Manager and Joint Placement Agent as well as the Underwriter and Joint Placement Agent. The Company may, at its discretion, in consultation with Sponsor, Issue Manager and Joint Placement Agent as well as the Underwriter and Joint Placement Agent and subject to all laws and regulations and the Catalist Rules, agree to extend or shorten the Placement period, provided that the Offering period may not be less than two (2) Market Days.

The above timetable and procedures may be subject to such modification as the SGX-ST may, in its absolute discretion, decide, including the commencement of trading on a "ready" basis. All persons trading in the Shares before their Securities Accounts with CDP are credited with the relevant number of Shares do so at the risk of selling Shares which neither they nor their nominees, as the case may be, have been allotted and/or allocated or are otherwise beneficially entitled to.

In the event of any changes in the closure of the Application List or the time period during which the Offering is open, the Company will publicly announce the same:

- (a) through an SGXNET announcement to be posted on the Internet at the SGX-ST website at <http://www.sgx.com>; and/or
- (b) in a major English newspaper(s) in Singapore.

The Company will publicly announce the number of Offering Shares successfully subscribed, level of subscription and the results of the distribution of the Offering Shares pursuant to the Offering, as soon as it is practicable after the close of the Application List through channels in (a) and/or (b) above.

INDICATIVE TIMETABLE FOR LISTING

Investors should consult the SGX-ST's announcement on "ready" trading date released on the Internet (at the SGX-ST website at <http://www.sgx.com>), or the newspapers or check with their brokers on the date on which trading on a "ready" basis will commence.

The Company reserves the right to reject or accept, in whole or in part, or to scale down or ballot any application for the Offering Shares, without assigning any reason therefor, and no enquiry and/or correspondence on the Company's decision will be entertained. In deciding the basis of allotment and/or allocation, due consideration will be given to the desirability of allotting and/or allocating the Offering Shares to a reasonable number of applicants with a view to establish an adequate market for the Company's Shares.

Where an application is rejected, the full amount of the application monies will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicant, at his own risk within 14 Market Days (or such shorter period as the SGX-ST may require) after the close of the Offering (provided that such refunds are made in accordance with the procedures set out in Appendix F of this Offer Document).

Where an application is accepted in full or in part only, any balance of the application monies will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicant, at his own risk, within 14 Market Days after the close of the Offering (provided that such refunds are made in accordance with the procedures set out in Appendix F of this Offer Document).

The manner and method of applications and acceptances under the Offering will be determined by the Group, the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent. See "Appendix F – Terms, Conditions and Procedures for Application and Acceptance" for further information.

Where the Offering does not proceed for any reason including if the minimum amount to be raised is not met, the full amount of application monies received will be returned (without interest or any share of revenue or other benefit arising therefrom) to the applicants under the Offering, at their own risk, within five (5) Market Days after the Offering is discontinued (provided that such refunds are made in accordance with the procedures set forth in "Appendix F – Terms, Conditions and Procedures for Application and Acceptance").

PLAN OF DISTRIBUTION

The Offering

The Offering is in respect of 24,000,000 Offering Shares offered in Singapore, respectively, and the Listing is managed and sponsored by ECA.

Prior to the Offering, there has been no public market for the Company's Shares. The Offering Price is determined by the Company following consultation with the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent, taking into consideration, among others, the prevailing market conditions and estimated market demand for the Offering Shares determined through a book-building process. The Offering Price is the same for all Offering Shares and is payable in full on application. The Offering Shares may be re-allocated between the Placement and the Public Offering at the discretion of the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent, in consultation with the Company, subject to any applicable laws and regulations.

Pursuant to the Management and Sponsorship Agreement entered into between the Company and ECA as set out in the section entitled "Plan of Distribution – Management and Sponsorship, Underwriting and Placement Arrangements" of this Offer Document, the Group has appointed ECA and ECA has agreed to act as full sponsor for the Listing. ECA will receive a management fee for their services rendered in connection with the Offering.

Public Offer Shares

The Public Offer Shares are made available to members of the public in Singapore for subscription at the Offering Price. Applications for the Public Offer Shares may be made by way of printed Application Forms or such other forms of application as the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent deem appropriate. The terms and conditions and procedures for application and acceptance are set out in "Appendix F – Terms, Conditions and Procedures for Application and Acceptance" of this Offer Document.

Pursuant to the terms and conditions contained in the Underwriting Agreement as disclosed in the section entitled "Plan of Distribution – Management and Sponsorship, Underwriting and Placement Arrangements" of this Offer Document, the Underwriter and Joint Placement Agent has agreed to procure subscribers for, or failing which to subscribe for, the Public Offer Shares at the Offering Price. Subject to any applicable laws and regulations, the Underwriter and Joint Placement Agent may, at its absolute discretion, appoint one (1) or more sub-underwriters for the Public Offer Shares.

In the event that not all the Public Offer Shares are validly applied for as at the close of the Application List, such number of Public Offer Shares not applied for shall be made available to satisfy excess applications under the Placement to the extent there are excess applications for the Placement Shares as at the close of the Application List. In the event of excess applications for the Public Offer Shares as at the close of the Application List and full or excess applications for the Placement Shares as at the close of the Application List, the successful applications under the Public Offer will be determined by ballot to be arranged by the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent for and on behalf of the Company, in such manner as may reasonably be required by the Company and on such basis of allotment as may be determined by the Directors, after consultation with the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent.

PLAN OF DISTRIBUTION

No fee is payable by applicants for the Offer Shares, save for an administration fee of S\$2.00 for each application made through ATMs, the internet banking websites of the Participating Bank or the mobile banking interfaces of DBS Bank Ltd..

Placement Shares

The Placement Shares are made available to retail and institutional investors in Singapore for subscription at the Offering Price. Applications for the Placement Shares may be made by way of printed Application Forms or such other forms of application as the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent deem appropriate. The terms and conditions and procedures for application and acceptance are set out in “Appendix F – Terms, Conditions and Procedures for Application and Acceptance” of this Offer Document.

Pursuant to the terms and conditions contained in the Placement Agreement as disclosed in the section entitled “Plan of Distribution – Management and Sponsorship, Underwriting and Placement Arrangements” of this Offer Document, the Joint Placement Agents have agreed use its best efforts to procure subscribers for the Placement Shares at the Offering Price, for a placement commission of 3.5% of the aggregate Offering Price for the total number of Placement Shares successfully subscribed. Subject to any applicable laws and regulations, the Joint Placement Agents may, at their absolute discretion, appoint one (1) or more sub-placement agents for the Placement Shares.

Information in this Offer Document relating to the Public Offer Shares and Placement Shares which may be subscribed pursuant to the Offering, and issued and paid up Shares after the Offering have been presented on the assumption that all Placement Shares shall be successfully subscribed. In the event not all of the Placement Shares is successfully subscribed pursuant to the Offering, the actual number of Public Offer Shares and Placement Shares subscribed pursuant to the Offering and issued and paid up Shares after the Offering may be materially different from such information which is presented in this Offer Document. The actual number of Placement Shares to be issued shall be determined by the Joint Placement Agents in accordance with the Placement Agreement.

In the event that not all the Placement Shares are validly applied for as at the close of the Application List, such number of Placement Shares not applied for shall be made available to satisfy excess applications under the Public Offer to the extent there are excess applications for the Public Offer Shares as at the close of the Application List.

Subscribers of the Placement Shares may be required to pay brokerage of up to 1.0% of the Offering Price to the Joint Placement Agent or any sub-placement agent as may be appointed by the Joint Placement Agent as well as stamp duties and other charges.

Subscription for Offering Shares

None of the Company’s Executive Directors or Substantial Shareholders intends to subscribe for the Offering Shares pursuant to the Offering. To the best of the Company’s knowledge, as at the date of this Offer Document, the Company is not aware of any person (including the Company’s Independent Directors, the members of the Company’s management and the Company’s employees) who intends to subscribe for more than five per cent. (5.0%) of the Offering Shares in the Offering.

PLAN OF DISTRIBUTION

However, through a book-building process to assess market demand for the Offering Shares, there may be person(s) who may indicate an interest to subscribe for more than five per cent. (5.0%) of the Offering Shares. If such person(s) were to make an application for more than five per cent. (5.0%) of the Offering Shares and are subsequently allotted such number of Shares, the Company will make the necessary announcements at an appropriate time. The final allotment of Shares will be in accordance with the shareholding spread and distribution guidelines as set out in Rule 406 of the Catalist Rules.

No Shares shall be issued and allotted and/or allocated on the basis of this Offer Document later than six (6) months after the date of registration of this Offer Document by SGX-ST, acting as agent on behalf of the Authority.

MANAGEMENT AND SPONSORSHIP, UNDERWRITING AND PLACEMENT ARRANGEMENTS

Underwriting Agreement

Pursuant to the Underwriting Agreement entered into between the Company and CGS-CIMB, as the Underwriter and Joint Placement Agent, the Company has appointed CGS-CIMB to procure subscribers for, or failing which to subscribe for, the Public Offer Shares for an underwriting commission of 3.5% of the Offering Price for the total number of Public Offer Shares, payable by the Company. Subject to any applicable laws and regulations, the Underwriter and Joint Placement Agent may, at its absolute discretion, appoint one (1) or more sub-underwriters for the Public Offer Shares.

The obligations of the Underwriter and Joint Placement Agent under the Underwriting Agreement are conditional upon the following:

- (a) the Offer Document having been registered by the date on which the Offer Document shall be registered by the SGX-ST by the SGX-ST acting as an agent of the Authority in accordance with the Catalist Rules and Section 240 of the SFA;
- (b) the approvals for the Listing granted by the SGX-ST (including the registration notice) not being revoked or withdrawn on or prior to the date of commencement of trading of the Shares on Catalist and the compliance by the Company, to the satisfaction of the SGX-ST, with all the conditions imposed by the SGX-ST in granting such approval for the Listing, where such conditions are required to be complied with by the date of commencement of trading of the Shares on Catalist;
- (c) such approvals and consents as may be required for the transactions described in the Underwriting Agreement and in the Offer Document in relation to the Offering and the Listing being obtained, and not withdrawn or amended on or before the date of commencement of trading of the Shares on Catalist and the compliance in full to the satisfaction of all the relevant authorities granting such approvals and consents of all conditions (if any) attaching or in relation thereto on or before the date of commencement of trading of the Shares on Catalist (or such other date as the Company and the Underwriter and Joint Placement Agent may agree);
- (d) in relation to each advertisement or publication in respect the Offering disseminated or published after registration of the Offer Document by the SGX-ST, acting as an agent of the Authority, prior to the dissemination or publication of each such advertisement or publication, a confirmation in relation to each such advertisement or publication, in a form agreed by

PLAN OF DISTRIBUTION

Parties, in compliance with regulation 17 of the SFR, and approved by the senior management (as defined in the SFR) of the Company;

- (e) there having been, in the opinion of the Underwriter and Joint Placement Agent, no material adverse change or any development or event likely to result in a material adverse change in the financial or other condition of the Group between the date of the Underwriting Agreement and the date of trading of the Shares on nor the occurrence of any event nor the discovery of any fact rendering untrue or incorrect or misleading in any respect, as at the date of trading of the Shares, any of the warranties or representations specified in the Underwriting Agreement nor any breach by the Company of any of its obligations hereunder;
- (f) the compliance with all applicable laws and regulations concerning the Offering, the listing of the Shares on Catalist and the transactions contemplated in the Underwriting Agreement and the Offer Document and other than as disclosed in the Offer Document and/or the Offer Document, no new laws, regulations and directives having been promulgated, published and/or issued and/or having taken effect or any other similar matter having occurred which, in the opinion of the Underwriter and Joint Placement Agent, has or may have an adverse effect on the Offering and the Listing;
- (g) the delivery by the Company to the Underwriter and Joint Placement Agent prior to the specified time on the date of trading of the Shares on the Catalist the closing certificate, signed by the relevant authorised signatories and any other reports or certificates from the Company as the Underwriter and Joint Placement Agent may require, and any certificate signed by an officer of the Company and delivered to the Underwriter and Joint Placement Agent, shall be deemed a representation and warranty by the Company, as the case may be, to the Sponsor, Issue Manager and Joint Placement Agent as to the matters covered thereby in all material respects;
- (h) the delivery to the Underwriter and Joint Placement Agent, on or before the date of registration of the Offer Document (or such other date as the parties may agree), of (a) a copy of the disclosure letter with regards to the requirements for offer documents pursuant to Rule 407 of the Catalist Rules in agreed form by the solicitors to the Offering, (b) the due diligence report in respect of the Company from the solicitors to the Offering, to be in a form and substance satisfactory to the Underwriter and Joint Placement Agent;
- (i) the delivery to the Underwriter and Joint Placement Agent, on or before the date of registration of the Offer Document (or such other date as the Parties may agree), of a copy of the comfort letter from the auditors and reporting accountants for the Offering, addressed to the Underwriter and Joint Placement Agent, such comfort letter, to be in form and substance satisfactory to the Underwriter and Joint Placement Agent;
- (j) the delivery to the Underwriter and Joint Placement Agent, on or before the date of registration of the Offer Document (or such other date as the parties hereto may agree) of evidence that all necessary steps have been taken, all necessary approvals and consents have been obtained, all necessary formalities having been completed and all applicable laws, regulations and directives having been complied with to enable the Offering Shares to be allotted and issued, and listed and traded on the SGX-ST, such evidence to be in form and substance satisfactory to the Underwriter and Joint Placement Agent;

PLAN OF DISTRIBUTION

- (k) the Company will procure the execution on or before the date of registration of the Offer Document by all relevant Shareholders of the Company of moratorium undertakings (as described in the Offer Document) in favour of the Sponsor, Issue Manager and Joint Placement Agent in the agreed form;
- (l) the conditions under the Management and Sponsorship Agreement have been fulfilled and the Management and Sponsorship Agreement not having been terminated or rescinded pursuant to the provisions of the Management and Sponsorship Agreement; and
- (m) there having been no breach of the representations, warranties or undertakings as specified in the Underwriting Agreement.

The Underwriter and Joint Placement Agent may, by notice in writing to the Company, terminate the Underwriting Agreement on the occurrence of certain events, including the following:

- (a) a stop order is issued by the SGX-ST, acting as agent on behalf of the Authority, or other competent authority pursuant to the SFA; or
- (b) any breach of the warranties or undertakings as specified in the Underwriting Agreement or that any such warranties or undertakings is untrue or incorrect or misleading; or
- (c) any occurrence of an event occurring after the date of the Underwriting Agreement and prior to the closing date of the application list which, if it had occurred before the date of the Underwriting Agreement, would have rendered any of the representations, warranties or undertakings contained in the Underwriting Agreement untrue or incorrect in any material respect or misleading which comes to the knowledge of the Underwriter and Joint Placement Agent; or
- (d) if there shall have been, since the date of the Underwriting Agreement:
 - (i) in the opinion of the Underwriter and Joint Placement Agent, any material adverse change, or any development or event involving a prospective adverse change that is material, in the condition (financial or otherwise), business, trading position, operations, management, assets, prospects, performance or general affairs of the Group; or
 - (ii) any introduction or prospective introduction of or any change or prospective change in any legislation, regulation, order, notice, policy, rule, guideline or directive (whether or not having the force of law and including, without limitation, any directive, notice or request issued by the Authority, the Securities Industry Council, the SGX-ST or any other relevant authorities) in Singapore or elsewhere or in the interpretation or application thereof by any court, government body, regulatory authority or other competent authority in Singapore or elsewhere; or
 - (iii) any change, or any development involving a prospective change or any crisis in local, national, regional or international monetary, financial and capital markets (including stock market, foreign exchange market, inter-bank market or interest rates or money market), political, industrial, economic, legal or monetary conditions, taxation or exchange controls (including without limitation, the imposition or any moratorium, suspension or material restriction on trading in securities generally on the SGX-ST (including Catalist)); or
- (e) any event or series of events in the nature of force majeure; or

PLAN OF DISTRIBUTION

- (f) any proceedings, formal investigations or enquiries are commenced against the Group or any director of a Group Company; or
- (g) any other occurrence of any nature whatsoever, which in the opinion of the Underwriter and Joint Placement Agent results or be likely to result in a material adverse fluctuation or adverse conditions in the stock market in Singapore or elsewhere; or
- (h) be likely to materially prejudice the success of the Offering, or the subscription of the Offering Shares (whether in the primary market or in respect of dealings in the secondary market); or
- (i) make it impracticable, inadvisable, inexpedient or not commercially viable to proceed with any of the transactions contemplated in this Agreement; or
- (j) result or be likely to result in the issue of a stop order by the SGX-ST, acting as agent on behalf of the Authority, or other competent authority pursuant to the SFR and/or the Catalist Rules; or
- (k) make it contrary to or outside the usual commercial practices of underwriters in Singapore for the Underwriter and Joint Placement Agent to observe or perform or be obliged to observe or perform the terms of the Underwriting Agreement; or
- (l) without limiting the generality of the foregoing, if it comes to the notice of the Underwriter and Joint Placement Agent (1) any statement contained in the Offer Document or the Application Forms which in the opinion of the Underwriter and Joint Placement Agent has become or been discovered to be untrue, incorrect or misleading in any respect or (2) circumstances or matters have arisen or have been discovered, which would, if the Offer Document was to be issued at that time, constitute in the opinion of the Underwriter and Joint Placement Agent, an omission of material information, and the Company fails to lodge a supplementary or replacement offer document within a reasonable time after being notified of such misrepresentation or omission or fails to promptly take such steps as the Underwriter and Joint Placement Agent may require to inform investors of the lodgement of such supplementary offer document or replacement document; or
- (m) the Management and Sponsorship Agreement is terminated pursuant to its provisions.

Management and Sponsorship Agreement

Pursuant to the Management and Sponsorship Agreement entered into between the Company and ECA, as the Sponsor, Issue Manager and Joint Placement Agent, the Company has appointed ECA to manage and sponsor the Listing. ECA will receive a management fee from the Company for such services rendered in connection with the Listing.

The obligations of ECA, as Sponsor and Issue Manager under the Management and Sponsorship Agreement are conditional, amongst others, the Placement Agreement not being determined or rescinded.

PLAN OF DISTRIBUTION

ECA, as Sponsor and Issue Manager, may by notice in writing to the Company terminate the Management and Sponsorship Agreement on the occurrence of certain events, including the following:

- (a) at any time up to the close of the Application List, a notice of refusal to an admission of the Company to Catalist is issued by the SGX-ST to the Sponsor, Issue Manager and Joint Placement Agent;
- (b) at any time after the lodgement of this Offer Document with the SGX-ST acting as agent on behalf of the Authority but before the close of the Application List, the Company fails and/or neglects to procure the lodgement of a supplementary or replacement offer document (as the case may be) if it becomes aware of:
 - (i) a false or misleading statement in this Offer Document;
 - (ii) an omission from this Offer Document of any information that should have been included in it under the Catalist Rules or the SFA; or
 - (iii) a new circumstance that has arisen since this Offer Document was lodged with the SGX-ST acting as agent on behalf of the Authority and would have been required by the Catalist Rules or the SFA to be included in this Offer Document if it had arisen before this Offer Document was lodged,that is materially adverse from the point of view of an investor;
- (c) the Offering Shares have not been admitted to Catalist on or before 30 November 2023 (or such other date as the Company and the Sponsor, Issue Manager and Joint Placement Agent may in consultation agree);
- (d) at any time the Company releases or discharges the Sponsor, Issue Manager and Joint Placement Agent from its obligations under or pursuant to the mandate letter appointing ECA as the Sponsor, Issue Manager and Joint Placement Agent in relation to preparing the Company for admission to Catalist; or
- (e) if there shall have been, since the date of the Management and Sponsorship Agreement and prior to or on the close of the Application List:
 - (i) any breach of the warranties, representations or undertakings in the Management and Sponsorship Agreement which comes to the knowledge of the Sponsor, Issue Manager and Joint Placement Agent or that of any of the warranties, representations or undertakings is untrue or incorrect;
 - (ii) any occurrence of certain specified events which comes to the knowledge of the Sponsor, Issue Manager and Joint Placement Agent;
 - (iii) any adverse change, or any development involving a prospective adverse change, in the condition (financial or otherwise) of the Company and/or any of the subsidiaries or of the Group as a whole;
 - (iv) any introduction or prospective introduction of or any change or prospective change in any legislation, regulation, order, policy, rule, guideline or directive in Singapore or elsewhere (whether or not having the force of law) and including, without limitation, any

PLAN OF DISTRIBUTION

directive or request issued by the Authority, the Securities Industry Council of Singapore or the SGX-ST or relevant authorities elsewhere, in the interpretation or application thereof by any court, government body, regulatory authority or other competent authority in Singapore or elsewhere;

- (v) any change or any development involving a prospective change, in local, national, regional or international financial (including stock market, foreign exchange market, inter-bank market or interest rates or money market), political, industrial, economic, legal or monetary conditions, taxation or exchange controls (including without limitation, the imposition of any moratorium, suspension or restriction on trading in securities generally on the SGX-ST due to exceptional financial circumstances or otherwise, adverse changes in foreign exchange controls in Singapore and overseas or any combination of any such changes or developments or crisis, or any deterioration of any such conditions);
- (vi) any imminent threat or occurrence of any local, national, regional or international outbreak or escalation of hostilities, insurrection, terrorist attacks or armed conflict (whether or not involving financial markets) in any jurisdiction;
- (vii) any regional or local outbreak of disease that may have an adverse effect on the financial markets; or
- (viii) any other occurrence of any nature whatsoever,

which in the opinion of the Sponsor, Issue Manager and Joint Placement Agent results or is likely to result in a material adverse fluctuation or material adverse conditions in the stock market in Singapore or overseas; or is likely to materially prejudice the success of the Placement; or makes it impracticable, inadvisable, inexpedient or uncommercial to proceed with any of the transactions contemplated under the Management and Sponsorship Agreement; or is likely to have a material adverse effect on the business, trading position, operations or prospects of the Company and/or any of the subsidiaries or of the Group as a whole; results or is likely to result in the issue of a notice of refusal to an admission of the Company to Catalist by the SGX-ST to the Sponsor, Issue Manager and Joint Placement Agent at any point prior to the Listing of the Shares; or makes it uncommercial or otherwise contrary to or outside the usual commercial practices in Singapore for the Sponsor and Issue Manager to observe or perform or be obliged to observe or perform the terms of the Management and Sponsorship Agreement.

Placement Agreement

Pursuant to the Placement Agreement entered into among the Company, ECA and CGS-CIMB, the Company has appointed ECA and CGS-CIMB, as the Joint Placement Agents to use their best endeavours to procure subscribers for the Placement Shares for a placement commission of 3.5% of the Offering Price for the total number of Placement Shares successfully subscribed for, payable by the Company. Subject to any applicable laws and regulations, the Joint Placement Agents may, at their absolute discretion, appoint one (1) or more sub-placement agents for the Placement Shares.

The Placement Agreement and the obligations of the Joint Placement Agents under the Placement Agreement are conditional upon occurrence of certain events similar to those pursuant to which the obligations of the Underwriter and Joint Placement Agent are conditional upon.

PLAN OF DISTRIBUTION

The Joint Placement Agents may by notice in writing to the Company terminate the Placement Agreement on the occurrence of certain events similar to those pursuant to which the Underwriter and Joint Placement Agent may terminate the Underwriting Agreement.

In the event that the Placement Agreement is terminated, the parties shall be released from their respective obligations under the Placement Agreement and the Company shall reimburse the Joint Placement Agents for all relevant expenses incurred by them in connection with the carrying out of their responsibilities under the Placement Agreement.

In the event that the Management and Sponsorship Agreement and/or the Placement Agreement are terminated, the Board of Directors reserve the right, at their absolute discretion, to cancel the Placement.

General

Other than pursuant to the Management and Sponsorship Agreement, the Underwriting Agreement and the Placement Agreement, there are no contracts, agreements or understandings between the Company and any person or entity that would give rise to any claim for brokerage commission, finder's fees or other payments in connection with the subscription for the Offering Shares.

Save as aforesaid, no commission, discount or brokerage, has been paid or other special terms granted within the two (2) years preceding the Latest Practicable Date or is payable to any Director, promoter, expert, proposed Director or any other person for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares or debentures in the Company.

INTERESTS OF THE SPONSOR, ISSUE MANAGER AND JOINT PLACEMENT AGENT, AND THE UNDERWRITER AND JOINT PLACEMENT AGENT

In the reasonable opinion of the Company's Directors, ECA and CGS-CIMB do not have any material relationship with the Company, save as disclosed below and in the section titled "Plan of Distribution" of this Offer Document:

- (a) ECA is the Sponsor, Issue Manager and Joint Placement Agent;
- (b) ECA will be the continuing sponsor of the Company for a period of three years from the date the Company is admitted and listed on Catalist; and
- (c) CGS-CIMB is the Underwriter and Joint Placement Agent in relation to the Offering.

OFFER DOCUMENT SUMMARY

The following summary highlights certain information found in greater detail elsewhere in this Offer Document. As it is a summary, it does not contain all of the information that prospective investors should consider before investing in the Company's Shares. Terms defined elsewhere in this Offer Document have the same meaning when used herein. In addition to this summary, the Group urges you to read the entire Offer Document carefully, especially the section "Risk Factors" of this Offer Document, before deciding to invest in the Company's Shares.

THE COMPANY

The Company was incorporated in Singapore on 4 October 2021 under the Companies Act as a private company limited by shares, under the name of "Sheffield Green Pte. Ltd.". The Company's registration number is 202134454W. The Company was converted into a public limited company in connection therewith on 19 September 2023. The Company became the Group's holding company following the completion of the Restructuring Exercise on 19 September 2023. For more information, please refer to the section "Restructuring Exercise" of this Offer Document.

BUSINESS OVERVIEW

The Group is a human resource service provider for the renewable energy industry headquartered in Singapore with subsidiaries incorporated in Singapore and Japan, and a branch office registered in Taiwan. The Group provides human resource services in relation to EPCI (Engineering, Procurement, Construction and Installation) works for the renewable energy industry, which includes onshore wind, offshore wind, solar and green hydrogen. The majority of the Group's business consist of projects from the offshore wind sector, and the Group specialises in providing human resource services along the entire renewable energy value chain.

The Group's comprehensive end-to-end suite of human resource services range from sourcing and training of workers, to provision of equipment kits such as personal protective equipment as may be required in order for the personnel to work on-site, mobilisation of workers, as well as funding of payroll administration. The Group also provides executive search services to the Group's clients which entails identifying and matching personnel to such clients. The Group employs the personnel who are deployed to its clients in all of the countries in which the Group operates.

The Group's existing and past clients include major players in the renewable energy industry, such as IPPs (independent power producer), developers, EPCI contractors, T&I (transportation and installation) contractors, wind turbine manufacturers and offshore wind foundation manufacturers. Further, the Group has also provided its human resource services to and worked with various notable vessel owners who were the Group's clients in relation to Taiwan offshore projects.

The Group's Renewable Energy Business differs from the Oil & Gas Business of the Holdco and its subsidiaries, in terms of the type of placements that the Group is able to provide. The Group provides personnel with the skill sets and certifications specific to the Renewable Energy Business, which are distinct from that required in the Oil & Gas Business. For illustration, certain banksman, ISO9606-1 (Welder Qualification Test) and GWO certifications are required in the Renewable Energy Business but not in the Oil & Gas Business. Even in the atypical case where a candidate may possess the qualifications and skills sets required for both the Renewable Energy Business and the Oil & Gas Business, the Group requires the candidate to specify his/her requirements for a specific position and indicate the companies they wish to work with. The Group will only place the candidate if they have the position and desired companies are in the Renewable Energy Business. The Group does not cross-refer any personnel to the other companies involved in the Oil & Gas Business. While there is no specific procedure to monitor such cross-referrals,

OFFER DOCUMENT SUMMARY

the Group has established a code of conduct encompassing guidelines on addressing conflicts of interests and business opportunities and protecting confidential information of the Company, such as its database of renewable energy personnel, as well as procedures to report any breaches of the code of conduct. Further, the Group's recruiting departments are also distinct from the other entities of the Sheffield Energy Group. Please see the section titled "*Interested Person Transactions – Potential Conflicts of Interests*" for further details.

The provision of human resource solutions services is segmented as follows:

(a) Provision of Human Resource Services

The Group is able to supply a wide range of personnel in accordance with the requirements of its clients ranging from management personnel (including C-suite personnel), technical personnel, to offshore crew personnel across industry sub-segments (such as onshore wind, offshore wind, solar and green hydrogen) and across various levels of seniority. The staffing supply capabilities can range from, but is not limited to, that of a survey engineer, surveyor, steward, rigger, rigger, leaderman, rigger foreman, ordinary seaman, fitter, welder, welder 1G SAW, welder 3G/4G FCAW, welder 6G FCAW, welding inspector, medic, cook and many others.

The range of end-to-end human resource services that the Group provides is wide and include, personnel selection, and staff and payroll funding and administration.

(b) Ancillary Services

The Group also provides a range of end-to-end ancillary services related to the provision of personnel, which include primarily visa and work permit applications, training and deployment logistics.

Human Resource Services

Renewable energy companies often have very specific labour hire requirements and operate to exacting standards. Some of the requirements that the Group's clients may specify are as follows:

- industry accreditation, such as specialist engineering qualifications in the fields of electrical, instrumentation and control and mechanical engineering, health, safety, security and environmental qualifications and other accreditations;
- minimum education level or technical institutional certification;
- specific age requirements for roles which may require higher levels of physical exertion;
- willingness to relocate to harsh environments or for extended periods (such as offshore projects); and
- ability to perform in the jurisdiction of the project or secure work visa in the project country and arrangement of work visa sponsorship (as applicable).

OFFER DOCUMENT SUMMARY

The Group has established offices in several jurisdictions comprising Singapore, Taiwan and Japan which enables the Group to recruit suitable personnel with the relevant experience and knowledge to meet the Group's clients' jurisdiction-specific requirements in these jurisdictions which stem from specific local hiring regulations and requirements which the Group is familiar with.

The Group adopts a stringent internal selection and interview process and the Group looks to a wide variety of sources in searching for the best candidates which enables the Group to recruit suitable personnel with the relevant experience and knowledge to meet the Group's clients' requirements in such jurisdictions. First, the Group has compiled a comprehensive database (which is updated regularly) of personnel with different seniority and experience, who are employed or engaged by the Group or who have been previously employed or engaged by the Group. There are over 3,000 to 4,000 international renewable energy personnel in the Group's database. Please refer to the section titled "Management and Corporate Governance – Employees" for further details on the number of employees hired by the Group.

As for the personnel for offshore projects across all geographical regions, these technical personnel on offshore projects were supplied by SEPL to SGAPL to fulfil SGAPL's client's requirements for the provision of offshore maritime crew personnel during the period when SGAPL was still in the process of obtaining the relevant ISO certification and the MLC which it has already obtained on 19 September 2023. Since obtaining such certifications, SGAPL is able to provide offshore crew workers directly to its clients. Please refer to the section titled "Interested Person Transactions – Past Interested Person Transactions – Supply of Offshore Workers from SEPL to SGAPL" for details of such past arrangement.

To ensure that the Group continues to provide quality services to the Group's clients, it is the Group's practice to request that clients provide appraisals for the Group's personnel deployed by the Group. Such client's appraisals are recorded and reflected in the relevant personnel's profile in the Group's database. Second, apart from maintaining the Group's own inhouse database, the Group also subscribes to recruitment databases maintained by third party providers to broaden the Group's searches and expand the Group's reach over potential personnel that the Group can deploy to the Group's clients. Third, the Group also leverages on social media by advertising available positions on LinkedIn, so that the Group can recruit the most suitable and qualified personnel. In the circumstance where the Group's clients require a significant number of crew personnel, the Group may run mass recruitment drives.

As part of the Group's human resource services, the Group funds the payroll of the Group's personnel deployed at the Group's clients' sites and perform salary and payroll processing administration services such as remuneration calculations, recordkeeping and, for technical and placement personnel, employee tax submissions, to the Group's clients if such services are required. One of the main expectations of the Group's personnel that the Group deploys to work on the Group's clients' projects is accurate and timely payment of their salary. Salary and payroll administration requires compliance with various legislative and regulatory requirements. For placement of technical personnel on onshore projects, the Group's local offices are responsible for handling all aspects of local tax and regulatory requirements. The personnel that the Group deploys to the Group's clients are typically on the Group's own payroll and contracted to the Group's clients on a daily rated basis. All personnel are legally employed by the Group and placed to the Group's clients' sites. As of 31 December 2022, approximately 94.5% of personnel who are contracted with the Group are deployed to clients but kept on the Group's payroll. The remaining 5.5% of workers are offshore workers supplied by SEPL to SGAPL where such workers are kept on SEPL's payroll and workers supplied by SGSAS to the clients of SGSAS as contractors of SGSAS in France.

OFFER DOCUMENT SUMMARY

Ancillary Services

As part of the Group's full service offering to its clients, the Group also provides ancillary services.

(a) Insurance coverage

The Group sources for a range of insurance options, to cover staff (including personnel who are contracted with the Group) against accidents and medical emergencies which may occur at onshore or offshore projects. Policies undertaken with insurance companies may include providing insurance coverage for in-patient and out-patient treatment, associated prescription medication, home nursing, emergency dentistry and optical treatment. By offering such extensive insurance options, the Group can provide reassurance and support to their employees and contracted personnel, especially those who work in hazardous environments. In the event of an incident, the policy coverage can help to mitigate the costs of medical treatment and recovery, which can be substantial.

The Group would usually incur the cost of such insurance on behalf of the clients and depending on any discussion of contract terms with clients, include in the invoice an agreed mark up to the costs or charges for personnel deployed for the provision of such services. The terms for providing such services are agreed upfront in the service contract and invoices are paid on an ad-hoc basis as and when the services are provided and the costs are incurred.

(b) Visa and work permits

As most of the Group's personnel are deployed to worksites in foreign countries, the Group may be required to secure visas and work permits for such personnel to work in the relevant jurisdictions. To ensure that this process is handled efficiently and effectively, the Group employs a team of operation executives who are knowledgeable about the regulatory requirements related to visa applications and other nationality-related issues. When a mobilisation date is confirmed, the Group takes charge of liaising with the relevant clients and personnel to obtain the necessary documentation required for visa applications, where applicable.

Given that many jurisdictions require visa and work permit applications to be made through local offices, the Group utilises their local office to facilitate these processes. This involves having personnel on the ground who can help to coordinate with local authorities, obtain necessary approvals and documentation, and ensure that the visa and work permit applications are processed as quickly and smoothly as possible.

The Group would usually incur the cost of arrangement of visa and work permits on behalf of the clients and depending on any discussion of contract terms with clients, include in the invoice an agreed mark up to the costs or charges for personnel deployed for the provision of such services. The terms for providing such services are agreed upfront in the service contract and invoices are paid on an ad-hoc basis as and when the services are provided and the costs are incurred.

(c) Mobilisation

Prior to mobilisation, the Group will arrange for the relevant personnel pre-employment medical examinations and drug tests at reputable medical centres. The Group typically arranges for such examinations to be carried out at medical centres nearest to the Group's

OFFER DOCUMENT SUMMARY

personnel, unless the Group's client has informed the Group of specific requirements for such examinations. In such event, the Group would make necessary inquiries and arrange for the Group's personnel to be sent to an appropriate medical centre.

Background and other checks and clearances as may be required by the Group's clients and/or insurance companies, or for the purposes of obtaining work visas or permits may also be conducted. After the Group's client approves the staffing of the personnel recommended by the Group, the Group would commence the mobilisation process and arrange for the necessary documents to be prepared to ensure that the personnel arrives at the client's location by the appointed time. For crew personnel, the Group also arranges for them to be equipped with the necessary personal protective equipment as may be required for working on-site at the particular project.

The Group aims to deploy the relevant personnel to the Group's clients within the shortest timeframe possible for all aspects of offshore and onshore work in the renewable energy industry. The Group is typically able to deploy technical and crew personnel to the Group's clients within a one-to-two month period. The time period varies depending on a number of factors, including whether the relevant technical or crew personnel is required to serve out a notice period upon resigning from a previous position, and whether the Group is required to apply for work permits and/or arrange travel and accommodation for the personnel as part of the deployment.

The Group would usually incur the cost of mobilisation services which includes medical examinations, background and other checks on behalf of the clients and depending on any discussion of contract terms with clients, include in the invoice an agreed mark up to the costs or charges for personnel deployed for the provision of such services. The terms for providing such services are agreed upfront in the service contract and invoices are paid on an ad-hoc basis as and when the services are provided and the costs are incurred.

(d) *Travel and accommodation*

Where the Group is required to deploy personnel outside of their country of residence, the Group's team of operation executives would arrange travel and travel support to assist the mobilised personnel in settling into their country of deployment. Arrangements may include travel and accommodation (if required) to enable the mobilised personnel to travel to the client's assembly point. When the mobilised personnel completes his contract, the Group may also assist to make arrangements such as return flights to the Group's personnel's home country, and in the case of deployments to offshore projects, accommodation arrangements. The Group typically ensures that arrangements are made for mobilised personnel to be flown to the airport nearest to the location of the project in the most economical way available. The Group also notifies the Group's clients of the flight arrangements four to five days in advance to ensure that they have sufficient notice of the Group's personnel's arrival.

OFFER DOCUMENT SUMMARY

(e) *Basic offshore safety induction and emergency training*

At the request of the Group's clients, the Group also arranges for offshore safety training for crew in their home towns or at the nearest location. Banksman courses typically require over three days to be completed, while banksman refresher courses typically require one day to complete. Any necessary travel and accommodation arrangements during the crew's applicable training period will be arranged by the Group.

The Group has observed several of the Group's clients' preference for the Group's personnel be trained by the network of training providers accredited by GWO, an organisation which provides skills, training and workforce development for the renewable energy industry. In such cases, the Group would search and arrange for training at the GWO-approved training provider that is nearest to the Group's personnel to minimise transport, accommodation and other incidental costs. Where the Group's client is not particular in this respect, the Group would typically send the Group's personnel to a nearby training centre which issues certificates for the relevant courses that it conducts.

Please refer to the section "General Information on the Group – Business Overview" of this Offer Document for further details.

COMPETITIVE STRENGTHS

The Group's strong market position as a human resource services provider in the renewable energy industry is based on the following key competitive strengths:

(a) The Group offers a comprehensive range of human resource services across the entire Renewable Energy value chain

The Group supplies a wide range of personnel in accordance with the requirements of its clients ranging from top tier management, technical personnel, to offshore crew personnel across industry sub-segments and across various levels of seniority. The range of end-to-end human resource services that the Group provides is wide and include, personnel selection, visa application, training, deployment logistics, and staff and payroll funding and administration. The Group has observed that most of its competitors tend to focus on the provision of limited and specialised services to certain segments of the renewable energy value chain, such as the provision of headhunting and recruitment services only. In addition, some of the Group's competitors are only able to provide recruitment services for a limited class of personnel, which may not be sufficient to fully service the potential client's needs. In contrast to the Group's competitors, the Group is able to provide a range of services to meet its clients' human resource requirements along the entire renewable energy (both onshore and offshore) value chain.

(b) The Group has established local presences and expertise in the key geographical locations in which the Group operates

The Group has established strong and direct local presences in the jurisdictions in which the Group operates, particularly in its primary jurisdiction of operation, Taiwan. As renewable energy companies typically prefer to deal directly with local offices, the Group's strong local presence provides the Group with a competitive advantage over other competitors in the industry. Through the Company's various local subsidiaries and branch office, the Group is able to serve its clients directly instead of relying on third-party intermediaries in those jurisdictions. This has enabled the Group to better serve its clients, particularly in jurisdictions where there are specific local hiring regulations, which the Group is familiar with. The Group's local presences in these markets also enables the Group to gain expertise and

OFFER DOCUMENT SUMMARY

demonstrate to its clients an understanding of the local regulations and market conditions, and consequently to better control its business processes and quality of service. For instance, during the COVID-19 pandemic, the Group's local presence in Taiwan enabled the Group to liaise directly with the Taiwan authorities to bring in renewable energy contract workers for projects in the country, and also the Group was able to accurately identify the prevailing requirements of the Taiwan authorities and provide suitable human resource solutions through effective communication with the Taiwan authorities. The Group's local presence in Taiwan also provides it with a strategic advantage in that the Group is well placed to benefit from Taiwan's local hiring quota requirement as the Group is able to tap onto a large pool of local candidates to provide human resource services to the Group's clients with projects in the country. The Group understands, from industry practice, that it may be required to hire United States personnel under a United States-incorporated entity, and it may only provide non-United States personnel for US projects in the event the Group Company which is the contracting party is not a United States-incorporated entity. Apart from these local content requirements, the Group is not limited to supplying personnel of certain nationalities for the projects specific to the geographical regions in which they operate, although clients may have specific requirements in relation to their industry accreditation, minimum education level, age requirements, willingness to relocate and/or ability to work in the jurisdiction of the project, as further set out in the section titled "Offer Document Summary – Business Overview – Human Resource Services".

(c) The Group has the capability and capacity to source for and procure a large number of workers to meet the manpower demands of large-scale projects

Through working alongside its major clients, the Group's experienced recruitment teams have a clear understanding and knowledge of the technical requirements that are essential to delivering successful projects and operations in the renewable energy industry. Accordingly, the Group is able to engage effectively with its clients by sourcing and procuring prospective candidates with experience best suited to their requirements across all phases of the project development lifecycle, whether for onshore wind, offshore wind, solar or green hydrogen projects, to guide and support its clients in their project and operational requirements from inception to delivery, whether to provide them with experienced personnel on a contract, permanent or fixed-term basis.

The Group also works closely with its prospective candidates. Throughout the years, the Group has built an extensive database of potential candidates and the Group continues to engage and source actively in order to further deepen its talent pool.

(d) The Group has an established track record and market reputation

The Group has an established track record and market reputation as a human service provider industry for the renewable energy industry. The Group's emphasis on providing quality service has enabled the Group to develop a market reputation as a quality human resource services provider to in the renewable energy industry. Some of the Group's major clients have continued to employ its services since it entered the renewable energy space in 2015. For instance, in its primary market, Taiwan, the Group has grown from servicing one client in 2018 to providing human resource services to all the major players in the renewable energy industry in the business of providing fabrication services. Examples of major past and present clients of the Group in Taiwan include IPPs, developers, EPCI contractors, T&I contractors, wind turbine manufacturers, offshore wind foundation manufacturers and vessel owners.

OFFER DOCUMENT SUMMARY

Please refer to the section titled “General Information on the Group – Competitive Strengths” of this Offer Document for more details.

BUSINESS STRATEGIES AND FUTURE PLANS

The Group’s emphasis on providing its clients with quality service, as evident from the ability of the Group to provide personnel to its clients with low rejection rates coupled with the comprehensive ancillary services has enabled the Group to grow its market presence and share in Taiwan, has enabled the Group to develop its business as a human resource services provider and the Group intends to further strengthen its position and increase its market share in the renewable energy industry. To achieve its business objectives, the Group plans to adopt the following strategies:

(a) Expanding the scale of existing business and geographical coverage

The Group plans to grow organically by expanding its business coverage and geographical presence in locations where there are significant renewable energy related activities, and by targeting new areas of discovery for potential and undeveloped renewable energy resources. The Group intends to achieve this by establishing new overseas offices to extend the geographical coverage of the services that the Group provides as well as by continuing to strengthen the presence of its existing overseas offices by increasing the amount of resources and staff at these strategic locations, which will allow the Group to service more clients with projects in those jurisdictions.

The Group seeks to enter and expand into the market in the United States to further service global clients. The Group is in negotiations to conclude a framework agreement with a Dutch global entity who is a leading global dredging contractor and marine services provider to provide personnel to their offshore wind projects on a global basis by the end of the year. Currently, the Group through SGAPL provides non-United States personnel to this Dutch global client for US projects. As the Group intends to hire United States personnel under a United States-incorporated entity, the Group has entered into a non-disclosure agreement to exchange information with a potential United States partner to explore its options in expanding into the market of the East Coast of the United States as such partner has a track record in operating in such geographical market. As at the Latest Practicable Date, the Company plans to incorporate a wholly-owned subsidiary in the United States by the end of this year which intends to, in turn, incorporate a 50% JV to provide local United States union personnel for the projects in the East Coast of the United States to service, among others, clients who require offshore workers to work aboard vessels, the Company shall ensure that the legal interests of the Company in the JV shall be proportionate to the economic interests of the Company.

Further, the Group is also planning to capitalise on the growing offshore windfarm opportunities in Japan and has positioned itself to enter this market through the Group’s subsidiary. In addition, the Group is planning to incorporate a subsidiary each in Poland and Denmark to expand its operations in those jurisdictions by servicing clients in the offshore wind, onshore wind and solar industry. As for France, the Group also has plans to acquire the entire share capital of SGSAS, a former subsidiary of the Group, upon the satisfaction of certain conditions so that the Group has exposure to opportunities to the renewable energy market in France. Please refer to the section titled “Risk Factors – Risks Relating to the Business or the Industry in which the Group Operates – The Group is subject to laws, regulations and policies imposed by various government and regulatory authorities in the jurisdictions in which it operates”, “Restructuring Exercise” and “Interested Person Transactions – Potential Conflicts of Interests” of this Offer Document for further details.

OFFER DOCUMENT SUMMARY

For more information, please refer to the section “Restructuring Exercise” of this Offer Document.

In addition to organic growth, the Group also seeks to broaden its reach to access new markets and networks of clients across the renewable energy industry and expand its business through opportunistic acquisitions, JVs or strategic alliances with parties such as other human resource services providers and marketing agents for human resource services who create synergistic opportunities with the Group’s existing businesses.

The Group intends to allocate S\$2.10 million of the net proceeds from the Offering for the expansion of the scale of existing business and geographical coverage. Please refer to section entitled “Use of Proceeds and Listing Expenses” of this Offer Document for further information on the use of net proceeds from the Offering.

(b) Expanding into complementary offerings, new product lines and other technical services (“Complementary Offerings”)

The Group intends to identify new service offerings and capabilities to serve its clients that it can develop and operate in-house and thereby minimising reliance on third-party service providers, in order to better serve the Group’s clients. Such services may include operations & maintenances services, drone inspection services, integrated and complementary services such as, training and travel, and the provision of personal protective equipment, QAQC (Quality Assurance and Quality Control) and NDT (non-destructive test) equipment.

The Group will also continue to explore acquisition and/or strategic partnership opportunities with third-party services providers such as industry trainers, immigration and travel logistics solutions providers, and safety and quality control equipment providers to boost its “in-house” service offerings.

Further, the Group intends to diversify its existing business segments by providing services further along the value chain, such as providing relevant technical services to its clients such that the client does not have to manage the employees directly and can rely on the Group for the results required for the job. These opportunities may include providing training and development of renewable energy personnel, inspection services, and operations and maintenance. For instance, in line with the Group’s plans to provide training and development of renewable energy personnel, in August 2023, the Group incorporated WATPL as a wholly-owned subsidiary of the Company and WATPL, in turn, intends to incorporate a wholly-owned a subsidiary in Taiwan which has plans to develop training modules accredited by GWO and construction of plant and equipment for its first training centre as part of its plans to establish training schools and centres in Taiwan to conduct lessons for renewable energy personnel within an estimated one year from the date of the Listing which will allow the Group to diversify its business segments by providing such training services.

Both Mr. Kee Boo Chye and Ms. Kow Yuen Teng Jocelyn have had experience arranging for the training of renewable energy personnel, knowledge of requirements required in this area and are also able to recruit the relevant trainees and management for the training schools or centres. In addition, the Company will be engaging the services of an external consultant (“**External Consultant**”) based in the United Kingdom which specialises in the provision of training of renewable energy professionals, for the establishment of training schools and centres in Taiwan.

OFFER DOCUMENT SUMMARY

The scope of service which is proposed to be provided by the External Consultant will include the training facility design, advising on infrastructure and equipment required, identifying suitable faculty and instructors, instructor development and mentoring, advising on quality management systems and risk assessments, curriculum development and lesson plans, advising on workforce development support and initiatives as well as audits and certification requirements. The Company intends to engage the External Consultant for continuous support a year following the establishment of the training centre.

The Group will continue to explore growth opportunities through acquisition and/or strategic partnership opportunities with third party services providers such as industry trainers, certified QAQC and NDT, and operations and maintenance providers. In addition, the Group is also considering opportunities in the ship chandelling and catering business in Taiwan to expand its offerings in other segments. This would enable the Group to expand its scope of service offerings to cater to a wider range of clients and also complement the Group's existing business to increase its revenue and availability of the talent pool. The Company confirms that Mr. Kee Boo Chye who is the CEO, Chairman and Executive Director has experience in managing supply offshore crew personnel to work on clients' vessels which is related to the ship chandelling and catering business as the latter involves the service of providing supplies and equipment for such crew to operate.

Based on the above, the Sponsor, Issue Manager and Joint Placement Agent is of the view that the Company has the appropriate experience and expertise to manage the proposed ventures in respect of the Complementary Offerings.

The Group intends to allocate S\$1.05 million of the net proceeds from the Offering for the diversification into Complementary Offerings for the renewable energy industry. Please refer to section entitled "Use of Proceeds and Listing Expenses" of this Offer Document for further information on the use of net proceeds from the Offering.

In relation to the Group's plans to venture into establishing training schools and centres, and ship chandelling and catering business, among other ventures into Complementary Offerings for the renewable energy industry, which the Group plans to undertake, ("**Proposed Ventures**") the Company will comply with any applicable and prevailing Catalist Rules such as, *inter alia*, seeking Shareholders' approval at general meeting when the Group enters into its first major transaction as defined under Rule 1014 of the Catalist Rules involving the Proposed Ventures, or where any of the Catalist Rule 1006 figures exceeds 75% in respect of several transactions in respect of the Proposed Ventures aggregated over the course of 12 months.

PROSPECTS

The Directors believe that the Group will continue to enjoy growth in the foreseeable future as the renewable energy industry is poised for significant growth in the coming years due to increasing awareness of the negative impacts of traditional energy sources, such as fossil fuels, on the environment and public health, as well as the declining cost of renewable technologies. The global shift towards renewable energy sources, such as wind, solar and hydropower, is expected to continue and accelerate, as countries and companies around the world commit to reducing their carbon footprint and transitioning to more sustainable energy sources.

OFFER DOCUMENT SUMMARY

The underlying demand trends for the Group's services will likely be positive in the foreseeable future for the reasons stated below:

Strong global demand for renewable energy

As global energy demand rises, there will be a drive for the renewable energy sector to increase onshore and offshore wind activities. The sector growth has been fuelled by (a) continued acceleration of decarbonisation and transition to renewable energy, (b) focus on energy security triggered by the Russia and Ukraine conflict, and (c) increasing cost competitiveness spurred by technological innovation and supportive government policies. As a result, there will be growth in the number of onshore and offshore renewable energy facilities, as well as expanding operations in transportation and supply chain management. These activities require a skilled labour force, including engineers, technicians, crane operators and shipping crew, amongst others, which are positions that fall within the Group's expertise to provide to its clients.

As part of the concerted efforts to move away from fossil fuels, according to IRENA Annual Review 2022 and GWEC, the rate of growth in renewable energy industry has been accelerating in the recent years as countries around the globe are looking towards renewable energy as part of the transition towards a low-carbon future as the effects of climate change become increasingly apparent. The worldwide employment in the renewable energy industry grew to 12.7 million in 2021. Close to two-thirds of the jobs are in Asia, with China being the largest, followed by the European Union and Brazil, the United States and India. As the emphasis on sustainability grows and in view of the lingering supply chain disruptions from Covid-19 and volatile energy prices stemming from trade disputes and geopolitical rivalries, countries are looking to pursue policies to boost their domestic capabilities and are building the industrial base and infrastructure needed to support growing offshore wind power installations. Wind power will continue to deliver record growth of new installations over the next five years. Global employment in onshore and offshore wind energy grew to 1.4 million jobs in 2021. Wind farms increasingly create construction and installation jobs around the world. Increased investment and policy ambition for onshore and offshore wind energy creates great potential for employment growth where 3.3 million new jobs are projected to be created by 2025.

The Group is uniquely positioned to capitalise on the sector growth prospects given its competitive strengths, including: (a) its ability to offer a comprehensive range of HR services across the entire renewable energy value chain, (b) its strong local presence and expertise in key, targeted geographic locations (c) its proven capability and capacity to source for and procure a large number of workers to meet the manpower demands of large-scale projects for its clients and (d) its established track record and market reputation.

Limited talent pool of experienced renewable energy professionals and outsourcing trends of human resource functions

Faced with emerging trends and new challenges, renewable energy companies are looking to balance between hiring and nurturing talents, together with the mobility to manage operational costs. To counter fixed manpower costs during low production periods, more renewable energy companies are looking towards a flexible workforce strategy to optimise headcount according to the changing industry landscape. Due to the nature of the industry, where the contracts that are awarded to the Group are based on the availability and duration of the clients' projects, renewable energy companies are required to engage the services of human resource providers such as the Group to manage their hiring process and other related HR support functions as this would represent a more cost-effective solution for such companies as an alternative to entering into permanent employment contracts with such personnel.

OFFER DOCUMENT SUMMARY

Companies in the renewable energy sector are able to leverage on the wide international network presence of human resource solutions providers, and also capitalise on their expertise to hire people with the right competencies for the corresponding roles in multiple geographical locations. Apart from the immediate benefits of sourcing the right person for the right jobs, outsourcing of the recruitment process and HR activities also provides companies in the renewable energy sector with flexibility to manage its HR costs better, in particular, in situations where there are multiple overseas jurisdictions where the renewable energy company does not have a physical presence. Such outsourcing enables renewable energy companies to concentrate on its operations and core competencies with the flexibility to scale down or scale up their operations whenever required, subject to economic performance, changes in renewable energy prices, and the winning of major contracts. The Group's plans to establish training schools and centres will also increase its potential talent pool.

The Directors believe in the environment of a burgeoning renewable energy industry and its corresponding outsourcing trends, the Group is well positioned to offer end-to-end human resource services ranging from top tier management, technical to offshore crew personnel across industry sub-segments and across various levels of seniority.

TRENDS

Based on the revenue and operations of the Group as at the Latest Practicable Date and barring any unforeseen circumstances, the Company's Directors have observed the following trends for FY2023:

(a) The Group expects its revenue to increase due to the growing wind energy industry

According to IEA, total renewable energy capacity additions over the next five years (2022E-27E) is expected to be higher than the cumulative additions over the last 20 years (2001-21), with the offshore wind sector expected to grow in terms of capacity additions by approximately 23% per annum over the next five years (2022E-27E).

The drive towards renewable energy capacity expansion will inevitably increase demand for renewable energy employment, where according to IRENA Annual Review 2022 and GWEC, the worldwide employment in the renewable energy industry grew to 12.7 million in 2021 and is expected to deliver record growth with expectations of 38.2 million worldwide employment by 2030. Close to two-thirds of the jobs are in Asia, with China being the largest, followed by the European Union and Brazil, the United States and India. As the emphasis on sustainability grows and in view of the lingering supply chain disruptions from Covid-19 and volatile energy prices stemming from trade disputes and geopolitical rivalries, countries are looking to pursue policies to boost their domestic capabilities and are building the industrial base and infrastructure needed to support growing offshore wind power installations. Wind power will continue to deliver record growth of new installations over the next five years. Global employment in onshore and offshore wind energy grew to 1.4 million jobs in 2021. Wind farms increasingly create construction and installation jobs around the world. Increased investment and policy ambition for onshore and offshore wind energy creates great potential for employment growth where 3.3 million new jobs are projected to be created by 2025.

The Group is uniquely positioned to capitalise on the sector growth prospects given its competitive strengths, including: (a) its ability to offer a comprehensive range of HR services across the entire renewable energy value chain, (b) its strong local presence and expertise in key, targeted geographic locations (c) its proven capability and capacity to source for and procure a large number of workers to meet the manpower demands of large-scale projects for its clients and (d) its established track record and market reputation.

OFFER DOCUMENT SUMMARY

The trajectory has been demonstrated through its strong historical growth as highlighted above, with the revenue and profit before tax for the nine-months period ended 31 March 2023 exceeding that for the FY2022 financials. In addition, the monthly recurring revenue from ongoing projects are estimated to contribute approximately US\$13 million for the second half of FY2023, providing strong visibility to the expected growth for FY2023.

The Group is well positioned to continue to benefit from the increasing global demand for renewable energy and to scale up its business.

(b) There will be an increasing focus on the training of local workers due to the local content requirements of various local governments

A local content requirement in the wind energy industry refers to the policy of requiring a certain percentage of goods and services used in a wind energy project to be sourced locally, typically from the country or region where the project is located. The rationale behind local content requirements is to promote economic development and job creation in the local community and to support local industries. For instance, in Taiwan, wind energy companies are required to hire and train a certain percentage of their workforce locally. Further, the clients of the Group who are vessel owners may specify that a certain percentage of the crew onboard shall be crew personnel who are of local nationalities and, require the Group to provide them with Taiwanese personnel as candidates. In view of the specialisation of the wind energy industry in Taiwan, there has been an increased focus on the training and development of local workers in preference to importing foreign workers from other countries. In this regard, the Group is strategically poised to take advantage of this shift as the Group intends to venture into other technical services which include providing training and development of renewable energy personnel.

Save as disclosed above and in the sections entitled “Risk Factors”, “Management’s Discussion and Analysis of Financial Position and Results of Operation” and “General Information on the Group – Prospects” of this Offer Document respectively, and barring any unforeseen circumstances, the Directors are not aware of any (i) significant recent trends in the demand for renewable energy manpower services, sales, inventory and in the costs and selling prices of the Group’s products and services since 31 March 2023, or (ii) any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group’s net sales, revenues, profitability, liquidity or capital resources for the current financial year, or that may cause the financial information disclosed in this Offer Document to be not necessarily indicative of the Group’s future operating results or financial condition.

THE COMPANY’S CONTACT DETAILS

The registered office and principal place of business is at 11 Collyer Quay, #06-01 The Arcade, Singapore 049317. The telephone number for the Company’s registered office and principal place of business is (65) 6250 2688. The website of the Company is www.sheffieldgreen.com.

THE OFFERING

| | | |
|-------------------------|---|---|
| Offering Size | : | 24,000,000 new Offering Shares by way of the Offering. The Offering Shares, upon issue and allotment, will rank <i>pari passu</i> in all respects with the existing issued Shares. |
| Offering Price | : | S\$0.25 for each Offering Share, payable in full on application. |
| The Offering | : | The Offering comprises an offering of: (a) 3,600,000 Public Offer Shares at the Offering Price, to members of the public in Singapore; and (b) 20,400,000 Placement Shares at the Offering Price, for placement to investors, including institutional and other investors in Singapore, subject to and on the terms and conditions of this Offer Document. |
| Purpose of the Offering | : | The Directors believe that the listing of the Company and the quotation of the Company's Shares on Catalist will enhance the Group's public image locally and overseas and enable the Group to raise funds from the capital markets to fund the expansion of the Group's business operations. The Offering will also provide members of the public with an opportunity to participate in the equity of the Company. In addition, the Offering will also enlarge the Company's capital base for continued expansion of the Group's business and for general working capital of the Company. |
| Listing status | : | Prior to the Offering, there has been no public market for the Company's Shares. The Shares will be quoted in Singapore dollars on Catalist, subject to admission of the Company to the Official List of Catalist and permission to deal in, and for quotation of, the Company's Shares being granted by the SGX-ST. |
| Use of Proceeds | : | Please refer to the section "Use of Proceeds and Listing Expenses" of this Offer Document for more details. |
| Risk Factors | : | Investing in the Company's Shares involves risks which are described in the section "Risk Factors" of this Offer Document. |

OFFERING STATISTICS

OFFERING PRICE 25.0 cents

PRO FORMA NAV⁽¹⁾

The NAV per Share based on the unaudited pro forma statement of financial position of the Group as at 31 March 2023 and after adjusting for the Share Split as referred to in the section entitled “Share Capital” in this Offer Document (the “**Pro Forma Adjusted NAV**”):

- | | |
|---|-----------|
| (a) before adjusting for the estimated net proceeds of the Offering and based on the pre-Offering share capital of 162,255,600 Shares | 3.6 cents |
| (b) after adjusting for the estimated net proceeds of the Offering and based on the post-Offering share capital of 186,255,600 Shares | 5.1 cents |

Premium/(Discount) of Offering Price over the Pro Forma Adjusted NAV per Share as at 31 March 2023:

- | | |
|---|--------|
| (a) before adjusting for the estimated net proceeds of the Offering and based on the pre-Offering share capital of 162,255,600 Shares | 602.4% |
| (b) after adjusting for the estimated net proceeds of the Offering and based on the post-Offering share capital of 186,255,600 Shares | 387.5% |

EPS⁽²⁾⁽³⁾

EPS based on the statements of comprehensive income of the Group for Pro Forma FY2022 and the pre-Offering share capital of 162,255,600 Shares 0.04 cents

EPS based on the statements of comprehensive income of the Group for Pro Forma FY2022 and the pre-Offering share capital of 162,255,600 Shares, assuming the Service Agreement had been in place since the beginning of FY2022 (0.16) cents

PER⁽²⁾

PER based on the Offering Price, the EPS of the Group for Pro Forma FY2022 and the pre-Offering share capital of 162,255,600 Shares 602.7 times

PER based on the Offering Price, the EPS of the Group for Pro Forma FY2022 and the pre-Offering share capital of 162,255,600 Shares, assuming the Service Agreement had been in place since the beginning of FY2022 N.A⁽⁴⁾

OFFERING STATISTICS

Net cash flow from operations⁽⁵⁾

Net cash flow from operations per Share of the Group for Pro forma FY2022 based on the Group's pre-Offering share capital of 162,255,600 Shares (0.2) cents

Net cash flow from operations per Share of the Group for Pro forma FY2022 based on the Group's pre-Offering share capital of 162,255,600 Shares, assuming the Service Agreement had been in place since the beginning of FY2022 (0.4) cents

Price to net operating cash flow ratio⁽⁵⁾

Ratio of the Offering Price to net cash flow from operations for Pro Forma FY2022 based on the Group's pre-Offering share capital of 162,255,600 Shares N.A.⁽⁵⁾

Ratio of the Offering Price to net cash flow from operations for Pro Forma FY2022 based on the Group's pre-Offering share capital of 162,255,600 Shares, assuming the Service Agreement had been in place since the beginning of FY2022 N.A.⁽⁵⁾

Market Capitalisation

Market capitalisation based on the Offering Price and the Group's post-Offering share capital of 186,255,600 Shares, assuming all Offering Shares are successfully subscribed⁽⁶⁾ S\$46.6 million

Notes:

- (1) Based on an exchange rate of S\$1: US\$1.33, being the closing exchange rate for FP2023.
- (2) Based on an exchange rate of S\$1: US\$1.36, being the average exchange rate for FY2022.
- (3) EPS is computed based on the combined net profit of US\$49,659 for Pro Forma FY2022 divided by the pre-Offering share capital of 162,255,600 Shares.
- (4) Not meaningful given EPS is negative.
- (5) Net cash flow from operations is defined as the net cash generated from/(used in) operating activities of the Group. The Group had incurred negative net cash flow from operations for Pro Forma FY2022.
- (6) For reference, assuming that the minimum amount of S\$5.0 million is raised from the Offering, the market capitalisation based on the Offering Price and the Group's post-Offering share capital of 182,255,600 Shares would be S\$45.6 million.

RISK FACTORS

Prospective investors should consider carefully, together with all other information contained in this Offer Document, the risks described below before deciding whether to invest in the Shares. The risks described below are not the only ones that the Group faces. Additional risks not presently known to the Group or that the Group currently deems immaterial may also impair the Group's business operations. The business, financial condition, results of operations and prospects could be materially and adversely affected by any of these risks. The market price of the Shares could decline due to any of these risks and you may lose all or part of your investment.

This Offer Document also contains forward-looking statements that involve risks and uncertainties. The actual results of the Group's operations could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks that the Group faces as described below and elsewhere in this Offer Document. Please refer to the section titled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document.

Before deciding to invest in the Shares, prospective investors should seek professional advice from their advisors about their particular circumstances.

RISKS RELATING TO THE GROUP'S BUSINESS OR THE INDUSTRY IN WHICH THE GROUP OPERATES

The results of operations and cash flows may fluctuate depending on the availability and timing of contract awards, renewals, maturity or termination and the Group requires a high level of working capital to sustain its operations

The results of operations depend on, among others, the Group's ability to secure new contracts and renew existing ones. The selection process and timing for performance of these contracts are subject to contingencies, some of which are beyond the Group's control and the Group is unable to predict whether and when the Group will receive such awards. The revenues are derived from awards of contracts for specified periods which may span from two weeks to two years or longer.

In addition, a substantial portion of the Group's revenue is directly and indirectly derived from large-scale projects. It is generally very difficult to predict whether and when the Group will be awarded such contracts as they frequently involve a lengthy and complex bidding and selection process which may be affected by a number of factors, such as market conditions, financing arrangements and governmental approvals. Accordingly, the Group's revenue, cash flow and the Group's future financial performance may be adversely affected depending on the scale and timing of the Group's projects. In such cases, the trading price of the Company's Shares could fluctuate and decline due to any of these considerations, uncertainties or material risks, and investors may lose all or part of their investment in the Company's Shares.

As the Group is typically required to incur upfront costs in the operation of the Group's business, the Group requires a high level of working capital to sustain the Group's business. Such upfront costs, which increase as the operations of the Group grow and revenues increase, include, among others, the payment of visa and work permit applications, purchase of air tickets for mobilised personnel, the payment of accommodation for mobilised personnel and the payment of the Group's personnel's advances (e.g. accommodation, visa fees and other similar items) and regular wages. Further, for the expansion of the Group's operations into new jurisdictions and/or new clients, these upfront costs relate to the mobilisation of personnel and will arise from an increase in requirements for existing projects. For implementation of its business strategies and plans, such upfront costs would also include, among others, development of training modules accredited by GWO and construction of plant and equipment to establish a training centre in Taiwan and, in the event the Group decides to acquire a ship chandelling and catering business, the costs of such an acquisition.

RISK FACTORS

Further, as the Group's business is, among other things, mainly based on the duration of the project of the Group's clients, the Group may encounter timing differences between the satisfaction of the Group's performance obligations, the funding of payroll in advance for clients and the progressive billing to the Group's clients. In general, the new projects secured by the Group typically experience net cash outflow, in paying for the wages of the Group's employees, until progressive billings are made and payments are collected from the Group's clients. The personnel supplied to clients fulfils their performance obligations progressively each month. The performance obligations fulfilled during each month are compiled at the end of that month for validation and billings are only rendered in the following month when this process is completed.

Historically, the Group has financed the Group's working capital through cash generated from the Group's operations, advances from related parties and capital contributions from the Group's Shareholders. As the Group usually grants the Group's clients a credit term of around 30 days to 60 days from invoice date for trade receivables, which is in line with industry practice, the Group's liquidity and financial position could be materially and adversely affected if the Group does not receive payments from the Group's clients on a timely basis to meet the Group's working capital requirements, or if the Group is unable to obtain financing on satisfactory terms or at all. The Group's Business Development department conducts research from available sources such as online, publications and/or through industry peers to understand the market standing and reputation of a potential client for discussion internally and obtains approval from Mr. Kee Boo Chye, the Company's Executive Director, CEO and Chairman, prior to deciding on whether to approach or take on a client.

There can be no assurance that the Group's business will continue to receive payments from the Group's clients on a timely basis or that the Group will be able to obtain adequate and timely financing to meet the Group's future working capital requirements. The inability to receive payments from the Group's clients on a timely basis or obtain additional financing on a timely basis, on acceptable terms or at all could materially and adversely affect the Group's ability to satisfy the Group's working capital requirements, including performing the Group's contractual obligations to clients. The procedures of the Group on monitoring the collection of trade receivables include the sending of monthly statement of accounts to clients, corresponding with clients to follow up on collections, the estimated date that they are able to settle the invoice, and to provide clarifications on any issues they may have with regard to the invoices. The Group also prepares and maintains a list of trade receivables and conducts internal meetings to discuss the status of collections and propose any appropriate action plans for follow-up. The Group will also escalate appropriate cases to the Business Development Team which will handle the follow-up collection process and the amicable resolution of any issues with clients.

Furthermore, the working capital requirements of the Group will increase as the Group expands the business of the Group and supply more personnel to the Group's clients, given that the Group is required to pay an increasing amount of salaries. Please refer to the section titled "Cash Flow Summary" of this Offer Document.

There can be no assurance that the Group will continue to successfully bid for and secure tenders for projects on similar terms

The Group is generally awarded contracts by way of tender for renewable energy and wind energy projects by clients such as IPPs, developers, EPCI contractors, T&I contractors, wind turbine manufacturers and offshore wind foundation manufacturers. Apart from these clients, the Group also participates in a number of tendering for new contracts or for extensions in the scope of work or renewals of existing contracts.

RISK FACTORS

Typically, the Group's involvement includes the provision of human resource services and other ancillary services, including arranging for accommodation, permit applications and travel arrangements. The revenue from these renewable energy and wind energy projects of the Group's aforesaid clients represents a significant proportion of the revenue of the Group during the Period Under Review. There can be no assurance that the Group will continue to successfully bid for and secure similar contracts from the Group's existing and future clients on commercially acceptable terms which are similar to that currently in place for the Group's renewable energy and wind energy projects.

The Group cannot assure you that it is able to retain the above-mentioned clients through the extension or renewal of an existing contract or that it will be able to successfully win new contracts through competitive tender bids. Furthermore, there can be no assurance that the scope of the Group's involvement in such renewable energy and wind energy projects will not vary significantly from year to year. Any changes in the format of such renewable energy and wind energy projects or budget constraints of the Group's clients may result in a reduction or alteration in the scope of the Group's involvement. The preparation of bids can also divert significant management and operating resources away from the day-to-day running of the business. In the event that any such circumstances occur, the Group's business, financial performance and condition, results of operations and prospects may be materially and adversely impacted.

The Group is dependent on the renewable energy industry which the Group's clients operate in

The Group's core competencies lie in the provision of human resource solutions and services to the Group's clients from various sectors of the renewable energy industry, in particular the wind industry. The Group's performance is subject to the outlook and cyclical nature of this industry and may be indirectly affected by worldwide demand of renewable energy industry, in particular the wind industry.

For instance, the Group's operations and financial performance may be adversely affected if the renewable energy industry experiences a significant downturn which results in, among others, lower demand and shrinking EPCI activities. There can be no assurance that the demand for renewable energy will continue to grow or that the government initiatives will continue to promote sustainable energy. Further, there can be no assurance that any adverse change in the renewable energy industry will not have a material and adverse effect on the Group's operations and financial performance. Some of the potential key drivers which may cause material adverse changes in the renewable energy industry include extreme changes in climate conditions (such as El Niño) and government support for renewable energy. This may affect the businesses of the Group's clients, which may in turn have a material and adverse impact on the Group's business, financial condition, results of operations and prospects.

The loss of or reduction in business from major clients could adversely impact the Group financial results

In particular, for FY2020, FY2021, FY2022 and FP2023, revenues derived from the Group's major clients which accounted for five per cent (5.0%) or more of the total revenue is 99.6%, 80.6%, 60.5% and 86.3% of the Group's total revenue respectively. A loss or a reduction in business from these clients may materially and adversely impact the Group's revenue and profitability. There can be no assurance that clients will agree to renew expiring contracts on terms acceptable to the Group or at all.

RISK FACTORS

Please refer to the section titled “Management’s Discussion and Analysis of Results of Operations – Major Clients” of this Offer Document for further details.

The loss of one or more major clients or several smaller clients, or a significant decrease in the volume of business from such major client or several smaller clients could have a material adverse effect on the Group’s financial condition and results of operations. In addition, the Group’s contracts contain termination provisions, under which clients generally have the right to terminate these contracts for convenience. Any termination or adverse variation in the Group’s contracts by the Group’s clients would adversely impact the Group’s revenue and profitability. For completeness, as at the Latest Practicable Date and for the Period Under Review, there were no past incidences of the loss of or reduction in business from major clients which had a material adverse impact on the Group’s financials and/or operations.

The Group’s business depends on the continued service of the Company’s Directors and management team

The Group’s success depends upon the continued commitment, service and contributions of the Directors and senior management as well as the Group’s ability to retain and motivate them. Their knowledge, skills and experience in the Group’s industry, their relationships with the Group’s clients and their ability to develop new clientele have played an important role in the Group’s achievements. In particular, Mr. Kee Boo Chye has played a vital role in securing business and managing key client relationships. Although measures are in place to retain staff, there can be no assurance that these measures will be successful in retaining the services of Mr. Kee Boo Chye or other key staff, nor can there be any assurance that the Group will be able to recruit and retain new staff required to fulfil the Group’s business strategy. The Group’s ability to attract and retain new staff will be subject to factors such as the Group’s reputation, perceived career prospects and prevailing market conditions. Please refer to the section entitled “Management and Corporate Governance – Service Agreement” of this Offer Document for further details.

Any material changes in the Group’s senior management team without suitable replacements may result in the loss of strategic leadership, disruption or delays to the Group’s operations, and the Group’s prospects, business, operations and financial results may be adversely affected.

The Group also depends on its ability to attract qualified personnel who possess the skills and experience required by clients and to successfully bid for new projects. There is competition for individuals with proven professional or technical skills, and the Group expects that the demand for such individuals (particularly in certain engineering disciplines and geographic areas) will remain strong in the foreseeable future.

The Group may be unable to pass on costs to clients

The Group’s revenue is generated from a combination of day rates and a mark up over cost basis, under which the Group must manage cost such as labour, insurance, tax and transportation effectively to produce acceptable gross margins. Not only may the Group not always be able to pass on such costs immediately, they may not be fully recoverable, and the Group may need to meet certain unforeseen costs which arise as a result of the Group’s business operations. Depending on negotiation with the Group’s clients, certain estimated costs such as tax, insurance and certain mobility expenses are factored in when determining the labour rates. Any unexpected significant increase in such costs from estimates may diminish the margin factored in for these when determining the labour rates or result in a loss for the Group. Changes in regulations or laws may also result in unforeseen statutory or legal costs related to the Group’s provision of human resources services, such as costs incurred in complying with COVID-19 regulations requiring the quarantine and testing of workers.

RISK FACTORS

In the event that the Group is unable to pass on costs to clients, the Group's profitability and financial condition may be adversely affected. For completeness, as at the Latest Practicable Date and for the Period Under Review, there were no past incidences of the Group's inability to pass on costs to clients which had a material adverse impact on the Group's financials and/or operations.

The Group is subject to laws, regulations and policies imposed by various government and regulatory authorities in the jurisdictions in which it operates

The Group's business operations are subject to various laws and regulations in the jurisdictions in which they operate. Compliance with such laws, regulations or policies add to the Group's costs and increases in compliance costs arising from amended or new government laws, regulations or policies may adversely affect the Group's prospects, business, operations and financial results. Any changes in the laws, regulations or policies in Singapore, Taiwan and Japan affecting the industry in which the Group operates may also have a negative effect on the Group's business. In addition, there can be no assurance that the Group is able to comply with the requirements of all such laws, regulations and policies or in the event that there are any changes thereto. In such event, the Group's prospects, business, operations and financial results may be adversely affected.

In particular, SGSAS, which was a wholly-owned subsidiary of the Company, is in the business of providing human resource services to clients in the renewable energy industry in France and would enter into service provider contracts with its clients to supply and/or deploy certain personnel and manpower to its clients. In order to supply and/or deploy such personnel and manpower to its clients in France, SGSAS would enter into contracts with and use the services of third-party umbrella companies, called "portage companies" ("**Portage Companies**"). Such deployed personnel are not kept on the payroll of SGSAS but kept on the payroll and employed by Portage Companies. The Group had utilised the services of these Portage Companies as the Group's contracts are project-based and are usually awarded or renewed based on the availability and timing of a client's project. Hence, it was accordingly in the best interests of SGSAS not to enter into permanent employment contracts with the personnel deployed such that various personnel may be deployed accordingly as may be required. Correspondingly, there are also personnels who prefer to be on contract terms for projects and do not wish to enter into permanent employment contracts with a company. Although the Group understands that such practice is not uncommon, the use of Portage Companies is governed by French labour laws and are only available for tasks which are occasional and does not fall within the normal and permanent activity of the user company. As it is not clear how the above reference to normal and permanent activity of the user company may be applied to SGSAS, SGSAS may not be fully compliant with French labour laws ("**SGSAS Portage Companies Issues**").

Non-compliance with the above-mentioned rules may expose SGSAS to the risks of various criminal sanctions, notably the following:

- (a) Payment of a fine (1) by the legal entity which is SGSAS of a sum of EUR18,750; and (2) by the legal representative of SGSAS of a sum of EUR3,750;
- (b) Illegal lending of workforce (this may notably result in the payment of a fine up to EUR30,000); and/or
- (c) Risk of concealment of work (this may notably result in the payment of a fine up to EUR225,000).

RISK FACTORS

The limitation period under the applicable French law for such criminal sanctions is a period of six years, which would mean that SGSAS is exposed to such potential legal and regulatory risks during such period in respect of the relevant act of non-compliance.

Further, SGSAS may also be exposed to the risks of civil liability:

- (a) Risk of reclassification into employment contract if a subordination link can be characterised (this may notably result in the payment of salary, severance, social security reassessment, etc.). The limitation period under the applicable French law for such liability may be a period of three to five years;
- (b) Damages from a claim by workers in relation to the execution of an employment contract. The limitation period under the applicable French law for such liability may be a period of two years as of the date of termination of the contract; and/or
- (c) Damages from a claim by workers in relation to the concealment of work of up to six-month lump sum damages. The limitation period under the applicable French law for such liability may be a period of twelve (12) months as of the date of termination of the contract.

SGSAS may be exposed to such potential risks during the respective limitation period in respect of the relevant act of non-compliance the period of potential non-compliance would run from the first instance SGSAS used the services of the Portage Company since the incorporation of SGSAS on 31 May 2019 until the relevant limitation period. In respect of the quantum of the damages, the quantification of damages is determined at the judges' entire discretion on a case-by-case basis and the amount may vary depending on the prejudice suffered by the employee, his/her personal and professional situation, seniority, etc, although damages are generally calculated on the basis of the employee's average salary.

As of the Latest Practicable Date, there has been no legal and regulatory compliance issues in France resulting in any actions, including inspections and audits, by regulatory authorities in relation to the SGSAS Portage Companies Issues.

The Group's legal adviser in France is of the view that the risks of likelihood of the potential penalties or action taken against the Group for the period for which SGSAS was the subsidiary of the Group is remote as under French law, there is a principle of the personality of penalties and the legal autonomy of the legal person, and French law generally does not permit the application to entities other than the entity responsible for the violation. Hence, any enforcement action, if at all, would generally be taken against SGSAS and not any Group Company and the parent company is generally not at risk. In matters of civil liability, excluding collective proceedings and anti-competitive practices, the civil liability of a parent company may be engaged in the uncommon following cases:

- (a) in situations of co-employment, i.e., in cases of permanent interference in the management, with loss of autonomy of the subsidiary; or
- (b) in the case of management choices made in the exclusive interest of the parent company that were harmful for the subsidiary and that led the subsidiary to collapse.

However, in order to ring-fence such potential legal risks to the Group, on 31 July 2023, the Company entered into a share sale and purchase agreement ("**SGSAS SPA**") with SEPL pursuant to which the Company had agreed to transfer its entire shareholding interest in SGSAS to SEPL for nominal consideration and, as a result, SGSAS became a wholly owned subsidiary of SEPL

RISK FACTORS

and forms a part of the Sheffield Energy Group. In addition, pursuant to the SGSAS SPA, SEPL will indemnify and save harmless the Company from and against any and all losses which the Company may at any time and from time to time sustain, incur or suffer by reason of or in relation to, including, but not limited to, the following events (“**Indemnities**”):

- (a) any breach of any representation, warranty, undertaking or obligation of or given by SEPL under the SGSAS SPA;
- (b) whether directly or indirectly, in relation to any claims brought against SGSAS or the Company and its officers arising out of or in connection with any legal and regulatory compliance issues, including any issue pertaining to the use of ‘portage’ companies by SGSAS;
- (c) any sums payable by SGSAS to the Company (including, but not limited to, the receivables in the sum of US\$945,047 based on the outstanding balance as at 31 March 2023 which shall be payable within a period of twelve (12) months from the date of Closing);
- (d) the failure to comply with any applicable laws in conducting the business of SGSAS; and
- (e) any tax claim against SGSAS whether arising directly or indirectly the matters set out in sub-paragraph (b) above or otherwise.

The Indemnities under the SGSAS SPA may not be amended or withdrawn without the agreement of the Company. As the current legal representative of SGSAS, Mdm Ng Gek Geok, who is neither a director or employee of any of the Group Companies, may be exposed to the abovementioned fine of a sum of EUR3,750 which may be imposed on the legal representative. A legal representative is generally in charge of representing the company vis-à-vis third parties in its day-to-day activities and in this respect will be accountable to the company and its shareholders for its actions. Please refer to the section titled “Shareholders” for other details relating to Mdm Ng Gek Geok. As Mr. Kee Boo Chye was the previous legal representative of SGSAS prior to the transfer of SGSAS to SEPL, he may also be potentially exposed to the abovementioned fine of a sum of EUR3,750. In view that any potential fine would not be substantial, the Company does not expect any such fine to have a material impact on Mr Kee Boo Chye or the Group financially or otherwise.

The Directors are of the view that the disposal of SGSAS as described above would isolate the Group from any potential legal risks from the usage of Portage Companies in France. Further, the said disposal of SGSAS to the Sheffield Energy Group would not materially prejudice the interests of the Group as the profits of SGSAS would not cause a material adverse impact to the financial performance of the Group. In that regard, SEPL, the Company and SGSAS had entered into the SGSAS Call Option and ROFR Deed, whereby SEPL had granted in favour of the Company a call option and a right of first refusal in respect of the shares in SGSAS held by SEPL, each as further described in the section titled “Interested Person Transactions – Potential Conflicts of Interests”. Pursuant to the SGSAS Call Option and ROFR Deed, SEPL and SGSAS has provided several undertakings, including, but not limited to, the following undertakings:

- (a) SEPL and SGSAS shall ensure that SGSAS complies with all applicable laws, regulations and policies of the applicable jurisdictions in which SGSAS has business operations and maintain all required permits, approvals, licences and consents and shall immediately notify the Company if any such permits, approvals, licences and consents is not able to be obtained;

RISK FACTORS

- (b) SEPL and SGSAS shall use their best endeavours to ensure that all legal and regulatory compliance issues, including any issue pertaining to the use of ‘portage’ companies by SGSAS, are resolved to the satisfaction of the Company within a period of twelve (12) months from the date that the SGSAS Call Option and ROFR Deed takes effect. SEPL and SGSAS shall provide monthly updates with reasonable detail in relation to the status of the resolution of the issues shall be provided to the Company or upon the reasonable request of the Company.

Further, under the SGSAS Call Option and ROFR Deed, SEPL and SGSAS has provided the Indemnities to the Company (save that the indemnity under (c) of the Indemnities is not provided by SEPL and SGSAS as this is not relevant to the SGSAS Call Option and ROFR Deed) and that the SGSAS Call Option and ROFR Deed has an additional indemnity for the failure by SGSAS to renew or extend any approval, licenses or permits which have expired prior to Completion which are necessary or desirable for the carrying on of its business. The Indemnities under the SGSAS Call Option and ROFR Deed may not be amended or withdrawn without the agreement of the Company.

In order to prevent a recurrence of the SGSAS Portage Companies Issues, SGSAS will be applying to be a Portage Company or a temporary work agency and entering into service agreements which are compliant with the labour laws of France. The main difference between a Portage Company and a temporary work agency is that the temporary work agency employee will be deemed an employee of the company where he will be working temporarily which is not the case of an employee sent by a Portage Company where the employee will be deemed external to the company. The Group had been advised that it would take at least six months to complete the abovementioned steps so as address the legal and regulatory risks of the SGSAS Portage Companies Issues. The Company consulted with its legal adviser in France and understand the salient steps to be undertaken by SGSAS to be approved as a Portage Company or a temporary work agency are, among others, as follow:

- the subscription of a financial guarantee by SGSAS which amounts to 10% of the previous year’s payroll, and must at least correspond to twice the annual social security ceiling, i.e., around €87,984 for 2023, its purpose being to guarantee notably the payment of the employees “portés’s” salary and social security contributions;
- a prior declaration to the labour inspector which must include some mandatory mentions (notably information on the legal representative of the applicant company, the activity and geographical sectors, the number of permanent employees, etc). After verification of SGSAS’s compliance with its obligations (mandatory mentions included in the declaration and subscription of a financial guarantee), the labour inspector returns an approved copy of the declaration (the visa) to SGSAS. SGSAS cannot start its activity before receiving this visa or before the expiry of a 15-day time period in the absence of response of the labour inspector. In the absence of any response from the labour inspector, SGSAS would be able to start its activities after the expiry of a 15-day time period without further engagement with the authorities.

As at the Latest Practicable Date, the French legal adviser does not reasonably foresee any difficulties SGSAS obtaining the required approvals, although the labour inspector may adopt a different view. Further, other material requirements are that there will be an obligation for SGSAS to hire the employees who will be “portés” (i.e., enter into employment contracts with the employees “portés”) and the employees “portés” must have a certain level of qualification and autonomy in the performance of their missions, and justify an expertise allowing them to look for clients and negotiate their price with such clients directly.

RISK FACTORS

Prior to acquiring the shares of SGSAS under the SGSAS Call Option and ROFR Deed, the Group shall require SGSAS to provide to the Group the legal opinion of a legal adviser in France to ensure that the legal and regulatory issues in relation to SGSAS's business in France are resolved to the satisfaction of the Group. The Audit Committee's terms of reference shall include the monitoring and overseeing of the appointment of the legal adviser in France to opine on the resolution of the legal and regulatory issues in relation to SGSAS's business in France to ensure that they are resolved to the satisfaction of the Group. Following the disposal of SGSAS, SGSAS shall continue to engage and consult with legal advisors in France who are familiar with French labour laws.

In addition to the entry into the SGSAS SPA and the SGSAS Call Option and ROFR Deed, including the Indemnities provided by SEPL, among other things, the Board believes that this would be adequate and effective to mitigate any risks of non-compliance by the relevant Group Company.

The Group believes that this SGSAS Call Option and ROFR Deed, which is not on commercial terms, benefits the interests of the Group as it would allow the Group a discretion to re-acquire the shares of SGSAS and re-enter into the French market at nominal consideration. This would also allow the Group to capitalise on the growing client base in France and expand the Group's offerings in other jurisdictions.

At present, the Group does not have exposure or opportunities in France unless and until the Group exercises its SGSAS Call Option and ROFR Deed to acquire the shares of SGSAS.

The Group is required to obtain licences, permits, approvals and/or certifications for the Group's business and operations, and there is no guarantee that such licences, permits, approvals and/or certifications can be obtained

Most of the Group's licences, permits, approvals and/or certifications are renewable on a periodic basis and there is no guarantee that they will be renewed or be renewed on the same terms and conditions. Details of the licences which the Group requires for the provision of its human resource services are set out in the section entitled "General Information on the Group – Licences, Permits, Approvals and Certifications" of this Offer Document.

In addition, there is no assurance that the Group will be able to obtain such licences, permits, approvals and/or certifications on commercially reasonable terms, if at all. The Group's licences, permits, approvals and/or certifications may be revoked if the Group is found to be in contravention of the terms, conditions and/or regulations under which the licences, permits, approvals and/or certifications were issued. The loss of any of the Group's licences, permits, approvals and/or certifications could result in failure or delays in providing the Group's solutions and services to the Group's clients. In such an event, the Group's prospects, reputation and financial results may be adversely affected. As at the Latest Practicable Date, the Group has not experienced any adverse effect on the Group's business in complying with applicable government regulations and the Group has not experienced any issues with obtaining or renewing the necessary licences, permits, approvals and/or certifications for the conduct of the Group's business.

Furthermore, changes to the existing rules and regulations relating to the Group's business operations or the implementation thereof may result in the Group having to obtain additional licences, permits, approvals and/or certifications from the relevant government authorities or organisations for the conduct of the Group's operations from time to time. The Group's financial performance may be adversely affected if the Group needs to incur additional expenses in order to comply with such requirements. There is also no assurance that such licences, permits, approvals and/or certifications will be granted to the Group promptly, or at all. If the Group

RISK FACTORS

experiences delays in obtaining or are unable to obtain such required licences, permits, approvals and/or certifications, the Group's prospects, business, operations and financial results may be adversely affected.

The Group may be unable to source for sufficient or suitable manpower to fulfil the Group's clients' needs

The Group's ability to meet the Group's labour requirements for the Group's operations is subject to numerous external factors, including the availability of workers who are willing to take up employment in the renewable energy industry, the ability to meet the training requirements. In the event that the foreign government authorities adjust the requirements, the Group may need to find substitute local sources of labour to meet the Group's clients' demands. However, this is in turn dependent on, amongst others, the availability of local workers who are willing to be employed in the renewable energy industry.

The Group may also face difficulties in recruiting personnel due to generally lower wages associated with the job and due to the long and irregular hours that the job entails. In addition, personnel and crews are required to be suitably qualified and/or licensed before they are deployed. The Group may be required to recruit more manpower to cover the duties of those who attend the requisite training courses. The suitability and availability of manpower being supplied to the Group may affect the Group's ability to fulfil the Group's obligations under the Group's service contracts. In the event such outsourced manpower is not suitable or available, the Group's business, operations and financial results may be adversely affected.

The Group derives its revenue from the supply of personnel to the Group's clients. The Group's ability to source suitable personnel depends primarily on the size of the available personnel pool and the Group's effectiveness at securing personnel from this personnel pool. The Group's personnel pool is finite, and the skills sought by the Group's clients are frequently highly specialised and in great demand. Additional factors may also affect the Group's ability to effectively recruit from the available personnel pool, including the Group's service track record in successfully placing potential candidates with the clients, the compensation package, geographic location, work permit requirements, employment market conditions and the reputation of the clients the Group acts for. In the event that the Group is faced with any shortage of labour to meet the operational requirements of the Group's service contracts, the Group may be required to pay liquidated damages to the Group's clients for failing to meet their requirements and this may affect the Group's reputation, ability to continue to run or expand the Group's business, which may in turn have an adverse impact on the Group's prospects, business, operations and financial results.

While the Group maintains a database of personnel there can be no assurance that qualified personnel will continue to be available to the Group in sufficient numbers and on terms of engagement acceptable to the Group or the Group's clients. Should the Group be unable to attract or even retain sufficient personnel to meet client demands, the Group's business, financial conditions, results of operations and prospects may be adversely affected. For completeness, as at the Latest Practicable Date and for the Period Under Review, there were no past incidences of the Group's inability to source for sufficient or suitable manpower which had a material adverse impact on the Group's financials and/or operations.

The Group may face a shortage of reliable and competent employees or subcontractors

From time to time, depending on the availability and cost-effectiveness of engaging sub-contractors, the Group may engage sub-contractors to undertake some of the Group's projects vis-à-vis the Group's in-house manpower resources as may be required for the Group's Renewable Energy Business.

RISK FACTORS

The relevant Group Company is usually engaged by its client for the duration of the project which may be for up to five years, but the personnel required by the client may differ during the duration of the project. The usual term of contract for an employee or sub-contract personnel may be for a period between six month to a year. Accordingly, the period of the employment contract between the Company and the personnel, whether an employee or sub-contractor, is not necessarily the same as the period of contract of services in the agreement between the Company and the client. During the term of the service agreements with the clients, the clients will place orders for personnel for certain durations as and when required for their projects. The employment or sub-contract arrangement with a personnel is generally entered into to correspond with the tenure of such orders and, therefore, may be shorter than the tenure of the service agreements which could be for a longer term. Accordingly, the employment or sub-contract arrangement with a personnel may end before the termination of the service agreement between the Company and the client. In such event, the Group will have to source and recruit personnel so as to be able to fulfil its obligations to its client. In the event it is not able to do so, the Group's business, financial conditions, results of operations and prospects may be adversely affected.

The Group maintains its list of suppliers in the accounting system. It works with several recurring suppliers for its ancillary services such as notarisation, air tickets, training, meals and transportation who grants the Group favourable credit terms. The Group has also developed written policies for its vendor selection and evaluation based on recommendations from its internal audit. The Group has implemented a written policy in consultation with the Internal Auditors which sets out the selection and evaluation for new suppliers by the Group's Business Development Department. This policy includes the evaluation of the suppliers on an ongoing basis where operations have the duty to report to the Business Development Department or CEO for any quality of the product and service which is below the acceptable standard.

The loss of the Group's supplier exposes the Group to the risks of non-performance or late performance of its obligations to its clients. Further, there is no guarantee if the Group will be able to obtain another supplier on the same terms and conditions. Where the Group places reliance on its suppliers, the Group expects to continue to engage the services of suppliers where appropriate. However, the Group's suppliers have no obligation to provide services exclusively to the Group. In the event that the Group is unable to maintain a good relationship with them or retain them at costs favourable to the Group, the Group's prospects, business, operations and financial results may be adversely affected.

The Group may face a shortage of qualified, reliable and competent employees that are able to provide services to its clients according to their requirements and time schedules. In the event that the performance of the Group's employees or sub-contractors does not meet the requirements of the Group's clients and time schedules, the Group may need to replace such employees or sub-contractors, which could adversely affect the cost and progress of the Group's clients' projects, and may have an adverse impact on the Group's reputation and the Group's ability to obtain new contracts. Accordingly, there may be an adverse effect on the Group's prospects, business, operations and financial results.

As employers of most of the personnel the Group mobilises, the Group may be contractually responsible for any default or neglect on the part of the Group's employees, and under the general law of the jurisdictions in which the Group operates. Further, the Group may be required to settle the outstanding wages of the employees. In addition, the Group's employees, sub-contractors and/or the employees of the Group's sub-contractors may fail to comply with any relevant laws and regulations in Taiwan and/or Japan, which may expose the Group to the risk of non-compliance with such laws and regulations. Accordingly, in the event that the Group has to make good on any default or neglect on the part of the Group's sub-contractors at the Group's own

RISK FACTORS

cost, there may be an adverse impact on the Group's prospects, business and financial results. For completeness, as at the Latest Practicable Date and for the Period Under Review, there were no past incidences of a shortage of reliable and competent employees or subcontractors which had a material adverse impact on the Group's financials and/or operations.

The Group is exposed to credit risks relating to the Group's clients

The Group's trade receivables as at 30 June 2020, 2021, 2022 and 31 March 2023 amounted to approximately US\$0.8 million, US\$1.0 million, US\$2.8 million and US\$7.1 million, respectively, accounting for approximately 58.5%, 56.7%, 68.1% and 69.1% of the Group's total assets respectively. Any disruption to the Group's clients' businesses or delays to the commencement of projects for which the Group has been contracted to provide services, including, among others, as a result of disaster, workplace accident, labour dispute, government legislation changes, regulatory intervention, unfavourable weather conditions, environmental issues, declaration of war, acts of terrorism, workplace accidents and unfavourable fluctuations in commodity prices, that would have an adverse effect on their operations, financial position and ability to procure future business may adversely affect their ability to service any debts owed to the Group.

Although there has not been bad debts written-off and/or provision for loss allowances arising from trade & unbilled receivables for the Period Under Review and as at the Latest Practicable Date, the Company does not foresee difficulties in collecting the outstanding trade and unbilled receivables as at 31 March 2023, should the credit worthiness of the Group's clients deteriorate or should a significant number of the Group's clients fail to settle their trade and bill receivables in full for any reason, the Group may incur impairment losses and the Group's results of operations and financial position could be materially and adversely affected. In addition, there may be a risk of delay in payment by the Group's clients from their respective credit period, which in turn may also result in an impairment loss provision. There can be no assurance that the Group will be able to fully recover the Group's trade receivables from the Group's clients or that they will settle the Group's trade receivables in a timely manner. In the event that settlements are not made in a timely manner, the Group's financial position, profitability and cash flow may be adversely affected.

While the Group takes steps to evaluate and manage credit risks relating to the Group's clients, economic downturns such as during the coronavirus disease 2019 ("COVID-19") period can adversely affect various industries and, within those industries, particular clients' ability to pay, which could reduce the Group's ability to collect amounts due. Delays in payments from the Group's clients would also increase the working capital which the Group needs to maintain and could impact the Group's liquidity. For completeness, as at the Latest Practicable Date and for the Period Under Review, there were no past incidences of bad debts written-off and/or provision for loss allowances arising from trade & unbilled receivables which had a material adverse impact on the Group's financials and/or operations.

The Group may, from time to time, be involved in disputes with its clients or third parties

The Group may from time to time be involved in disputes or litigation, which may include, but is not limited to, contractual claims by or against clients or third parties (including payment disputes), personal injury claims or employee claims. Any such litigation may have an adverse impact on the Group's growth prospects, operating results and financial performance.

RISK FACTORS

The majority of the Group's revenue is dependent on the performance of contract obligations, and any dispute or litigation with contract counterparties could result in the Group incurring significant costs and experiencing delay in payment collections. Further to the above, the Group relies on the Group's reputation to retain existing business, secure new business and expand the Group's client base. Should the Group's reputation be damaged due to the Group's involvement in disputes or litigation, demand for the Group's services may be affected, which in turn may adversely affect the Group's cash flow and profitability. For completeness, as at the Latest Practicable Date and for the Period Under Review, there were no past incidences of disputes with clients or third parties which had a material adverse impact on the Group's financials and/or operations.

The Group's business is mainly project-based and dependent on the clients' renewal of contracts which may lead to revenue, profit and/or cash flow fluctuations from financial year to financial year

The Group's contracts are renewed by reference to the completion of the Group's clients' projects. The typical service agreements entered into by the Group are non-exclusive and require the Group to provide personnel and related services at the clients' request during the tenure of the relevant service agreements. The usual tenure of the service agreements with clients are usually for one year and above, except for installation works of offshore projects which are usually of a shorter term (six to nine months). The tenure of the service agreements may differ from the contracting period between the personnel and the Group as the requests are put in by the Group's client as and when the client requires personnel during the tenure of the agreement and such requests when received are fulfilled within a short period of time. The difference in the tenure of the service agreement for work that is typically carried out offshore as compared to that for work that is typically carried out onshore arises from the difference in the nature of work involved. Service agreements for projects carried out onshore are typically for longer tenures as the work involved is not typically exposed to the environment. Work carried out offshore, on the other hand, is subject to inclement weather and seasonal storms and as such, may only be carried out during certain periods of the year. Hence, the service agreement for projects carried out offshore are usually shorter based on the seasons.

Regardless of the length of the tenure of the service agreements for offshore or onshore projects, all service agreements are usually renewed upon its expiration until the completion of the clients' projects. As a result, the Group's revenue, profit and/or cash flow may fluctuate from financial year to financial year.

The Group is also vulnerable to revenue volatility which is characteristic of companies operating in similar project-based industries. The amount of revenue to be recognised in a financial year is dependent on the number, value and stage of completion of projects undertaken by the Group, which in turn depends on various factors, such as the availability of the Group's resources, market sentiment, market competition and general economic conditions.

Thus, there is no assurance that the amount of revenue from the projects the Group undertakes will remain comparable every year. Should there be any reasons that cause the Group to undertake fewer or no new projects or should there be any delay in the progress of any of the projects, the Group's revenue and/or profit recognised in a particular year will be adversely affected, which may have a material and adverse impact on the Group's business, financial condition, results of operations and prospects.

RISK FACTORS

In addition, as the Group's business is, among other things, mainly based on the duration of the project of the Group's clients, the Group may encounter timing differences between the satisfaction of the Group's performance obligations and the progressive billing to the Group's clients. In general, the new projects secured by the Group typically experience net cash outflow, in paying for the wages of the Group's employees, until progressive billings are made and payments are collected from the Group's clients. Therefore, the Group may experience net cash outflow from operating activities and the Group's cash flow may fluctuate depending on the stages of completion of the projects on hand and the timing and extent of the receipt of payments from the Group's clients. There are certain stages of a project such as at inception or initial stages or when the project is closer to completion wherein the personnel requirements will be lower as compared to when the project is in full swing. Payments are collected on a regular basis based on the monthly billings rendered.

In the event that the Group is unable to generate sufficient operating cash flow, manage the cash flow requirements of the Group's existing projects, and/or secure adequate financing in funding the Group's working capital requirements for the Group's existing or potential new projects, for any reasons whatsoever, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

The Group does not have any trade marks registered under the applicable laws of Singapore, Taiwan and Japan

The Group has made the following applications for the registration of its logo as a registered trade mark:

- (a) an application to the Intellectual Property Office of Singapore (“**IPOS**”) under the Trade Marks Act 1998 of Singapore was made on 10 August 2023 which could take an estimated time period of around 12 months for such mark to be registered. As at the Latest Practicable Date, the Company's application for the trade mark is under examination by IPOS; and
- (b) an application to the Taiwan Intellectual Property Office (“**TIPO**”) under the Trademark Act of the Republic of China (Taiwan) was made on 15 September 2023 and the examination of such mark by the TIPO can take a period of 8 to 12 months. As at the Latest Practicable Date, the Company's application for the trade mark is under examination by TIPO.

The Company's application might not be successful for various reasons, including, but not limited to, the existence of similar registered trade marks and the opposition by the registered owners of such marks. At present, the Group does not have any registered trade marks or pending trade mark application in any other jurisdictions in which it operates, including Japan. In relation to Japan, the Group would like to establish a larger market presence in Japan before considering to apply for registration of its trade mark in Japan.

Unregistered trade marks may have limited legal protection, and the Group's ability to enforce its trade mark rights and prevent unauthorised use or infringement may be more challenging. Without proper registration, the Group may face challenges in establishing ownership and defending its rights in case of disputes.

RISK FACTORS

Unregistered trademarks face a higher risk of infringement and unauthorised use by third parties in the jurisdictions in which the Group operates. Competitors or counterfeiters may exploit the absence of registered trademarks, leading to consumer confusion, dilution of brand distinctiveness and potential damage to the Group's reputation. Proving infringement and seeking remedies may be more complex and costly without the benefit of registered trademark protection.

The absence of registered trademarks could expose the company to increased competition. Competitors may use similar or identical marks, making it challenging for the company to differentiate its products or services effectively. This could lead to a loss of market share, decreased customer loyalty, and diminished competitive advantage.

These risks could adversely affect the Company's brand value, reputation, and competitive position. Investors should carefully evaluate these risks in light of the applicable trademark laws and regulations before making any investment decisions.

Competition from new and existing competitors may intensify

The Group's business is highly competitive and price competition and pricing pressures are significant. There are a number of competitors, both stand-alone companies and divisions of larger groups, who may have different price, quality and operating structures to the Group. Some competitors are part of a large international group of companies with considerable capital and resources, while some competitors may have lower operating costs.

Existing competitors and new entrants may create greater competition and pricing pressures may intensify should clients competitively bid for new contracts and seek price reductions on existing contracts. Increased competition could result in price reductions, loss of revenue, reduced operating margins, loss of market share and profitability.

Greater competition from existing competitors and new entrants could also lead to an increase in competition for personnel, the pool of which is limited. There can be no assurance that the Group's personnel currently contracted with the Group will not be the subject of solicitation by the Group's competitors, or that such personnel will continue to work with the Group in the future. In the event that the Group is unable to find replacement personnel, the Group's business, financial conditions, results of operations and prospects may be adversely affected.

There can be no assurance that the Group's business strategies and future plans will be commercially successful

The Group intends to expand its regional presence and its scope of service offerings in accordance with its business strategies and future plans as set out in the section entitled "General Information on the Group – Business Strategies and Future Plans" of this Offer Document. Such expansion plans involve numerous risks, including but not limited to the Group's ability to expand the Group's existing business and geographical coverage, provide additional complementary and integrated services to the Group's clients, diversify into providing other technical services for the renewable energy industry and the Group's ability to deal with unfamiliar regulatory, personnel, technological and other challenges in the course of providing new services and the Group's ability to engage reliable third party suppliers and subcontractors to provide the Group with the necessary supplies and/or services in order to conduct the Group's business and operations in new countries.

RISK FACTORS

In respect of the Group's plans to develop training modules accredited by GWO and construction of plant and equipment for its first training centre, the upfront cost of developing training modules, constructing training facilities, and hiring qualified trainers can be significant. Further, the Company intends to engage the services of an external consultant from the United Kingdom which specialises in the provision of training of renewable energy professionals, for the establishment of training schools and centre in Taiwan which will add to such upfront costs. After the training schools and centre are established in Taiwan, the Company expects to continue engaging the services of the external consultant for a period of one year and incur continuing costs. If the external consultant terminates its services with the Company, the Company may lose access to their services, knowledge and expertise, and would have to source for another external consultant for such support, and there is no guarantee that it will be able to source for such services or at similar prices. Further, the market for providing training to renewable energy personnel is competitive, and there may be a number of other companies that have a longer track record in providing training and development services for personnel in the renewable energy industry. The inability to compete effectively in this market may adversely affect the Group's prospects, business, operations and financial results.

In respect of the Group's plans to expand its offering to the ship chandelling and catering business in Taiwan, the ship chandelling and catering business may require personnel of a different skill set and industry knowledge compared to the Renewable Energy Business. Ship chandelling companies require maritime industry knowledge, product and inventory management and supply chain expertise. However, Mr. Kee Boo Chye who is the CEO, Chairman and Executive Director of the Company has experience and expertise in managing the supply of offshore crew personnel to work on clients' vessels which is related to the ship chandelling and catering business as the latter involves the service of providing supplies and equipment for such crew to operate. Further, the regulatory environment for ship chandelling is different from the regulatory environment for renewable energy and the compliance with such laws, regulations or policies may add to the Group's costs and increases in compliance costs arising from amended or new government laws, regulations or policies may adversely affect the Group's prospects, business, operations and financial results.

In addition, there can be no assurance that the Group's proposed expansion plans will be commercially successful or if the Group is able to enter new markets to expand the Group's business and operations. These expansion plans will require substantial capital expenditure, financial and management resources and are subject to factors beyond the Group's control, such as government legislation, regulatory approvals, general economic conditions, and global or local trends.

The Group is exposed to potential liabilities arising from personal injuries, property damage and/or fatal accidents

Due to the nature of the operations of the Group's Renewable Energy Business, personal injuries, property damage and/or fatal accidents may occur on the Group's premises or on the Group's clients' work sites, despite the presence of appropriate safety measures and the provision of personal protective equipment. Such accidents or mishaps may occur as a result of the actions of or defaults on the part of the Group's employees, the Group's clients and/or other third parties. In the event of such occurrences, the Group may be liable for the personal injuries and/or deaths of the Group's employees and the Group may be subject to inquiries and investigations by the relevant authorities which may disrupt the Group's operations. In the event that the Group is found liable for such accidents, the Group may be criminally charged, penalised for damages, or become subject to civil lawsuits, which may have an adverse impact on the Group's prospects, business, operations, financial position and reputation.

RISK FACTORS

The Group has taken up and maintained an insurance policy with AIG to mitigate such risks. Where an incident has happened, the Group's client will provide an accident report to the Group describing the details of the accident such as the date, time, how the accident occurred, and the injury suffered by the worker. The Group would accordingly prepare a claim report based on the information provided to the Group and this is submitted to the insurance company through the Group insurance broker.

The Group cannot guarantee that its employees and/or those of its clients would implement and/or strictly adhere to the safety measures and procedures in the course of their employment. In the event that the Group's employees and/or those of the Group's clients fail to follow such safety measures and procedures on the Group's clients' work sites, there may be heightened risk of personal injuries, property damage and/or fatal accidents. The Group's employees and/or the employees of the Group's clients may suffer from personal injuries and/or death as a result of accidents arising from the course of their employment, and accordingly, there may be claims against the Group under the relevant laws of the jurisdiction in which the Group operates. In addition, the Group may also face claims from third parties, who may suffer from personal injuries at the Group's work site. In the event such accidents are not covered by the Group's insurance policies, or claims arising from such accidents are in excess of the Group's insurance coverage or if any of the Group's insurance claims are contested by the insurance company, the Group may be required to make compensation which may have an adverse impact on the Group's business, operations, financial results and reputation. For completeness, as at the Latest Practicable Date and for the Period Under Review, there were no past incidences of liabilities arising from personal injuries, property damage and/or fatal accidents which had a material adverse impact on the Group's financials and/or operations.

Please refer to the section entitled "General Information on The Group – Insurance" of this Offer Document for details of the Group's insurance policies.

The Group may be subject to substantial liability claims resulting from work performed by personnel who are contracted with it

The Group may be required to compensate personnel who are contracted with it for any accidents or service failures that occur during the course of their engagement which result in personal injury, loss of life, damage to property, equipment or the environment, regulatory penalties or suspension of operations. For instance, the Group's employees and personnel who are deployed to the Group's clients' work sites may be responsible for or commit acts of delinquency, negligence, breach of duty and/or sabotage which may cause personal injuries and/or deaths to the Group's clients' employees, as well as damage, injury and loss to the Group's clients and/or the Group's clients' property which may be beyond the Group's control. In addition, where the employees supplied by the Group to its clients are employed by third party companies, the Group may be liable to its clients for any damage, injury and losses which the Group's clients may suffer as result of any unlawful or tortious act of these third party companies employees. Moreover, for Taiwan, the Group's employees and the Group may be jointly liable for any injuries wrongfully caused to a third-party under article 188 of the Taiwan Civil Code.

Further, several of the contracts with the Group's clients contain indemnities under which the Group is obliged to compensate the client for certain losses resulting from the acts or omissions of personnel who are contracted with the Group or from non-performance of the contract, and in some instances extends to environmental incidents for which the Group is liable to indemnify the client. The Group may also be liable for acts and omissions of other personnel/contractors carrying out work at its clients' project premises which cause such loss or damage.

RISK FACTORS

While the Group has endeavoured to procure adequate insurance coverage to protect the Group from the abovementioned events, there can be no assurance that the Group's insurance policies and their contractual limitations on liability will adequately protect the Group against liability for the abovementioned events, nor can there be any assurance that the Group will be able to maintain insurance at levels that the Group deems adequate or ensure that every contract contains adequate limitations on liabilities. Any claims made under the Group's insurance policies are also likely to cause insurance premiums to increase.

As at the Latest Practicable Date, the Group maintains the various insurance policies to cover, among others, the Group's exposure to commercial and operational risks. For instance, SGAPL has taken up a work injury and general commercial liability insurance policy with AIG Asia Pacific Insurance Pte. Ltd. The maximum coverage for work injury is the sum of S\$15,000,000 per any one occurrence with an applicable sub-limit of S\$2,000,000 per occurrence of a communicable disease claim and is also compliant with the requirements of the Work Injury Compensation Act 2019 of Singapore. The maximum coverage for general commercial liability is the sum of S\$7,000,000 each occurrence in respect of personal injury, property damage or advertising injury with a worldwide coverage. (Collectively, the "**Group's Insurance**".)

Any substantial liability claims resulting from the provision of services by personnel who are contracted with the Group that are not covered by insurance, are in excess of policy limits, are subject to substantial deductibles or are not limited by contractual limitations of liability could adversely affect the Group's financial performance and condition. Additionally, such liability claims may generate adverse publicity that may in turn impact on the demand of the Group's services. For completeness, as at the Latest Practicable Date and for the Period Under Review, there were no past incidences of substantial liability claims resulting from work performed by personnel who are contracted with the Group which had a material adverse impact on the Group's financials and/or operations.

The Group is exposed to certain risks against which it does not insure, and may have difficulty obtaining insurance on acceptable terms or at all

As at the Latest Practicable Date, the Group maintains the Group's Insurance policies to cover, among others, the Group's exposure to commercial and operational risks. The management of the Company is also currently exploring its options in taking up keyman insurance. As at the Latest Practicable Date, the Company does not foresee difficulties in taking up the relevant insurance. In the event of any loss of the services of any of the key management personnel without a suitable and timely replacement, the business, financial condition and results of operation of the Group may be materially and adversely affected. Please refer to the section entitled "Management and Corporate Governance – Directors and Executive Officers" of this Offer Document for further details on the Directors and Executive Officers and the risk factor entitled "The Group's business depends on the continued service of the Company's Directors and management team" of this Offer Document for further details on the risks of the loss of key management personnel. The Company has provided a deed of undertaking dated 26 September 2023 ("**Keyman Insurance Undertaking**") to the SGX-ST and the Joint Placement Agents that it shall, as soon as reasonably practicable, but, in any event, not later than three (3) months from the date of the Listing, procure and maintain at its own costs and expenses the keyman insurance in the name of the Company from a reputable insurance firm to protect the Company, *inter alia*, against any financial losses that may occur due to the death and incapacity of Mr. Kee. In the event that the Company is unable to obtain the keyman insurance within the stipulated timeline, the Company shall inform the Joint Placement Agents immediately.

RISK FACTORS

Further, if any of the Group's employees commit an act causing losses to the Group's client, including, but not limited to any acts of negligence, delinquency, sabotage or other tortious act, the Group could face potential liability for the damages suffered by the Group's client. The insurance policies stated above would not cover such events. However, the Group's careful selection process in vetting the Group's personnel for the requisite position would mitigate such risks and ensure that the Group's employees are aware of their responsibilities and are able to perform their duties in a competent and professional manner. Despite these measures, however, there is always a risk that an employee may engage in conduct that causes losses to a client. In such cases, insurance policies may not cover the damages suffered by the client.

The Group's insurance coverage may be inadequate to cover all of the Group potential losses, or the Group losses may exceed the Group insured limits. Consistent with normal industry practice, the Group leaves some business risks, including loss of profit and loss of revenue, uninsured. Insurance cover is typically not available for these types of losses, and where it can be purchased, it is considered to be too expensive. In addition, while the Group believes the Group current insurance reflects industry practice and is sufficient for the Group current purposes, the amount of such coverage may be inadequate to cover losses in the event of an insurance claim.

A loss for which the Group is not insured or fully covered could have a material adverse effect on the Group business, financial condition, performance and operating results. Insurers may increase their premiums or reduce the availability of insurance in response to claim history, new legislation, underwriting losses, terrorist attacks, natural disaster or government appropriation of assets. In addition, some clients or prospective clients may require or take into account minimum levels of insurance coverage when awarding a contract.

No assurance can be given that the Group will be able to obtain such insurance coverage in the future at reasonable rates or that any coverage the Group arranges will be adequate and available to cover claims or meet the requirements of existing or prospective clients for the purposes of procuring new contracts.

The Group's operations may be affected by adverse weather conditions

The demand for the Group's human resource services and the Group's results of operations are affected by weather conditions including, potential impact from climate change, known and unknown, and by the seasonal nature of the renewable energy industry. Adverse weather conditions, whether caused by climate change factors or otherwise, can impede those portions of a clients' project where work is required to be carried out offshore. Such work that is performed offshore is subject to inclement weather and seasonal storms and as such, may only be carried out during certain periods of the year. Hence, service agreements entered into between the Group and the Group's clients for projects carried out offshore are usually affected by the typhoon or monsoon seasons and other weather conditions. Any such occurrence may have a material adverse effect on the Group's prospects, business, operations and financial results.

The Group is susceptible to changes in political, social and economic conditions, the regulatory environment, laws and regulations and interpretation thereof in the jurisdictions where it conducts business or is expected to conduct business

The Group operates its Renewable Energy Business in several countries, including Taiwan and Japan, and the Group's international operations may be susceptible to political, social and economic instability and civil disturbances. For instance, around 91.6% of the Group's revenue for FP2023 is derived from the Group's business operations in Taiwan which is involved in heightened geopolitical tensions with China which claims Taiwan as a part of its territory, while Taiwan considers itself a sovereign state. The ongoing dispute between China and Taiwan can lead to economic and political instability in the region.

RISK FACTORS

The Group intends to further strengthen and/or expand its business presence in existing and/or new overseas markets where the Group believes there is a demand for the Group's human resource solutions and services. Thus, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected by changes in the legal, political, economic, social and market conditions in these countries in which the Group has business presence and/or operations. The risks that the Group faces in operating in such areas include:

- (a) political unrest and economic instability;
- (b) disruption to operations due to labour disputes, riots, civil actions, armed conflicts or political interference;
- (c) acts of God;
- (d) changes in laws and regulations;
- (e) entry of new competitors;
- (f) changes in the rate and method of taxation;
- (g) changes in business and credit conditions;
- (h) changes in technology development and market trends;
- (i) employment and labour issues;
- (j) currency volatility and restrictions on the movement of funds or limitations on the repatriation of funds;
- (k) the imposition of sanctions by the Singapore government or any governments in the jurisdictions where the Group's operations are located; and
- (l) limited access to markets for periods of time.

Any of the above incidences or situations could result in disruptions to the Group's business, increase costs, liability in liquidated damages or reduction in future growth opportunities. Potential losses caused by these disruptions may not be covered by insurance. The nature and extent of such changes are difficult to predict and may bring uncertainty to the global economy and/or political environment.

The Group is susceptible to the legal, economic and market conditions of the countries in which the Group operates

The Group is susceptible to the risks posed by the legal, economic and market conditions of the countries in which it operates. Such conditions may have an adverse effect on the Group's ability to provide services in those areas, or to continue to expand the Group's business geographically. Such risks include:

- (a) unfavourable reversal of current policies (including favourable tax and lending policies) encouraging foreign investment or foreign trade by the governments of countries in which the Group operates;

RISK FACTORS

- (b) unfavourable changes in and difficulties in complying with laws and regulations of different countries, including tax and labour laws as well as laws mandating local ownership;
- (c) restrictive actions by local governments, including the imposition of tariffs and limitations on imports or exports;
- (d) nullification, modification or renegotiation of contracts; and
- (e) full or partial expropriation of assets.

The occurrence of any of these events could have a material adverse effect on the Group's financial performance and condition and adversely affect the value of the Group's assets.

In addition, the geographical spread of the Group's operations means that co-ordination of effort and communications with employees are subject to certain challenges, which could lead to inefficient allocation of resources or duplication of effort. Distance from the Group's principal locations can make it more difficult to implement and impress upon local workforces the Group's policies on matters such as health and safety, and can present challenges in the supervision of the Group's employees. Failure to deliver consistently high standards across all of the Group's fields of operations could create risks, including reputational risks.

The Group may be subject to changes in taxation in the countries in which it operates

The Group operates in a number of jurisdictions and are subject to the tax laws of those countries, some of which may be uncertain and complex. The Group may also expand its operations into new jurisdictions in the future, and the tax laws of these jurisdictions, including their interpretations, may not be certain and may be susceptible to change. The amount of tax the Group pays could increase substantially as a result of changes in, or new interpretations of, these laws, which could have a material adverse effect on the Group's liquidity and results of operations. The Group obtains external expert advice on the application of the tax laws to its operations and are not currently in dispute with any revenue authority in respect to any taxation matter.

In addition, in preparing the Group's financial statements, the Group estimates the Group's income tax liabilities in the various jurisdictions in which the Group does business. Estimates of the Group income tax liabilities are subject to various uncertainties and actual tax assessed by the relevant tax authorities could vary significantly from these estimates. Significant judgement is required in determining the provision for income tax liabilities in the Group financial statements and in forecasting the Group effective income tax rate in a given period. The provision for income taxes and tax liability in the future could also be materially and adversely affected by numerous factors, including changes in tax laws, regulations or accounting principles, changes in the valuation of deferred tax assets and liabilities and audits by taxing authorities.

The Group's determination of the Group tax liability is always subject to review by applicable tax authorities. An adverse outcome of a review could have negative effect on the Group operating results and financial condition. In addition, the determination of the Group worldwide provision for income taxes and other tax liabilities requires significant judgement, and there are many transactions and calculations where the ultimate tax determination may be uncertain and the ultimate tax outcome may differ from the amounts recorded in the Group financial statements and may materially affect the Group financial results in the period or periods for which such determination is made. In such cases, penalties and interest may be levied. Although the Group believes that the Group has adequately reserved for the Group uncertain tax position, no assurance can be given that the final tax outcome of these matters will not be different. Any

RISK FACTORS

change in the current tax treatment or rate of income tax or other taxes imposed on the Group will impact the Group's profitability and cash flow. As at the Latest Practicable Date, the Group does not have any past disputes with any revenue authority in respect to taxation matters which had material adverse impact on the Group's financials and/or operations.

The Group is exposed to currency fluctuations

The Company's and SGAPL's (including its Taiwan branch office) functional currency are USD. The bulk of the Group revenue and income are derived from SGAPL and are denominated in USD. However, certain of the Group costs such as operational overheads are denominated in the currency of the country in which the operations are in, such as Singapore, Taiwan and Japan. In Taiwan, while the Group receives the Group payments from the Group clients in USD or NTD, the Group may pay the Group workers in other currencies including IDR and THB. As such, the Group results of operations and financial position are exposed to the effects of fluctuations in exchange rate between the functional currency and the currency the Group uses for the Group operating costs. A depreciation of the USD or NTD against the currency the Group uses for the Group operating costs or against each other may result in a material adverse impact on the amount of profit that the Group records.

The Group does not have significant exposure to foreign exchange fluctuations for the Thai Baht in 2023 in light of the entry by the relevant Group Company into the deeds of assignments where the Group's payables to SEL and STRL denominated in Thai Baht has been assigned by both SEL and STRL to SEPL. Subsequent to the assignments, the Group's payables to SEPL are denominated and to be settled in USD. Please refer to the section titled "Restructuring Exercise" for further details on the assignment of intercompany receivables and payables.

At present, the Group does not have a formal policy for hedging against foreign exchange exposure. However, the Group has taken into consideration the risks of exposure from foreign exchange fluctuation, noting that the Group is able to manage currency volatility by holding USD (which is the primary currency for billings along with NTD) and given high visibility on local currency payments which are usually on a short-term basis (consists of salaries, rentals and operating expenses), ensures sufficient local currency is maintained to meet the respective requirements and to minimise excess non-USD denominated exposure. The Group will continue to monitor its foreign exchange exposure and may employ hedging instruments to manage its foreign exchange exposure should the need arise. Although the Group attempts to manage its local currency balances to match the costs and operational overheads requirements, there can be no assurance that its strategy is full proof.

Terrorist attacks, international warfare, fire, flood or other natural disasters could adversely affect the Group performance

Terrorist attacks, other acts of violence or war as well as fire, flood or other natural disasters around the world may adversely affect the regional and worldwide financial markets. The occurrence of any of these events may result in a loss of business confidence, which could potentially lead to economic recession and have an adverse effect upon the Group business, results of operations and financial condition. In addition, any deterioration in international relations may result in increased investors' concern regarding regional stability which may, in turn, adversely affect the price of the Company's Shares. There can be no guarantee that terrorist attacks, international warfare and natural disasters will not occur in the future and on a wider scale, or that any such disturbances will not, directly or indirectly, materially and adversely affect the Group business, results of operations and financial conditions.

RISK FACTORS

Any outbreak of communicable disease, including but not limited to severe acute respiratory syndrome, coronavirus disease and swine influenza, could have an adverse effect on the Group business

Any outbreak of communicable disease in the jurisdictions which the Group operates could have a material and adverse effect on the Group business. If any of the Group employees are affected by any communicable disease outbreaks, the Group may be required to temporarily shut down the Group offices and to prohibit the Group employees from going to work to circumvent the spread of the disease. If such events occur, the Group may take a longer time and/or fail to deliver the Group solutions and services. Failure to meet the Group clients' expectations can damage the Group reputation and may lead to loss of business and may affect the Group ability to attract new clients. In addition, any outbreak of communicable disease in the jurisdictions which the Group operates could also adversely affect the Group clients' business activities. For instance, there may be a country-wide lockdown, or social-distancing regulations may be imposed, which may cause a decrease in demand for the Group human resource services which may adversely affect the Group prospects, business, operations and financial results.

The Group may be affected by any adverse impact on its reputation and goodwill

Any negative publicity about the Group's Renewable Energy Business, the Group, or its Directors, Executive Officers or Substantial Shareholders, whether founded or unfounded, may tarnish the Group's reputation and goodwill with its clients, suppliers and/or sub-contractors. Such negative publicity or announcements may include, for example, newspaper reports of fraud or theft committed by the Group employees, complaints from its clients, accidents at its work sites, unsuccessful attempts in JVs or acquisitions, involvement in litigation or insolvency proceedings or unfavourable third-party research reports on any Group Company.

Under these circumstances, the Group's clients, suppliers and/or sub-contractors may lose confidence in the Group's businesses, its Directors, Executive Officers or Substantial Shareholders, and this could affect the Group's business relationships with them and their referral of new business opportunities to the Group. In such an event, the Group's prospects, business and financial results may be adversely affected.

The Group may face uncertainties associated with the expansion of the Group business or its growth

The Group intends to use most of the proceeds from the Offering for the Group's current and future development, including but not limited to business expansion, general working capital, listing expenses and other proposed uses. Please refer to the section titled "Use of Proceeds and Listing Expenses" of this Offer Document for further details. In order to grow the Group's business, the Group may also explore JVs, strategic alliances, acquisitions or investment opportunities in businesses that are complementary to the Group's business to gain access to new overseas markets. Overseas expansion involves numerous risks, including but not limited to the financial costs of setting up overseas operations and working capital requirements. There can be no assurance that the Group's overseas operations will achieve a sufficient level of revenue which will cover the Group's operational costs, and if the Group fails to manage such costs, the Group's profitability and financial position may be adversely affected.

RISK FACTORS

Generally, the Group's expansion plans will also require substantial management attention and significant company resources, which may put significant demands on personnel who are contracted with the Group, management and other resources. The success of any of the Group's future acquisitions and investments depends on a number of factors, including, but not limited to:

- (a) the Group's ability to identify suitable opportunities for investment or acquisition;
- (b) whether the Group is able to reach an acquisition or investment agreement on terms that are satisfactory to the Group;
- (c) the extent to which the Group is able to exercise control over the acquired business or assets;
- (d) the economic, business or other strategic objectives and goals of the acquired business or asset compared to those of the Group; and
- (e) the Group's ability to successfully integrate the acquired business or asset with existing operations.

Participation in strategic alliances, acquisitions, or investments similarly involves numerous risks, including, but not limited to, difficulties in the assimilation of management, operations, services and personnel and the possible diversion of management's attention from other business concerns. The successful implementation of the Group's growth strategies depends on the Group's ability to identify suitable partners and the successful integration of their operations with the Group. There can be no assurance that the Group will be able to execute such growth strategies successfully and as such, the performance of any strategic alliances, acquisitions or investments could fall short of expectations.

The Group may need additional capital to finance its growth and such additional capital may not be available

The Group believes that (a) its available cash resources, (b) cash generated from its business operations, and (c) commercial credit facilities, will be sufficient to meet its present working capital and capital expenditure requirements. However, the Group cannot accurately predict the timing and amount of the Group's capital requirements. If capital requirements vary materially from those currently planned, the Group may require additional financing earlier than anticipated. In FP2023, the Group secured a NTD23 million (approximately US\$750,000) short term loan to facilitate the Group's working capital which it can use to "bridge" between payments to workers, and when they are paid by clients. It would also continue to consider short term financing, similar to the current short term loan it has in place, which can be renewed with the lender as well as seeking to secure factoring financing.

Furthermore, the Group may need to raise additional funds to (a) acquire complementary businesses, (b) support the Group expansion into new markets, (c) develop new or enhanced services, (d) respond to competitive pressures, and/or (e) acquire or develop new technologies or respond to unanticipated requirements.

In order to fund the aforementioned, the Group may need to obtain additional financing. However, such additional financing may not be available on favourable terms, or at all. Equity financing, if available, may dilute existing Shareholders' interest in the Group or the newly issued equity securities may have rights, preferences or privileges senior to the Shares. Debt financing, if available, may involve restrictive covenants with respect to dividends, raising future capital and

RISK FACTORS

other financial and operational matters. If the Group is unable to obtain the required additional financing, the Group may be unable to expand the Group operations, develop or enhance the Group's services, take advantage of future opportunities and/or respond to competitive pressures or unanticipated requirements or demands, which could have an adverse effect on the Group's prospects, business, operations and financial results.

The Group's historical financial and operating results are not indicative of future performance

The operating expenses, results of operations and revenue of the Group may vary from year to year in response to factors beyond the Group's control. This includes factors such as general economic conditions, inflation, interest rates, employment rates, support for the renewable energy industry and overall business confidence. Due to the variability of these factors, the Group is of the view that period comparisons of the Group's historical financial and operating results may not be indicative of future performance and undue reliance should not be placed on these comparisons to predict the Group's future financial performance of the Company's Shares.

RISKS RELATING TO AN INVESTMENT IN THE COMPANY'S SHARES

Investments in securities quoted on Catalist involve a higher degree of risk and can be less liquid than shares quoted on the Main Board of the SGX-ST

An application has been made for the Company's Shares to be listed for quotation on Catalist, a listing platform designed primarily for fast-growing and emerging or smaller companies to which a higher investment risk tends to be attached as compared to larger or more established companies. An investment in shares quoted on Catalist may carry a higher risk than an investment in shares quoted on the Main Board of the SGX-ST. The future success and liquidity in the market of the Company's Shares cannot be guaranteed.

Market and economic conditions may affect the market price and demand for the Company's Shares

Movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price and demand for the Company's Shares. As the Company's Shares will be quoted in S\$ on the SGX-ST, dividends, if any, in respect of the Company's Shares will be paid in S\$. Fluctuations in the exchange rate between the S\$ and other currencies will affect, amongst other things, the foreign currency value of the proceeds which a Shareholder would receive upon sale in Singapore of the Company's Shares and the foreign currency value of dividend distributions.

An active trading market for the Company's Shares may not develop and could affect the trading price of the Company's Shares

Prior to this Offering, there has been no public market for the Company's Shares. The Offering Price may not be indicative of the market price for the Shares after the completion of this Offering. The Group has applied to the SGX-ST for the listing and quotation of the Shares on the Catalist. However, no assurance can be given that an active trading market for the Shares will develop or, if developed, will be sustained.

RISK FACTORS

There has been no prior public market for the Company's Shares and there may not be an active or liquid market for the Company's Shares

Prior to the listing of the Company's Shares on Catalist, there has been no public market for the Company's Shares. Although the Group has made an application to the SGX-ST for the Company's Shares to be listed for quotation on Catalist, there can be no assurance that an active public market will develop or be sustained after the listing of the Company's Shares on Catalist. Liquidity of a securities market is often a function of the volume of the underlying shares that are publicly held by unrelated parties. Active and liquid trading markets generally result in lower price volatility and more efficient execution of buy and sell orders for investors. If an active public market for the Company's Shares does not develop after the listing of the Company's Shares on Catalist, the market price and liquidity of the Company's Shares may be adversely affected.

The Company's share price may fluctuate significantly in the future and you may lose all or part of your investment, and litigation may be brought against the Group

The market price of the Company's Shares may fluctuate significantly and rapidly as a result of, amongst others, the following factors, some of which are beyond the Group's control:

- (a) variation in the Group's results of operations;
- (b) changes in securities analysts' estimates of the Group's results of operations and recommendations;
- (c) announcements by the Group of significant contracts, acquisitions, strategic alliances or JVs or capital commitments;
- (d) additions or departures of key personnel;
- (e) fluctuations in stock market prices and volume;
- (f) involvement in litigation;
- (g) general economic and stock market conditions;
- (h) discrepancies between the Group's actual operating results and those expected by investors and securities analysts; and
- (i) changes in the SGD (which is currency that the listed Shares will be denominated in) against the USD (which is the Company's functional currency).

The Group may require additional funding in the form of equity or debt for its future growth which will cause dilution in Shareholders' equity interest

The Group may pursue opportunities to grow its business through JVs, strategic alliance, acquisitions or investment opportunities, following the Offering. However, there can be no assurance that the Group will be able to obtain additional funding on terms that are acceptable to the Group or at all. If the Group is unable to do so, the Group's future plans and growth may be adversely affected.

RISK FACTORS

An issue of Shares or other securities to raise funds will dilute Shareholders' equity interests and may, in the case of a rights issue, require additional investment by Shareholders. Further, an issue of Shares below the then prevailing market price will affect the value of Shares then held by investors.

Dilution in Shareholders' equity interests may occur even if the issue of shares is at a premium to the market price. In addition, any additional debt funding may restrict the Group freedom to operate the Group business as it may have conditions that:

- (a) limit the Group ability to pay dividends or require the Group to seek consents for the payment of dividends;
- (b) increase the Group vulnerability to general adverse economic and industry conditions;
- (c) require the Group to dedicate a portion of the Group cash flow from operations to repayments of the Group debt, thereby reducing the availability of the Group cash flow for capital expenditures, working capital and other general corporate purposes; and
- (d) limit the Group flexibility in planning for, or reacting to, changes in the Group business and the Group industry.

Future issuance of Shares by the Group and sale of Shares by the Group existing Shareholders may adversely affect the price of the Company's Shares

In the event the Group issues or the Shareholders sell substantial amounts of the Company's Shares in the public market following this Offering, the price of the Company's Shares may be adversely affected. Such issues or sales may also make it difficult for the Group to issue new Shares and raise the necessary funds in the future at a time and price the Group deems appropriate. Except as otherwise described in the section titled "Shareholders – Moratorium" of this Offer Document, there will be no restriction on the ability of the Group Shareholders to sell their Shares either on Catalist or otherwise.

Investors may not be able to participate in future rights issues or certain other equity issues of the Company's Shares

In the event that the Group issues new Shares, the Group will be under no obligation to offer those Shares to the Group's existing Shareholders at the time of issue, except where the Group elects to conduct a rights issue. However, in electing to conduct a rights issue or certain other equity issues, the Group will have the discretion and may also be subject to certain regulations as to the procedures to be followed in making such rights available to Shareholders or in disposing of such rights for the benefit of such Shareholders and making the net proceeds available to them. In addition, the Group may not offer such rights to the Group's existing Shareholders having an address in jurisdictions outside of Singapore. Accordingly, certain Shareholders may be unable to participate in future equity offerings by the Group and may experience dilution in their shareholdings as a result.

Certain transactions may dilute the ownership of holders of the Company's Shares

As a result of adjustments from rights offerings, certain issuances of new Shares and certain other actions the Group may take to modify the Group's capital structure, Shareholders may experience a dilution in their ownership of the Company's Shares. There can be no assurance that the Group will not take any of the foregoing actions, and such actions in the future may adversely affect the market price of the Company's Shares.

RISK FACTORS

Negative publicity which includes those relating to any of the Group Directors, Executive Officers or Controlling Shareholders may adversely affect the Group Share price

Negative publicity or announcements relating to any of the Group's Directors, Executive Officers or Controlling Shareholder may adversely affect the market perception of the Group or the performance of the price of the Company's Shares, whether or not it is justified. For instance, such negative publicity may arise from unsuccessful attempts in JVs, acquisitions or take-overs, or involvement in insolvency proceedings.

Control by the Shareholders of the Group's share capital after the Offering may limit your ability to influence the outcome of decisions requiring the approval of Shareholders

After the completion of the Offering, the Group's Controlling Shareholder, the Holdco, will hold approximately 72.9% of the Group's issued and paid-up share capital. As a result, it will be capable of significantly influencing the Group corporate actions including mergers or take-over attempts in a manner which may not be in line with the interests of the Group's public Shareholders. It will also have veto powers in relation to any shareholder action or approval requiring a majority vote except in situations where they are required by the Catalist Rules, the SGX-ST or undertakings given by it and its associates to abstain from voting. This concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of the Group which may not benefit the Group's Shareholders.

You will incur immediate dilution and may experience further dilution in the NAV of your Shares

The Offering Price is substantially higher than the Group's Pro Forma Adjusted NAV per Share of 5.1 cents as at 31 March 2023 based on the post-Offering share capital and adjusted for the net proceeds from the Offering. If the Company was liquidated immediately following the Offering, each investor subscribing for the Offering Shares would receive less than the price he paid for the Offering Shares. Please refer to the section entitled "Dilution" of this Offer Document for further details.

The Group may not be able to pay dividends

The Group's ability to declare dividends in line with the Group dividend policy as set out in the section entitled "*Dividend Policy*" of this Offer Document to Shareholders will be contingent on the Group future financial performance and distributable profits. This is in turn dependent on the Group ability to implement the Group future plans and on regulatory, competitive, technical and factors such as general economic conditions, demand for and selling prices of the Group services and other factors exclusive to the renewable energy industry. Any of these factors could have a material adverse effect on the Group business, financial position and results of operations, and hence there is no assurance that the Group will be able to pay dividends to the Group Shareholders after the completion of the Offering.

In the event that the Group is required to enter into any loan arrangements with any financial institutions, covenants in the loan agreements may also limit when and how much dividends the Group can declare and pay out.

RISK FACTORS

Singapore take-over laws contain provisions, which may vary from those in other jurisdictions, which could adversely affect the market price of the Shares

The Singapore Take-Over Code on Take-Overs and Mergers contains certain provisions that may possibly delay, deter or prevent a future take-over or change in control. Under the Singapore Take-Over Code, except with the consent of the Securities Industry Council of Singapore, any person acquiring an interest, whether by a series of transactions over a period of time or not, either on his own or together with parties acting in concert with him, in 30.0% or more of the voting Shares, is required to extend a take-over offer for the remaining voting Shares in accordance with the Singapore Take-Over Code. Except with the consent of the Securities Industry Council of Singapore, such a take-over offer is also required to be made if a person holding between 30.0% and 50.0% (both inclusive) of the voting Shares, either on his own or together with parties acting in concert with him, acquires additional voting Shares representing more than 1.0% of the voting Shares in any six-month period. While the Singapore Take-Over Code seeks to ensure an equality of treatment among Shareholders, its provisions could substantially impede the ability of the Shareholders to benefit from a change of control and, as a result, may adversely affect the market price of the Shares and the ability to realise any benefits from a potential change of control.

USE OF PROCEEDS AND LISTING EXPENSES

USE OF PROCEEDS

The estimated net proceeds to be raised from the Offering, after deducting the estimated expenses in relation to the Offering of approximately S\$2.2 million will be approximately S\$3.8 million.

Net Proceeds from Issue of New Shares

Based on the Offering Price, the Group's estimated net proceeds from the issue of the Offering Shares, after deducting the Group's share of the estimated expenses including the commission and other estimated expenses payable in relation to the issue of the Offering Shares (estimated to be approximately S\$2.2 million), will be approximately S\$3.8 million.

The Group intends to use its gross proceeds from the issue of the Offering Shares in the following manner:

| Use of Proceeds | Amount in aggregate (S\$'000) | Estimated amount for each dollar raised by the Group from the issue of the Offering Shares (cents) | As a percentage of the gross proceeds to be raised by the Group from the issue of the Offering Shares (%) |
|--|----------------------------------|--|--|
| Expanding the scale of existing business and geographical coverage | 2,100 | 35.0 | 35.0 |
| Expanding into complementary offerings, new product lines and other technical services | 1,050 | 17.5 | 17.5 |
| General working capital purposes | 627 | 10.5 | 10.5 |
| Listing expenses to be borne by the Company | 2,223 | 37.0 | 37.0 |
| Total | 6,000 | 100.0 | 100.0 |

Further details of the Group's use of proceeds may be found in the section "General Information on the Group – Business Strategies and Future Plans" of this Offer Document.

The foregoing discussion represents the Group's best estimate of the Group's allocation of the net proceeds of the Offering based on the Group's current plans and estimates regarding the Group's anticipated expenditures and assuming all the Offering Shares are successfully subscribed. Actual expenditures may vary from these estimates and the Group's may find it necessary or advisable to reallocate the net proceeds within the categories described above or to use portions of the net proceeds for other purposes. In the event that the Group decides to reallocate the net proceeds of the Offering for other purposes, the Group will publicly announce the Group's intention to do so through a SGXNET announcement to be posted on the internet at the SGX-ST website, <http://www.sgx.com>. In addition, the Company will make periodic announcements on the use of the proceeds from the Offering as and when the proceeds from the Offering are materially disbursed, and provide a status report on the use of the proceeds attributable to the Company from the Offering in the Group's annual reports.

USE OF PROCEEDS AND LISTING EXPENSES

Pending the deployment of the net proceeds from the issue of Offering Shares as aforesaid, the funds will be placed in short-term deposits or money market instruments, as the Group's Directors may, in their absolute discretion, deem appropriate.

None of the proceeds of the Offering will be used to discharge, reduce or retire any indebtedness of the Group.

In the reasonable opinion of the Directors, the minimum amount which must be raised from the Offering is S\$5.0 million. In the event such minimum amount is not met, the Offering may be terminated and the full amount of the application monies received will be refunded (without interest or any share of revenue or other benefit arising therefrom) to prospective investors by ordinary post at their own risk. In the event that the minimum amount is met but not all Offering Shares have been subscribed by prospective investors, the Group may not be able to proceed with all of its future plans and the use of proceeds may need to be reallocated.

LISTING EXPENSES

The estimated amount of the expenses of the Offering and of the application for Listing, including the underwriting commission, placement commission, management fees, audit and legal fees, fees payable to the SGX-ST as well as other incidental fees is approximately S\$2.2 million.

A breakdown of these estimated expenses to be borne by the Group in relation to the Offering is as follows:

| Expenses borne by the Group | Estimated amount (S\$'000) | As a percentage of the gross proceeds to be raised by the Group from the Offering (%) |
|--|---------------------------------------|--|
| Listing and application fees | 49 | 0.7 |
| Professional fees | 1,871 | 31.2 |
| Underwriting commission, placement commission and brokerage | 220 | 3.7 |
| Miscellaneous expenses | 83 | 1.4 |
| Total | 2,223 | 37.0 |

The Group will pay the Sponsor, Issue Manager and Joint Placement Agent a management fee as compensation for its services in connection with the Offering.

The Group will pay the Underwriter and Joint Placement Agent in its capacity as underwriter and underwriting commission equal to 3.5% of the amount equal to the total number of Offering Shares underwritten by the Underwriter and Joint Placement Agent.

The Group will pay the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent in their capacities as Joint Placement Agents a placement commission equal to 3.5% of the amount equal to the total number of Placement Shares which each of the Joint Placement Agents has successfully procured valid subscriptions for, and paid for and/or procured payment of.

USE OF PROCEEDS AND LISTING EXPENSES

Subscribers of the Offering Shares may be required to pay brokerage of up to 1.0% of the Offering Price to the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent or any sub-placement agent as may be appointed by the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent as well as stamp duties and other charges.

DIVIDEND POLICY

Statements contained in this section that are not historical facts are forward-looking statements. Such statements are subject to certain risks and uncertainties and should under no circumstances be regarded as a representation, warranty or prediction by the Group, the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent or any other person. Investors are cautioned not to place undue reliance on these forward-looking statements that speak only as at the date hereof.

PAST DIVIDENDS

The Company was incorporated on 4 October 2021. The Company has not declared or paid any dividends during the Period Under Review and up to the Latest Practicable Date.

DIVIDEND POLICY

The Directors intend to recommend and distribute dividends of thirty per cent. (30%) of the Company net profit after tax attributable to equity holders of the Company for FY2023 to FY2024 (“**Proposed Dividend**”). However, investors should note that all the foregoing statements, including the statements on the Proposed Dividends, are merely statements of the Company’s present intention and shall not constitute legally binding statements in respect of the Company’s future dividends which may be subject to modification (including reduction or non-declaration thereof) at the Directors’ sole and absolute discretion. As the Company does not have a fixed dividend policy, investors should not treat the Proposed Dividend as an indication of the Company’s future dividend policy.

The form, frequency and amount of future dividends on the Shares will depend on the Group’s earnings, financial position, results of operations, capital needs, plans for expansion and other factors which the Directors may deem appropriate. The dividends that the Directors may recommend or declare in respect of any particular FY or period will be subject to the factors outlined below as well as any other factors deemed relevant by the Directors:

- (a) the level of the Group’s cash and retained earnings;
- (b) the Group’s actual and projected financial performance;
- (c) the Group’s projected levels of capital expenditure and other investment plans;
- (d) the Group’s working capital requirements and general financing conditions; and
- (e) restrictions on payment of dividends imposed on the Group by the Group’s financing arrangements (if any).

Payment of cash dividends and distributions, if any, will be declared in Singapore dollars and paid in Singapore dollars to CDP on behalf of the Company’s Shareholders who maintain, either directly or through Depository Agents, Securities Accounts.

No inference should or can be made from any of the foregoing statements as to the Company’s actual future profitability or ability to pay dividends. Please refer to the section entitled “Risk Factors – Risks Relating to Investment in The Company’s Shares – The Company may not be able to declare dividends in the future” of this Offer Document for further details.

Please refer to the section entitled “Appendix E – Taxation” of this Offer Document for a description of Singapore taxation on dividends.

DIVIDEND POLICY

Any dividends declared will be disclosed in the Company's financial results announcement as required by Appendix 7C of the Catalyst Rules.

The amount of dividends declared and paid by the Company in the past should not be taken as an indication of the dividends payable in the future. No inference shall or can be made from any of the foregoing statements as to the Company actual future profitability or ability to pay dividends in any of the periods discussed. There can be no assurance that dividends will be paid in the future or of the amount or timing of any dividends that will be paid in the future.

Subject to the Constitution and in accordance with the Companies Act, the Company may from time to time declare a dividend or other distribution with the approval of the Company's Shareholders in general meeting, but no dividend or distribution shall be declared in excess of the amount recommended by the Company's Directors. Subject to the Company's Constitution and in accordance with the Companies Act, the Company's Directors may also declare an interim dividend without the approval of the Company's Shareholders. The Company must pay all dividends out of distributable profits. In addition, the Company is a holding company and depends upon the receipt of dividends and other distributions from the Company's subsidiaries to pay the dividends on the Shares.

All dividends are paid *pro rata* among the Shareholders in proportion to the amount paid up on each Shareholder's Share, unless the rights attached to an issue of any Shares provides otherwise. Notwithstanding the foregoing, the payment by the Company to CDP of any dividend payable to a Shareholder whose name is entered in the Depository Register shall, to the extent of payment made to CDP, discharge the Company from any liability to that Shareholder in respect of that payment.

Information relating to taxes payable on dividends is set out in the section titled "Appendix E – Taxation" in this Offer Document.

SHARE CAPITAL

The Company (Company Registration Number: 202134454W) was incorporated in Singapore on 4 October 2021 under the Companies Act as a private company limited by shares, under the name of “Sheffield Green Pte. Ltd.”. The Company was converted into a public limited company and the name of the Company was changed to “Sheffield Green Ltd.” in connection therewith on 19 September 2023.

As at the date of incorporation, the Company’s issued and paid-up ordinary share capital was S\$2 comprising 2 ordinary shares. Prior to the Share Split, the Company’s issued and paid-up ordinary share capital was S\$2,604,248 comprising 10,401 Shares. As at the date of this Offer Document (following the Share Split), the Company’s issued and paid-up share capital is S\$2,604,248 comprising 162,255,600 Shares.

By way of members’ resolutions in writing passed on 19 September 2023, the Shareholders approved, among others, the following:

- (a) the conversion of the Company into public limited company and the consequential name to “Sheffield Green Ltd.”;
- (b) the adoption of a new Constitution; and
- (c) the sub-division of every one (1) Share to 15,600 Shares, whereupon the issued and paid-up share capital shall remain at approximately S\$2,604,248 comprising 162,255,600 Shares.

By way of members’ resolutions in writing passed on 19 September 2023 and/or the Directors’ resolutions in writing dated 28 September 2023, the Shareholders and/or Directors approved, inter alia, the following:

- (a) the allotment and issue of the Offering Shares which are the subject of the Offering, on the basis that the Offering Shares, when allotted, issued and fully-paid, will rank *pari passu* in all respects with the existing Shares;
- (b) the approval of the listing and quotation of all the Shares on the Official List of Catalyst;
- (c) the authorisation of the Directors, pursuant to Section 161 of the Companies Act and by way of ordinary resolution in a general meeting, to:
 - (A) (i) issue 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 during the continuance of this authority or thereafter, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures, convertible securities 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 may in their absolute discretion deem fit; and

- (B) (notwithstanding such authority may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors pursuant to (A) above, while such authority was in force, provided that:
 - (i) the aggregate number of Shares to be issued pursuant to such authority (including the Shares to be issued in pursuance of Instruments made or granted pursuant to

SHARE CAPITAL

this authority) but excluding Shares which may be issued pursuant to any adjustments (“**Adjustments**”) effected under any relevant Instrument, which Adjustments shall be made in compliance with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company for the time being), shall not exceed 100% of the post-Offering issued share capital excluding treasury shares and subsidiary holdings, and provided further that the aggregate number of Shares to be issued other than on a pro-rata basis to Shareholders (including Shares to be issued in pursuance of Instruments made or granted pursuant to such authority but excluding Shares which may be issued pursuant to any Adjustments effected under any relevant Instrument) shall not exceed 50% of the post-Offering issued share capital excluding treasury shares and subsidiary holdings;

- (ii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of issued Shares shall be based on the total number of issued Shares post-Offering following the completion of the Offering (excluding treasury Shares and subsidiary holdings of the Company), after adjusting for:
 - (aa) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time such authority is given; and
 - (bb) any subsequent bonus issue, consolidation or subdivision of Shares;
 - (iii) in exercising such authority, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
 - (iv) unless revoked or varied by the Company in general meeting by ordinary resolution, the authority so conferred shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier; and
- (d) without prejudice to the generality of, and pursuant and subject to the approval of the general mandate to issue Shares set out in paragraph (c) above, authorisation of the Directors, pursuant to Section 161 of the Companies Act, to issue Shares other than on a *pro rata* basis, at a discount not exceeding 10% of the weighted average price of the Shares for trades done on the SGX-ST for the full Market Day on which the placement or subscription agreement is signed (or if not available, the weighted average price based on trades done on the preceding market day up to the time the placement or subscription agreement is signed), at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit, provided that:
- (i) in exercising such authority so conferred in this paragraph (d), the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

SHARE CAPITAL

- (ii) unless revoked or varied by the Company in general meeting, the authority so conferred in this paragraph (d) shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

As at the date of this Offer Document, there is only one class of shares in the capital of the Company, being the Shares. A summary of the Constitution relating to, among others, the voting rights of the Shareholders is set out under Appendix C – “Summary of Selected Regulations of the Constitution of the Company” to this Offer Document.

Save as disclosed under the section titled “Shareholders – Moratorium” of this Offer Document, the Offering Shares to be allotted and issued were not subject to any pledge, mortgage or any other form of encumbrance. There are no Shares that are held by or on behalf of the Company or by the Subsidiaries. There is no known arrangement the operation of which may, at a subsequent date, result in a change in control of the Company.

There are no founder, management, deferred or unissued Shares reserved for issuance for any purpose. The Offering Shares shall have the same interest and voting rights as the existing Shares that were issued prior to this Offering and there are no restrictions to the free transferability of the Offering Shares. No person has been, or is permitted to be, given an option to subscribe for any securities of the Company or any of the subsidiaries.

CHANGES IN ISSUED AND PAID-UP SHARE CAPITAL OF THE COMPANY

Details of changes in the issued and paid-up ordinary share capital of the Group Companies since incorporation and the resultant issued and paid-up share capital of the Group Companies immediately after the Offering are as follows:

| Purpose of Issue | Resultant issued and paid-up share capital | | |
|--|--|------------------|-----------------------------|
| | Number of new Shares Issued | Number of Shares | Issued and Paid-up Capital |
| The Company | | | |
| Issued and fully paid Shares as at incorporation of the Company on 4 October 2021 | 2 | 2 | S\$2 |
| Issuance of Shares by the Company on 2 June 2022 to Sheffield Energies Pte. Ltd. ⁽¹⁾ | 8,698 | 8,700 | S\$304,432 |
| Issuance of Shares by the Company to the Pre-IPO Investors from 6 June 2022 to 21 December 2022 ⁽²⁾ | 1,700 | 10,400 | S\$2,004,432 |
| Increase of Issued and Paid-up share capital in respect of Sheffield Energies Pte. Ltd. ⁽³⁾ | 1 | 10,401 | S\$2,604,248 |
| Share Split on 19 September 2023 ⁽⁴⁾ | – | 162,255,600 | S\$2,604,248 |
| Offering Shares to be issued pursuant to the Offering | 24,000,000 | 186,255,600 | S\$8,126,108 ⁽⁵⁾ |
| Total | – | 186,255,600 | S\$8,126,108 |

SHARE CAPITAL

| Purpose of Issue | Resultant issued and paid-up share capital | | |
|---|--|------------------|----------------------------|
| | Number of new Shares Issued | Number of Shares | Issued and Paid-up Capital |
| SGAPL | | | |
| Issue of shares upon incorporation of SGAPL on 18 November 2021 | 2 | 2 | S\$2 |
| Issue of new shares to the Company ⁽³⁾ | 599,816 | 599,818 | S\$599,818 |
| Total | 599,818 | 599,818 | S\$599,818 |
| SGKK | | | |
| Issue of shares upon incorporation of SGKK on 10 March 2021 | 20,000,000 | 20,000,000 | JPY20,000,000 |
| Total | 20,000,000 | 20,000,000 | JPY20,000,000 |
| WATPL | | | |
| Issue of shares upon incorporation of WATPL on 21 August 2023 | 2 | 2 | S\$2 |
| Total | 2 | 2 | S\$2 |

Notes:

- (1) On 2 June 2022, Sheffield Energies Pte. Ltd. was issued 8,698 ordinary shares in the capital of the Company for a subscription amount of S\$304,430.
- (2) Between 6 June 2022 to 21 December 2022, 17 individual Pre-IPO Investors were issued a total 1,700 ordinary shares in the capital of the Company for a total subscription amount of S\$1,700,000.
- (3) SGAPL entered into a business transfer agreement dated 31 July 2023 with SEPL for the transfer of the business of providing human resource services in the renewable energy industry from SEPL to SGAPL which was deemed to take effect on 1 July 2022 for a consideration of US\$450,380 (S\$599,816) ("**BTA Consideration**"). Pursuant to a deed of assignment dated 31 July 2023 entered into between SEPL and the Holdco, the benefit of the BTA Consideration was assigned from SEPL to the Holdco. Pursuant to a deed of assignment dated 31 July 2023 entered into between SGAPL and the Company, the liability for transfer of the BTA Consideration was assigned from SGAPL to the Company. Post such assignments, the BTA Consideration was owed by the Company to the Holdco. SGAPL had issued new shares in its capital to the Company to as settlement of the debt owed to the Company in relation to the BTA Consideration, and the Company had issued one new share in its capital to the Holdco as settlement of the BTA Consideration owed by the Company to the Holdco.
- (4) On 19 September 2023, the Company undertook a sub-division of every one (1) Share into 15,600 Shares, pursuant to which 10,401 Shares were sub-divided into 162,255,600 Shares.
- (5) After adjusting for listing expenses of approximately S\$478,140 which is capitalised against issued and paid-up share capital.

Save as disclosed above, there were no changes in the issued and paid-up ordinary share capital of the Company since incorporation.

SHAREHOLDERS

| | Latest Practicable Date (Prior To The Share Split) | | | Immediately Prior To The Offering (After The Share Split) | | | Immediately After The Completion Of The Offering | | |
|----------------------|---|----------------------|---------------------|--|----------------------|---------------------|---|----------------------|---------------------|
| | Number of Shares | Deemed Interest % | Number of Shares | Direct Interest Number of Shares | Deemed Interest % | Number of Shares | Direct Interest Number of Shares | Deemed Interest % | Number of Shares |
| Wang Tiecheng | 100 | 0.96 | - | 1,560,000 | 0.96 | - | 1,560,000 | 0.84 | - |
| Yee Chia Hsing | 100 | 0.96 | - | 1,560,000 | 0.96 | - | 1,560,000 | 0.84 | - |
| Tan Keng Chung Edwin | 75 | 0.72 | - | 1,170,000 | 0.72 | - | 1,170,000 | 0.63 | - |
| Chan Ya Yi | 50 | 0.48 | - | 780,000 | 0.48 | - | 780,000 | 0.42 | - |
| Chua Kian Lin | 50 | 0.48 | - | 780,000 | 0.48 | - | 780,000 | 0.42 | - |
| Lee Swee Keng | 50 | 0.48 | - | 780,000 | 0.48 | - | 780,000 | 0.42 | - |
| Seah Boon Hwa | 50 | 0.48 | - | 780,000 | 0.48 | - | 780,000 | 0.42 | - |
| Seah Chong Pok | 50 | 0.48 | - | 780,000 | 0.48 | - | 780,000 | 0.42 | - |
| Sia Ling Sing | 50 | 0.48 | - | 780,000 | 0.48 | - | 780,000 | 0.42 | - |
| Lum May Fun | 25 | 0.24 | - | 390,000 | 0.24 | - | 390,000 | 0.21 | - |
| Ng Han Meng | 25 | 0.24 | - | 390,000 | 0.24 | - | 390,000 | 0.21 | - |
| Tan Kim Hong | 25 | 0.24 | - | 390,000 | 0.24 | - | 390,000 | 0.21 | - |
| Public | | | | | | | | | |
| New public investors | - | - | - | - | - | - | 24,000,000 | 12.89 | - |
| Total | 10,401 | 100.00 | - | 162,255,600 | 100.00 | - | 186,255,600 | 100.00 | - |

Note:

(1) Mr. Kee Boo Chye holds 58.35% of the shares in Sheffield Energies Pte. Ltd. and by virtue of section 4(5) of the SFA is deemed to be interested in the shares in the Company held by Sheffield Energies Pte. Ltd.

SHAREHOLDERS

The shareholders who hold shares in Sheffield Energies Pte. Ltd. and their respective shareholdings as at the Latest Practicable Date are set out as follows:

| | Direct Interest | |
|-----------------------|-------------------|---------------|
| | Number of Shares | % |
| Chua Kam Sang | 106,875 | 0.73 |
| Yang Tse Pin | 849,188 | 5.82 |
| Ng Gek Geok | 1,467,375 | 10.05 |
| Lim Bong Guan | 849,188 | 5.82 |
| Chan Wei Wee | 424,594 | 2.91 |
| Kee Boo Chye | 8,514,739 | 58.35 |
| Kee Boo Huat, Richard | 1,634,456 | 11.20 |
| Lim Chin Keong, Jason | 747,179 | 5.12 |
| Total | 14,593,594 | 100.00 |

Two of the Pre-IPO Investors are (a) related to each other, (b) related to two other individual shareholders of the Substantial Shareholder, Sheffield Energies Pte. Ltd., and (c) related to the Non-executive Director of the Company, Ms. Tan Yuni. The details of the relationship are set out as follows:

| Entity | Shareholding interests as at the Latest Practicable Date | Relationship |
|------------------------------------|--|---|
| <u>Sheffield Energies Pte Ltd:</u> | | |
| Ng Gek Geok | 10.05% | <ul style="list-style-type: none"> • Mother of Lim Chin Keong, Jason and Lim Chin Hian • Mother-in-law of Tan Yuni (proposed Non-executive Director of the Company) |
| Lim Chin Keong, Jason | 5.11% | <ul style="list-style-type: none"> • Sister-in-law of Tan Mah Cheow • Son of Ng Gek Geok • Brother of Lim Chin Hian • Nephew-in-law of Tan Mah Cheow • Husband of Tan Yuni |
| <u>Company:</u> | | |
| Lim Chin Hian | 1.44% | <ul style="list-style-type: none"> • Son of Ng Gek Geok • Brother of Lim Chin Keong, Jason • Brother-in-law of Tan Yuni • Nephew-in-law of Tan Mah Cheow |
| Tan Mah Cheow | 0.96% | <ul style="list-style-type: none"> • Brother-in-law of Ng Gek Geok • Uncle-in-law of Lim Chin Keong, Jason, Lim Chin Hian and Tan Yuni |

SHAREHOLDERS

Save as disclosed above and in the section “Management and Corporate Governance” of this Offer Document, there are no relationships among the Directors, Substantial Shareholders and Executive Officers.

Save as disclosed above, the Pre-IPO Investors are not related to any of the Directors, Substantial Shareholders and Executive Officers. None of the Pre-IPO Investors are acting as a nominee for the Directors, Substantial Shareholders and Executive Officers.

Save as disclosed above, to the best of the knowledge of the Directors, the Group is not directly or indirectly owned or controlled, whether severally or jointly, by any other corporation, any government or other natural or legal person.

The Shares held by the Directors and Substantial Shareholders, if any, do not carry different voting rights from the Offering Shares which are the subject of the Offering.

As at the Latest Practicable Date, the Company has only one class of shares. There is no restriction on the transfer of fully paid Shares in scripless form except where required by law or the Catalist Rules.

There has been no public take-over offer by a third party in respect of the Shares or by the Company in respect of the shares of another corporation or units of business trust which has occurred between the date of the incorporation of the Company to the Latest Practicable Date.

The Directors are not aware of any arrangement the operation of which may, at a subsequent date, result in a change in control of the Company.

SIGNIFICANT CHANGES IN PERCENTAGE OF OWNERSHIP

Save as disclosed in this section and the sections entitled “Share Capital”, “Shareholders”, “Dilution” and “Restructuring Exercise” of this Offer Document, there has been no significant change in the percentage of ownership of the Shares in the last three (3) years prior to the Latest Practicable Date.

MORATORIUM

Under Rule 422 of the Catalist Rules, (a) Controlling Shareholders and their associates; and (b) Executive Directors with an interest of 5.0% or more in the Shares as at the date of the Company’s admission to Catalist, will be deemed promoters of the Company.

SHAREHOLDERS

Director

Mr. Kee Boo Chye

Mr. Kee Boo Chye, who is deemed a promoter of the Company due to his controlling shareholding interest in Sheffield Energies Pte. Ltd. which in turn is a controlling shareholder in the Company, has given an undertaking to the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent that, among other things, he will not, subject to certain exemptions, without the prior consent of the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent, directly or indirectly:

- (a) sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option to purchase, grant any security over, encumber or otherwise dispose of, any part of his shares in the capital of Sheffield Energies Pte. Ltd. (“**KBC’s Holdco Shares**”);
- (b) enter into any agreement, transaction or other arrangement, in whole or in part, (including any swap, hedge or derivative transaction) with a similar economic effect to the foregoing, whether such transaction is to be settled by delivery of KBC’s Holdco Shares, in cash or otherwise;
- (c) deposit all of his effective interest, in any KBC’s Holdco Shares in any depository receipt facility (other than in a CDP designated moratorium account for the purposes of complying with the obligations under the moratorium undertaking);
- (d) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; and
- (e) publicly announce any intention to do any of the above.

The foregoing restriction shall apply to all KBC’s Holdco Shares held by Mr. Kee Boo Chye immediately after the Offering, being 8,514,739 shares (representing 58.35%) of the Holdco’s share capital from the date of his lock-up undertaking until the date falling twelve (12) months from the Listing Date (both dates inclusive).

Other Shareholders

Controlling Shareholder

Sheffield Energies Pte. Ltd., which is deemed to be a promoter of the Company, has given an undertaking to the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent that, among other things, it will not, subject to certain exemptions, without the prior consent of the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent, directly or indirectly:

- (a) sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option to purchase, grant any security over, encumber or otherwise dispose of, any part of its shares in the capital of the Company (the “**Holdco Lock-Up Shares**”);
- (b) enter into any agreement, transaction or other arrangement, in whole or in part, (including any swap, hedge or derivative transaction) with a similar economic effect to the foregoing, whether such transaction is to be settled by delivery of the Holdco Lock-Up Shares, in cash or otherwise;

SHAREHOLDERS

- (c) deposit all of its effective interest, in any the Holdco Lock-Up Shares in any depository receipt facility (other than in a CDP designated moratorium account for the purposes of complying with the obligations under the moratorium undertaking);
- (d) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; and
- (e) publicly announce any intention to do any of the above.

The foregoing restriction shall apply to all the Holdco Lock-Up Shares held by Sheffield Energies Pte. Ltd. immediately after the Offering, being 135,735,600 Shares (representing 72.88%) of the Company's post-Offering share capital from the date of its lock-up undertaking until the date falling six (6) months from the Listing Date (both dates inclusive) (the "**First Lock-Up Period**") and to 50.0% of the Holdco Lock-Up Shares for the period commencing on the day immediately following the expiry of the First Lock-Up Period until the date falling 12 months from the Listing Date (both dates inclusive) (the "**Second Lock-Up Period**").

Lock-Up Investors

On 21 December 2022, the Company issued and allotted an aggregate of 300 Shares to Wee Choo Chuan and 100 Shares to Lim Chin Hian ("**Lock-Up Investors**").

Each of the Lock-Up Investors has given an undertaking to the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent that, among other things, he/she will not, subject to certain exemptions, without the prior consent of the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent, directly or indirectly:

- (a) sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option to purchase, grant any security over, encumber or otherwise dispose of, any part of his/her Shares in the capital of the Company representing the profit portion of his/her Shares in the capital of the Company pursuant to Rule 422(2) of the Catalist Rules (the "**Lock-Up Shares**");
- (b) enter into any agreement, transaction or other arrangement, in whole or in part, (including any swap, hedge or derivative transaction) with a similar economic effect to the foregoing, whether such transaction is to be settled by delivery of any part of the Lock-Up Shares, in cash or otherwise;
- (c) deposit all of his/her effective interest, in any part of the Lock-Up Shares in any depository receipt facility (other than in a CDP designated moratorium account for the purposes of complying with the obligations under the moratorium undertaking);
- (d) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; and
- (e) publicly announce any intention to do any of the above.

SHAREHOLDERS

The number of Lock-Up Shares for each Lock-Up Investor is calculated based on the formula set out below:

Where:

$$M = \frac{V_{IPO} - V_{CP}}{V_{IPO}} \times P$$

- M = the number of Lock-Up Shares subject to moratorium, rounded up to the nearest whole number;
- V_{CP} = the total cash paid by the Lock-Up Investor for the Shares acquired within the 12 months preceding the date of the Listing;
- V_{IPO} = the value of a Lock-Up Investor's Shares acquired within 12 months preceding the date of the Listing based on the issue price at the Offering; and
- P = the total number of Shares paid for by the investor in the 12 months preceding the date of the Listing.

The number of Lock-Up Shares of each Lock-Up Investor is as follows:

| Name of Lock-Up Investor | Number of Lock-Up Shares |
|---------------------------------|---------------------------------|
| Wee Choo Chuan | 3,480,000 |
| Lim Chin Hian | 1,160,000 |

The foregoing restriction shall apply to all Lock-Up Shares held by each Lock-Up Investor as set out above from the date of its/his/her lock-up undertaking until the date falling 12 months from the Listing Date (both dates inclusive).

For the avoidance of doubt, any Shares that the Lock-Up Investors acquire and/or subscribe for on or after the Offering shall not be subject to the terms of the foregoing restriction.

Save as disclosed in the section titled "Shareholders" of this Offer Document, none of the Lock-Up Investors are related to any of the Directors, the Controlling Shareholder or their respective associates, the Sponsor, Issue Manager and Joint Placement Agent, or the Underwriter and Joint Placement Agent.

CAPITALISATION AND INDEBTEDNESS

The table below sets out the capitalisation and indebtedness based on the unaudited financial statements of the Company as of 31 July 2023 on an actual basis and as adjusted to reflect the issuance of the Offering Shares, and the application of net proceeds due to the Group from the Offering in the manner described in the section entitled “Use of Proceeds” of this Offer Document.

The information in this table should be read in conjunction with the sections entitled “Use of Proceeds”, “Selected Audited Combined Financial Information”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Selected Unaudited Pro Forma Financial Information” of this Offer Document and the Group’s historical financial statements and the notes thereto included in this Offer Document.

| (US\$) | As at 31 July 2023 | |
|--|--------------------|---|
| | Actual | As Adjusted for the Net Proceeds from the Issue of the Offering Shares |
| Cash and cash equivalents | 4,187,170 | 7,023,455 |
| Current Indebtedness | 413,753 | 413,753 |
| Secured and guaranteed | 363,278 | 363,278 |
| Unsecured and non-guaranteed | 50,475 | 50,475 |
| Non-Current Indebtedness | 42,138 | 42,138 |
| Unsecured and non-guaranteed | 42,138 | 42,138 |
| Total Indebtedness | 455,891 | 455,891 |
| Total equity | 5,131,833 | 7,968,118 |
| Total capitalisation and indebtedness | 5,587,724 | 8,424,009 |

CAPITALISATION AND INDEBTEDNESS

As at 30 June 2022, while the Group had net positive cash flow, the Group recorded negative operating cash flow of US\$561,520, which was primarily due to net working capital outflows of US\$541,507, as set out in further detail below. As at the Latest Practicable Date, the primary sources of liquidity are the cash and cash equivalents of US\$3,791,363. See the section titled “Capitalisation and Indebtedness – Loans and Borrowings” for details of the bank borrowings. To ensure that the Group has sufficient funds to meet the contractual and financial obligations, the Group monitors the net operating cash flows and maintain a level of cash and cash equivalents deemed adequate by management for working capital.

Save as disclosed above, there has been no material change in the Company’s capitalisation and indebtedness, save for changes in the Company’s retained earnings arising from the day-to-day operations in the ordinary course of business.

Loans and Borrowings

As at 31 March 2023, the aggregate outstanding amount of the Group’s outstanding borrowings was approximately US\$689,636.

As at 31 March 2023, the Group’s banking and credit facilities (utilised and unutilised) amounted to an aggregate of approximately S\$15,000 and NTD23 million.

| Type of Facility | Borrower | Description of Lender | Amount of Facility Granted | Amount of Facility Utilised | Amount of Facility Unutilised | Amount Outstanding as at 31 March 2023 | Interest Rate per Annum | Maturity Profile |
|--|-----------------------|---|----------------------------|-----------------------------|-------------------------------|--|--|---------------------------------|
| Short-term Loan | SGAPL (Taiwan Branch) | Chailease Finance Co., Ltd | NTD23 million | NTD23 million | – | NTD20,678,424 | 5.5162% 5.7024% | 1 year; due on 24 February 2024 |
| Banking Facility for Corporate Credit Card | SGAPL | The Hongkong and Shanghai Banking Corporation Limited | S\$15,000 | S\$14,105 | S\$895 | S\$14,105 | 24% applicable for amount after due date | No maturity date ⁽¹⁾ |

Note: (1) There is no maturity date for the banking facility for corporate credit card as SGAPL may continue to use the credit card facility until the credit card facility is terminated. Under the terms and conditions of the cardholder’s agreement, either the bank or SGAPL shall be entitled to terminate the agreement at any time without giving any reason.

As at the Latest Practicable Date, the Group is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant corporation’s financial position and results or business operations, or the investments of the Shareholders, and there are no restrictions on the use of each of the loans and borrowings.

Contingent Liabilities

As at the Latest Practicable Date, the Group does not have any contingent liabilities.

DILUTION

Dilution is the amount by which the Offering Price paid by subscribers of the Offering Shares in this Offering exceeds the Pro Forma Adjusted NAV per Share after the Offering. The Pro Forma Adjusted NAV per Share of the Company as at 31 March 2023 was 3.6 cents. The Pro Forma Adjusted NAV per Share was determined based on the NAV as at 31 March 2023 and the pre-Offering share capital of 162,255,600 Shares.

Based on the issue of 24,000,000 Offering Shares at an Offering Price of 25.0 cents per Share and after deducting the estimated Listing expenses, the Pro Forma Adjusted NAV per Share of the Company as at 31 March 2023 would have been 5.1 cents. This represents an immediate increase in Pro Forma Adjusted NAV per Share of 1.6 cents to the existing Shareholders and an immediate dilution in Pro Forma Adjusted NAV per Share of 19.9 cents to the new investors. The following table illustrates this per Share dilution:

The following table illustrates the dilution per Share based on the Offering Price of S\$0.25 per Share:⁽¹⁾

| | Cents |
|---|-------|
| Offering Price per Share | 25.0 |
| Pro Forma Adjusted NAV per Share as at 31 March 2023, based on the Company's pre-Offering share capital and adjusted for the Share Split, but before adjusting for the Offering | 3.6 |
| Increase in Pro Forma Adjusted NAV per Share attributable to the Offering | 1.6 |
| Pro Forma Adjusted NAV per Share after the Offering | 5.1 |
| Dilution in Pro Forma Adjusted NAV per Share to new investors | 19.9 |
| Dilution in Pro Forma Adjusted NAV per Share to new Investor as a percentage of the Offering Price | 79.5% |

Note:

(1) Based on an exchange rate of S\$1: US\$1.33, being the closing exchange rate for FP2023.

The following table summarises the total number of Shares acquired by the existing Shareholders since the date of the Company's incorporation⁽¹⁾ to the date of lodgement of this Offer Document, the total consideration paid by them and the effective cash cost per Share to them, and to the new public Shareholders who subscribe for the Offering Shares at the Offering Price pursuant to the Offering:

| Existing Shareholders | Number of Shares | Total consideration (S\$) | Effective cash cost per Share (cents) |
|-------------------------------------|------------------|---------------------------|---------------------------------------|
| Sheffield Energies Pte. Ltd. | 135,735,600 | 904,248 | 0.7 |
| Lee Swee Keng | 780,000 | 50,000 | 6.4 |
| Lum May Fun | 390,000 | 25,000 | 6.4 |
| Ng Han Meng | 390,000 | 25,000 | 6.4 |
| Poh Heng | 1,560,000 | 100,000 | 6.4 |
| Tan Kim Hong | 390,000 | 25,000 | 6.4 |
| Tan Mah Cheow | 1,560,000 | 100,000 | 6.4 |

DILUTION

| Existing Shareholders | Number of Shares | Total consideration (S\$) | Effective cash cost per Share (cents) |
|--------------------------------|---------------------|---------------------------------|--|
| Yee Chia Hsing | 1,560,000 | 100,000 | 6.4 |
| Wee Choo Chuan | 9,360,000 | 600,000 | 6.4 |
| Seah Boon Hwa | 780,000 | 50,000 | 6.4 |
| Seah Chong Pok | 780,000 | 50,000 | 6.4 |
| Sia Ling Sing | 780,000 | 50,000 | 6.4 |
| Lim Chin Hian | 2,340,000 | 150,000 | 6.4 |
| Lim Eng Hock | 1,560,000 | 100,000 | 6.4 |
| Chua Kian Lin | 780,000 | 50,000 | 6.4 |
| Wang Tie Cheng | 1,560,000 | 100,000 | 6.4 |
| Chan Ya Yi | 780,000 | 50,000 | 6.4 |
| Tan Keng Chung Edwin | 1,170,000 | 75,000 | 6.4 |
| New public Shareholders | 24,000,000 | 6,000,000 | 25.0 |

Note:

- (1) The Company's date of incorporation is 4 October 2021 which is within the three years period before the date of lodgement of this Offer Document as required to be disclosed under the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

RESTRUCTURING EXERCISE

The Company was incorporated on 4 October 2021 in Singapore under the Companies Act as a private limited company. The principal activity of the Company is that of providing human resource services for the renewable energy industry. At the time of incorporation, the Company had an issued and paid-up share capital of S\$2 comprising 2 ordinary shares held by Sheffield Energies Pte. Ltd..

Pursuant to a Group restructuring exercise to rationalise the structure of the Company and its subsidiaries in preparation for the Offering, the Group underwent the Restructuring Exercise involving the following:

1. Incorporation of the Company

On 4 October 2021, the Company was incorporated in Singapore with an issued and paid-up share capital of SGD2.00 comprising 2 ordinary shares held by the Holdco at the time of incorporation.

2. Incorporation of SGAPL

On 18 November 2021, SGAPL was incorporated in Singapore with an issued and paid-up share capital of SGD2.00 comprising 2 ordinary shares held by the Company. On 22 March 2022, SGAPL (Taiwan Branch) was registered in Taiwan as a foreign branch of SGAPL.

3. Transfer of Sheffield Energy SAS from SEPL to the Company

On 21 March 2022, SEPL entered into a share sale and purchase agreement with the Company pursuant to which SEPL transferred its entire shareholding interest in Sheffield Energy SAS to the Company for a nominal consideration of SGD5.00. On 11 April 2022, the name of Sheffield Energy SAS was changed to SGSAS.

This transaction has been completed before the Offering and was not carried out on an arm's length basis as the shares in the capital of SGSAS were transferred to the Company for nominal consideration.

4. Allotment of new shares in the Company to the Holdco

On 23 May 2022, the Company passed a directors' resolutions in writing and the Company's shareholder passed a member's resolution in writing for the approval of the Holdco to acquire 8,698 ordinary shares in the Company (representing 100% shareholding interests in the Company) from the allotment of new share capital for a total consideration of SGD304,430.00. The shares were issued and allotted to the Holdco on 2 June 2022.

This transaction has been completed before the Offering and was carried out on an arm's length basis as the shares in the capital of the Company were issued to the Holdco for a consideration the amount of which was determined based on the working capital requirements of the Company at that point in time.

5. Allotment of new shares to 17 individual investors

From 6 June 2022 to 21 December 2022, the Company allotted and issued 1,700 ordinary shares in the Company to 17 individual investors, resulting in the current issued and paid-up share capital of the Company to be SGD2,004,432 comprising 10,400 ordinary shares.

RESTRUCTURING EXERCISE

6. Transfer of Sheffield Energy K.K. (“SEKK”) to the Company

On 1 July 2023, SEPL entered into a share sale and purchase agreement (“SSPA”) with the Company pursuant to which SEPL transferred its entire shareholding interest in SEKK to the Company for a nominal consideration of US\$1. On 20 September 2023, the name of SEKK was changed to SGKK.

This transaction has been completed before the Offering and was not carried out on an arm’s length basis as the transfer of the entire share capital of SGKK from SEPL to the Company was for nominal consideration. As the transfer was for nominal consideration, the transaction was not on normal commercial terms and the Directors are of the view that it is not prejudicial to the interests of the Company and the minority shareholders.

7. Transfer of the Renewable Energy Business from SEPL to SGAPL

SEPL entered into a business transfer agreement dated 31 July 2023 with SGAPL in relation to the transfer of the business of providing human resources services in, *inter alia*, the renewable energy industry from SEPL to SGAPL which was deemed to take effect on 1 July 2022 for a consideration of US\$450,380 (“BTA Consideration”).

As part of the business reorganisation under the BTA, the Group also underwent a restructuring of certain intercompany receivables and payables as follows (“**Reorganisation of Intercompany Receivables and Payables**”):

- (1) Pursuant to two separate deeds of assignment dated 31 July 2023, the payables and receivables in respect of the BTA Consideration were assigned as follows:
 - a. the debts, obligations and liabilities in respect of the payables of the BTA Consideration to SEPL was assigned by SGAPL to the Company; and
 - b. the rights, title, interests and benefits in respect of the receivables of the BTA Consideration from the Company was assigned by SEPL to the Holdco.

As a result of the above assignments, an amount became payable by the Company to the Holdco in relation to the BTA Consideration and the Holdco agreed to the settlement of the BTA Consideration by way of the Company issuing and allotting one new share in the capital of the Company to the Holdco.

- (2) Pursuant to three separate deeds of assignment dated 31 July 2023, the rights, title, interests and benefits in respect of the respective receivables from SGAPL was assigned by the following parties to SEPL as follows:
 - a. the receivables from SGAPL in the sum of US\$128,035 was assigned by PTSEI to SEPL;
 - b. the receivables from SGAPL in the sum of US\$2,293 was assigned by SELTH to SEPL; and
 - c. the receivables from SGAPL in the sum of US\$5,505 was assigned by SESB to SEPL.

RESTRUCTURING EXERCISE

- (3) Pursuant to five separate deeds of assignment dated 31 July 2023, the debts, obligations and liabilities in respect of the respective payables and the rights, title, interests and benefits in respect of the respective receivables were assigned as follows:
- a. the payables to SEL in the sum of TWD21,663,687 was assigned by SGAPL (Taiwan Branch) to SGAPL and, in turn, such receivables from SGAPL was assigned by SEL to SEPL;
 - b. the payables to STRL in the sum of TWD460,647 was assigned by SGAPL (Taiwan Branch) to SGAPL and, in turn, such receivables from SGAPL was assigned by STRL to SEPL; and
 - c. the payables to SEPL in the sum of TWD4,353,574 was assigned by SGAPL (Taiwan Branch) to SGAPL.
- (4) Pursuant to four separate deeds of assignment dated 31 July 2023, the debts, obligations and liabilities in respect of the respective payables and the rights, title, interests and benefits in respect of the respective receivables were assigned as follows:
- a. the payables to SGAPL (Taiwan Branch) in the sum of TWD35,841,073 was assigned by SEPL (Taiwan Branch) to SEPL and, in turn, such receivables from SEPL was assigned by SGAPL (Taiwan Branch) to SGAPL; and
 - b. the payables to SEPL (Taiwan Branch) in the sum of TWD32,490,139 was assigned by SGAPL (Taiwan Branch) to SGAPL and, in turn, such receivables from SGAPL was assigned by SEPL (Taiwan Branch) to SEPL.

Administrative expenses that were related to the larger business of SEPL were allocated to the Renewable Energy Business based on the most relevant allocation method of either relative percentage of projects or headcounts undertaken by the Renewable Energy Business relative to the whole of SEPL.

As the BTA Consideration provided by SGAPL was calculated based on the value of the assets and liabilities transferred, this purchase was on an arm's length basis and was on normal commercial terms. Further, as the Reorganisation of Intercompany Payables and Receivables were part of the intended restructuring of the Group in relation to the transfer of the Renewable Energy Business for the Taiwan market, this is not prejudicial to the interests of the Company and the minority Shareholders.

8. Transfer of SGSAS from the Company to SEPL and entry into the SGSAS Call Option and ROFR Deed

On 31 July 2023, the Company entered into a share sale and purchase agreement with SEPL ("**SGSAS SPA**") pursuant to which the Company agreed to transfer its entire shareholding interest in SGSAS to SEPL for a nominal consideration of S\$5.00 which was determined on a willing buyer and willing seller basis and also in consideration that the Company may purchase the SGSAS shares at a nominal consideration of S\$1 under the SGSAS Call Option and ROFR Deed subject to the terms and conditions thereof (as further described below). Based on the unaudited pro forma combined statement of financial position as at 31 March 2023, the NAV per share of SGSAS is US\$(9.00). The SGSAS SPA provides that SEPL shall not, without the prior written consent of the Company, dispose or encumber their shares in SGSAS. SEPL also indemnifies the Company for any losses in relation to any claims brought

RESTRUCTURING EXERCISE

against the Company arising out of or in connection with any legal and regulatory compliance issues, including any issue pertaining the use of ‘portage’ companies by SGSAS.

The SGSAS SPA would have been completed prior to the Offering and was not carried out on an arm’s length basis as the transfer of the entire share capital of SGSAS from the Company to SEPL was for nominal consideration. In relation to the SGSAS SPA, the Directors are of the view that it is not prejudicial to the interests of the Company and the minority shareholders as it ring-fences the Group from any potential liability in relation to any legal and regulatory compliance issues in France.

SGSAS was transferred by the Company to SEPL in view that there may be legal and regulatory compliance issues in relation to the business of SGSAS in France which may need to be regularised. Please refer to the section titled “*Risk Factors – Risks Relating to the Group’s Business or the Industry in which the Group Operates – The Group is subject to laws, regulations and policies imposed by various government and regulatory authorities in the jurisdictions in which it operates*” for further details. In order to maintain the Group’s ability to have access and exposure to opportunities in relation to the Renewable Energy Business in France as and when it requires, SEPL, the Company and SGSAS had entered into the SGSAS Call Option and ROFR Deed, whereby SEPL had granted in favour of the Company a call option and a right of first refusal in respect of the shares in SGSAS held by SEPL, each as further described in the section titled “Interested Person Transactions – Potential Conflicts of Interests”.

The grant of the Call Option and ROFR by SEPL in favour of the Company on the terms and conditions of the SGSAS Call Option and ROFR Deed was for nominal consideration. In relation to the SGSAS Call Option and ROFR Deed, the Directors are of the view that it is not prejudicial to the interests of the Company and the minority shareholders as the SGSAS Call Option and ROFR Deed ensures that the Group would have the ability to have access and exposure to opportunities in relation to the Renewable Energy Business in France upon the exercise of the Call Option (at nominal consideration) and ROFR if it so requires.

There are no off-balance sheet liabilities that are recognised in the financial statements of the Group for the Period under Review with respect to the transactions under the SGSAS SPA and the SGSAS Call Option and ROFR Deed given that SEPL has provided the Company with the Indemnities which includes an indemnity for any and all losses which the Company may sustain as set out in the section titled “*Risk Factors – Risks Relating to the Group’s Business or the Industry in which the Group Operates – The Group is subject to laws, regulations and policies imposed by various government and regulatory authorities in the jurisdictions in which it operates*”.

9. Incorporation of WATPL on 21 August 2023

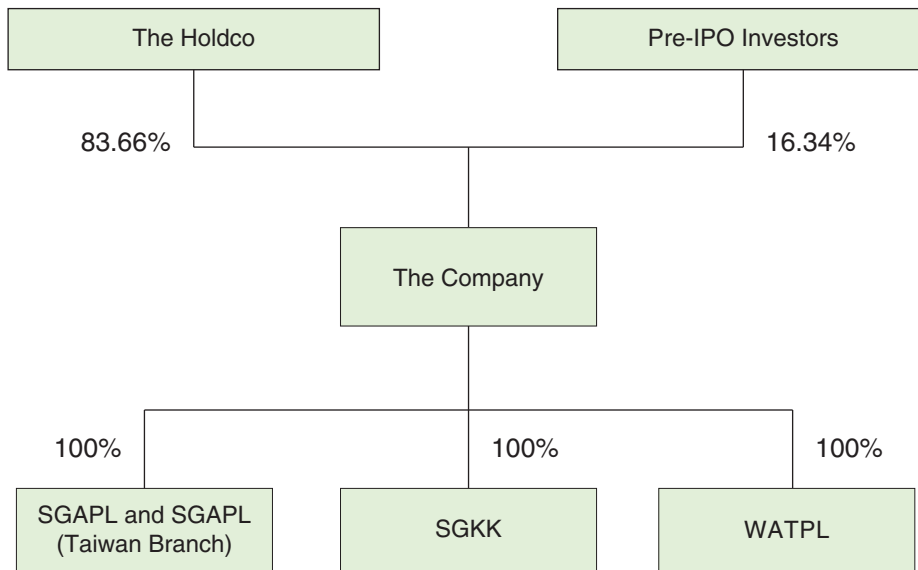
On 21 August 2023, WATPL was incorporated in Singapore with an issued and paid-up share capital of SGD2 comprising 2 ordinary shares held by the Company.

10. Share Split

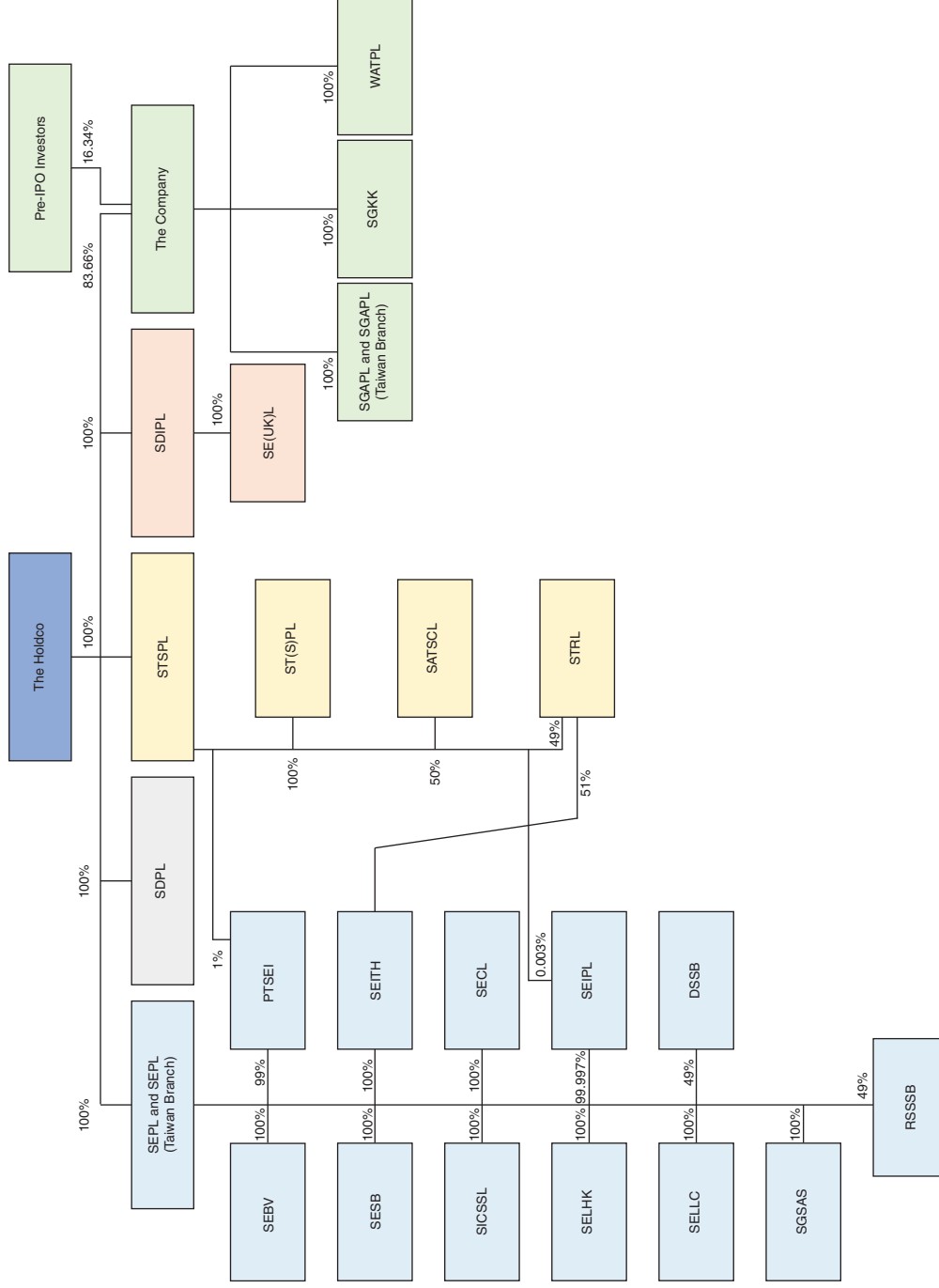
On 19 September 2023, the Company undertook a sub-division of every one (1) Share into 15,600 Shares, pursuant to which 10,401 Shares were sub-divided into 162,255,600 Shares.

GROUP STRUCTURE

The Group structure following the Restructuring Exercise and as at the date of this Offer Document is as follows:



GROUP STRUCTURE



GROUP STRUCTURE

THE SUBSIDIARIES

The details of the subsidiaries as at the date of this Offer Document are as follows:

| Name of company | Date and place of incorporation | Principal business Activities | Directors | Statutory Auditors | Principal Place of Business | Paid-up capital | Effective ownership (%) |
|----------------------------|---------------------------------|--|------------------|-----------------------|-----------------------------|-----------------|-------------------------|
| SGAPL | 18 November 2021/ Singapore | Provision of human resources and services for the renewable energy industry | Mr. Kee Boo Chye | Deloitte & Touche LLP | Singapore | S\$599,818 | 100 |
| SGKK⁽¹⁾ | 10 March 2021/Japan | Recruitment and employment business and various technical and engineering services | Mr. Kee Boo Chye | N.A. | Japan | JPY20,000,000 | 100 |
| WATPL⁽¹⁾ | 21 August 2023/ Singapore | Provision of training services for the renewable energy industry | Mr. Kee Boo Chye | N.A. | Singapore | S\$2 | 100 |

Note:

(1) As at the Latest Practicable Date, no statutory auditor is required to be appointed under the applicable laws of the jurisdiction of incorporation.

None of the Subsidiaries is listed on any stock exchange. Save as disclosed above, there are no other subsidiaries, subsidiary entities, associated companies and associated entities of the Group. None of the Independent Directors sit on the board of any of the principal subsidiaries.

SELECTED AUDITED COMBINED FINANCIAL INFORMATION

The following selected combined financial data should be read in conjunction with the section entitled “Management’s Discussion and Analysis of Results of Operations and Financial Position”, “Independent Auditor’s Report And The Audited Combined Financial Statements For The Years Ended 30 June 2020, 2021 And 2022 And Nine Months Period Ended 31 March 2023” as set out in Appendix A and the “Independent Auditor’s Assurance Report and the Compilation of Unaudited Pro Forma Financial Information of Sheffield Green Ltd and its Subsidiaries for the Financial Year Ended 30 June 2022 And Nine Months Financial Period Ended 31 March 2023” as set out in Appendix B of this Offer Document.

A summary of the financial information of the Group in respect of FY2020, FY2021, FY2022, FP2022 and FP2023 is set out below:

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Year ended | | | Nine months period ended | |
|---|-------------------------|-------------------------|-------------------------|--------------------------|--------------------------|
| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ | 31 March 2022 US\$ |
| | | | | | (Unaudited) |
| Revenue | 2,533,298 | 3,931,122 | 7,769,810 | 19,044,696 | 4,695,229 |
| Cost of sales | (2,307,835) | (3,007,510) | (6,538,520) | (13,782,080) | (3,800,011) |
| Gross profit | 225,463 | 923,612 | 1,231,290 | 5,262,616 | 895,218 |
| Administrative expenses | (550,382) | (673,161) | (1,199,645) | (1,818,295) | (756,869) |
| Finance costs | – | (434) | (715) | (6,788) | (623) |
| Other gains (losses) | 32,032 | 61,481 | (131,833) | (113,918) | (49,295) |
| (Loss) Profit before income tax | (292,887) | 311,498 | (100,903) | 3,323,615 | 88,431 |
| Income tax benefits (expense) | 24,657 | (106,940) | (50,961) | (862,690) | (89,406) |
| (Loss) Profit for the year/period | (268,230) | 204,558 | (151,864) | 2,460,925 | (975) |
| Other comprehensive (loss) income: | | | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | | | |
| Exchange differences on translation of foreign operations | (2,768) | (11,053) | 41,273 | (22,022) | 14,998 |
| Total comprehensive (loss) income for the year/period | (270,998) | 193,505 | (110,591) | 2,438,903 | 14,023 |
| Earnings per share | | | | | |
| Basic and diluted (cents) | (0.17) | 0.13 | (0.09) | 1.52 | * |
| Pre-Offering EPS (cents) ⁽¹⁾ | (0.17) | 0.13 | (0.09) | 1.52 | * |
| Post-Offering EPS (cents) ⁽²⁾ | (0.14) | 0.11 | (0.08) | 1.32 | * |

* Not meaningful as earnings per share is less than US \$0.01

Notes:

- (1) For comparative purposes, the pre-Offering EPS for the Period Under Review have been computed based on the profit attributable to equity holders of the Company for the respective financial years and the pre-Offering share capital of 162,255,600 Shares.
- (2) For comparative purposes, the post-Offering EPS for the Period Under Review have been computed based on the profit attributable to equity holders of the Company for the respective financial years and the post-Offering share capital of 186,255,600 Shares.

SELECTED AUDITED COMBINED FINANCIAL INFORMATION

STATEMENTS OF FINANCIAL POSITION

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|--|-------------------------|-------------------------|-------------------------|--------------------------|
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 55,180 | 217,438 | 774,333 | 2,027,030 |
| Pledged deposits | – | – | – | 109,039 |
| Trade and other receivables | 899,785 | 1,099,894 | 2,900,761 | 7,995,430 |
| Amount due from related companies | 419,633 | 231,168 | 167,373 | – |
| Total current assets | 1,374,598 | 1,548,500 | 3,842,467 | 10,131,499 |
| Non-current assets | | | | |
| Equipment | 5,180 | 26,204 | 23,625 | 44,297 |
| Intangible assets | 402 | 4,655 | 5,414 | 6,053 |
| Right-of-use assets | – | 73,488 | 19,810 | 121,329 |
| Pledged deposits | – | 107,481 | 201,607 | – |
| Total non-current assets | 5,582 | 211,828 | 250,456 | 171,679 |
| Total assets | 1,380,180 | 1,760,328 | 4,092,923 | 10,303,178 |
| LIABILITIES AND EQUITY | | | | |
| Current liabilities | | | | |
| Trade and other payables | 763,756 | 469,236 | 1,720,736 | 4,163,200 |
| Amount due to related companies | 851,602 | 969,143 | 1,092,162 | 558,558 |
| Borrowings | – | – | – | 689,636 |
| Lease liabilities | – | 52,473 | 17,866 | 66,530 |
| Income tax payable | 2,184 | 105,240 | 138,309 | 867,271 |
| Total current liabilities | 1,617,542 | 1,596,092 | 2,969,073 | 6,345,195 |
| Non-current liability | | | | |
| Lease liabilities | – | 22,093 | – | 56,350 |
| Total liabilities | 1,617,542 | 1,618,185 | 2,969,073 | 6,401,545 |
| Capital and reserves | | | | |
| Share capital | 33,925 | 219,925 | 1,278,302 | 2,067,562 |
| Merger reserves | – | – | 33,921 | 33,921 |
| Translation reserve | (2,575) | (13,628) | 27,645 | 5,623 |
| Accumulated (losses) profit | (268,712) | (64,154) | (216,018) | 1,794,527 |
| Total equity | (237,362) | 142,143 | 1,123,850 | 3,901,633 |
| Total liabilities and equity | 1,380,180 | 1,760,328 | 4,092,923 | 10,303,178 |
| NAV per Share (cents)⁽¹⁾ | (0.15) | 0.09 | 0.69 | 2.40 |

Note:

(1) NAV per Share is computed based on the equity attributable to the Company's equity holders and the pre-Offering issued share capital of 162,255,600 Shares.

SELECTED AUDITED COMBINED FINANCIAL INFORMATION

STATEMENTS OF CASHFLOWS

| | Year ended | | | Nine months period ended | |
|--|------------|-----------|-------------|--------------------------|-------------|
| | 30 June | 30 June | 30 June | 31 March | 31 March |
| | 2020 | 2021 | 2022 | 2023 | 2022 |
| | US\$ | US\$ | US\$ | US\$ | US\$ |
| | | | | | (Unaudited) |
| Operating activities | | | | | |
| (Loss)/Profit before income tax | (292,887) | 311,498 | (100,903) | 3,323,615 | 88,431 |
| Adjustments for: | | | | | |
| Depreciation of equipment | 2,392 | 4,261 | 7,603 | 8,110 | 5,493 |
| Amortisation of intangible assets | 149 | 961 | 2,080 | 2,212 | 1,431 |
| Finance cost | – | 434 | 715 | 6,788 | 623 |
| Unrealised foreign exchange gain (loss) | (14,184) | (12,557) | 78,695 | (42,244) | 36,451 |
| Depreciation of right-of-use assets | – | 16,950 | 46,970 | 55,959 | 36,192 |
| Operating cash flows before movements in working capital | (304,530) | 321,547 | 35,160 | 3,354,440 | 168,621 |
| Trade and other receivables | (686,507) | (200,109) | (1,800,867) | (7,850,530) | (583,448) |
| Trade and other payables | 739,575 | (291,838) | 1,249,752 | 4,414,018 | 726,454 |
| Amount due from related companies | (143,817) | 188,465 | 63,795 | 281,558 | (427,280) |
| Amount due to related companies | (72,019) | (38,764) | (89,347) | (103,161) | (124,787) |
| Cash (used in)/generated from operations | (467,298) | (20,699) | (541,507) | 96,325 | 9,134 |
| Income tax paid | (10,185) | (38,566) | (20,013) | (1,310) | (20,013) |
| Net cash (used in)/from operating activities | (477,483) | (59,265) | (561,520) | 95,015 | (10,879) |
| Investing activities | | | | | |
| Placement of pledged deposits | – | (107,481) | (94,126) | (10,530) | – |
| Purchase of equipment | (6,723) | (25,213) | (6,411) | (29,186) | (3,091) |
| Purchase of intangibles | (556) | (5,217) | (3,015) | (2,970) | (2,951) |
| Acquisition of business under common control | – | – | (4) | – | (4) |
| Net cash used in investing activities | (7,279) | (137,911) | (103,556) | (42,686) | (6,046) |

SELECTED AUDITED COMBINED FINANCIAL INFORMATION

| | Year ended | | | Nine months period ended | |
|---|------------|----------|-----------|--------------------------|-------------|
| | 30 June | 30 June | 30 June | 31 March | 31 March |
| | 2020 | 2021 | 2022 | 2023 | 2022 |
| | US\$ | US\$ | US\$ | US\$ | US\$ |
| | | | | | (Unaudited) |
| Financing activities | | | | | |
| Proceeds from borrowings | – | – | – | 765,119 | – |
| Issue of shares | – | 186,000 | 1,092,302 | 338,880 | 1 |
| Advances from related companies | 118,754 | 188,305 | 399,235 | 210,359 | 368,101 |
| Repayment of advances from related company | – | – | (183,000) | – | (183,000) |
| Repayment of lease liabilities | – | (15,830) | (50,308) | (52,486) | (38,692) |
| Interest on lease liabilities | – | (434) | (715) | (3,573) | (623) |
| Repayment of borrowings | – | – | – | (79,047) | – |
| Interest on borrowings | – | – | – | (3,215) | – |
| Net cash from financing activities | 118,754 | 358,041 | 1,257,514 | 1,176,037 | 145,787 |
| Net (decrease)/increase in cash and cash equivalents | (366,008) | 160,865 | 592,438 | 1,228,366 | 128,862 |
| Cash and cash equivalents at beginning of year | 409,749 | 55,180 | 217,438 | 774,333 | 217,438 |
| Effect of exchange rate changes on the balance of cash held in foreign currencies | 11,439 | 1,393 | (35,543) | 24,331 | (17,789) |
| Cash and cash equivalents at the end of the year/period | 55,180 | 217,438 | 774,333 | 2,027,030 | 328,511 |

SELECTED AUDITED COMBINED FINANCIAL INFORMATION

BASIS OF PREPARATION

Combined Financial Statements in respect of FY2020, FY2021, FY2022, FP2022 and FP2023

The combined financial statements incorporates the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities of business came under the control of the controlling party.

During FY2020, FY2021, FY2022 and FP2022, the financial information in relation to the business of providing human resource services in the renewable energy industry transferred from SEPL to SGAPL has been prepared on a “carve-out basis” from SEPL and merger accounting for business combination involving entities under common control has been applied in the combined financial statements.

The net assets of the combining entities or businesses are combined using the existing book values from the controlling party’s perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination, to the extent of the continuation of the controlling party’s interest.

The combined statement of profit or loss and other comprehensive income include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

All significant intercompany transactions and balances between the entities in the Group are eliminated on combination.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

The following discussion of the results of operations and financial position should be read in conjunction with the "Independent Auditor's Report And The Audited Combined Financial Statements For The Years Ended 30 June 2020, 2021 And 2022 And Nine Months Period Ended 31 March 2023" as set out in Appendix A and the "Independent Auditor's Assurance Report and the Compilation of Unaudited Pro Forma Financial Information of Sheffield Green Ltd and its Subsidiaries for the Financial Year Ended 30 June 2022 And Nine Months Financial Period Ended 31 March 2023" as set out in Appendix B to this Offer Document.

This discussion and analysis contains forward-looking statements which involve risks and uncertainties. The actual results may differ from those anticipated in these forward-looking statements. Factors that might cause the actual results to differ from those projected in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Offer Document, particularly in the section titled "Risk Factors" of this Offer Document.

Under no circumstances should the inclusion of such forward-looking statements herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Company, the Group, the Sponsor, Issue Manager and Joint Placement Agent, the Underwriter and Joint Placement Agent or any other person. Investors are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof. Please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document.

The Group is a human resource service provider for the renewable energy industry headquartered in Singapore with subsidiaries incorporated in Singapore and Japan, and a branch office registered in Taiwan. The Group provides human resource services in relation to EPCI works for the renewable energy industry, which includes onshore wind, offshore wind, solar and green hydrogen. The majority of the Group's business consist of projects from the offshore wind sector, and the Group specialises in providing human resource services along the entire renewable energy value chain.

The Group's comprehensive end-to-end suite of human resource services range from sourcing and training of workers, to provision of equipment kits such as personal protective equipment as may be required in order for the personnel to work on-site, mobilisation of workers, as well as funding of payroll administration. The Group also provides executive search services to the Group's clients which entails identifying and matching personnel to such clients. The Group employs the personnel who are deployed to its clients in all of the countries in which the Group operates.

The Group's existing and past clients include major players in the renewable energy industry, such as IPPs, developers, EPCI contractors, T&I contractors, wind turbine manufacturers and offshore wind foundation manufacturers. Further, the Group has also provided its human resource services to and worked with various notable vessel owners who were the Group's clients in relation to Taiwan offshore projects.

The Group's Renewable Energy Business differs from the Oil & Gas Business of the Holdco and its subsidiaries, in terms of the type of placements that the Group is able to provide. The Group provides personnel with the skills sets and certifications specific to the Renewable Energy Business, which are distinct from that required in the Oil & Gas Business. For illustration, certain banksman, ISO9606-1 (Welder Qualification Test) and GWO certifications are required in the Renewable Energy Business but not in the Oil & Gas Business. Even in the atypical case where

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

a candidate may possess the qualifications and skills sets required for both the Renewable Energy Business and the Oil & Gas Business, the Group requires the candidate to specify his/her requirements for a specific position and indicate the companies they wish to work with. The Group will only place the candidate if they have the position and desired companies are in the Renewable Energy Business. The Group does not cross-refer any personnel to the other companies involved in the Oil & Gas Business. While there is no specific procedure to monitor such cross-referrals, the Group has established a code of conduct encompassing guidelines on addressing conflicts of interests and business opportunities and protecting confidential information of the Company, such as its database of renewable energy personnel, as well as procedures to report any breaches of the code of conduct. Further, the Group's recruiting departments are also distinct from the other entities of the Sheffield Energy Group. Please see the section titled "*Interested Person Transactions – Potential Conflicts of Interests*" for further details.

Please refer to the section "Offer Document Summary – Business Overview" of this Offer Document for further details.

The Group derives the revenue primarily from the provision of a range of services to meet the clients' human resource requirements along the entire renewable energy (both onshore and offshore) value chain. For onshore and offshore projects, the skillset required is generally similar, save that for technical roles (e.g. construction managers and engineers) for offshore projects, clients generally look for personnel with more experience in offshore projects. The Group is able to supply a wide range of personnel in accordance with the requirements of the clients ranging from top-tier management, technical personnel, to offshore crew personnel across industry sub-segments and across various levels of seniority. The range of end-to-end human resource services that the Group provides is wide and include, personnel selection, visa and work permit application, training, deployment logistics, and staff and payroll funding and administration.

The Company recognises revenue from the provision of human resource and ancillary services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when control of the promised services is transferred to the customer. The Company has generally concluded that it is the principal in its revenue arrangements and records revenue on a gross basis because it typically controls the promised services before transferring them to the customer.

The average credit period for the rendering of services is 30 to 60 days. Management does not assess whether a contract has a significant financing component if the expectation at contract inception is that the period between payment by the customer and the transfer of the services to the customer will be less than one year. The Company does not have any significant financing components or extended payment terms.

The business is broadly divided along the following key segments:

Provision of Human Resource Services

Revenue from this segment is derived from the provision of personnel to meet the clients' project requirements and include, personnel selection, recruitment, and staff and payroll funding and administration. Billings are generally negotiated and invoiced on monthly basis as the provision of human resource services are transferred to the customers. Revenue from provision of human resource is recognised over time as the customer simultaneously receives and consumes the services the company provides. The Company has applied the practical expedient to recognise

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

revenue for these services over the term of the agreement in proportion to the amount the Company has the right to invoice the customer. There are no upfront payments and/or back-end rebates in the signed contracts between the Group and its clients.

Ancillary Services

Revenue from this segment is derived from the provision of a range of end-to-end ancillary services related to the provision of personnel and include, visa and work permit application, training, medical examinations, accommodation and deployment logistics. Revenue from rendering of services is recognised when the services have been performed and rendered at a point in time.

Due to the nature of the business, in respect of the provision of human resource and ancillary services, the Group generally derives a recurring stream of revenue over the duration of each contract.

In FY2020, FY2021, FY2022 and FP2023, the revenue amounted to US\$2,533,298, US\$3,931,122, US\$7,769,810, and US\$19,044,696, respectively. The breakdown of the revenue by business segments and geographical segments for the Period Under Review:

| Business Segments | FY2020 | | FY2021 | | FY2022 | | FP2023 | |
|--------------------------------------|------------------|--------------|------------------|--------------|------------------|--------------|-------------------|--------------|
| | US\$ | % | US\$ | % | US\$ | % | US\$ | % |
| Provision of human resource services | 1,365,633 | 53.9 | 3,479,999 | 88.5 | 6,846,179 | 88.1 | 18,036,220 | 94.7 |
| Ancillary services | 1,167,665 | 46.1 | 451,123 | 11.5 | 923,631 | 11.9 | 1,008,476 | 5.3 |
| Total | 2,533,298 | 100.0 | 3,931,122 | 100.0 | 7,769,810 | 100.0 | 19,044,696 | 100.0 |

| Geographical Segments | FY2020 | | FY2021 | | FY2022 | | FP2023 | |
|-----------------------|------------------|--------------|------------------|--------------|------------------|--------------|-------------------|--------------|
| | US\$ | % | US\$ | % | US\$ | % | US\$ | % |
| Taiwan | 2,529,001 | 99.8 | 3,541,178 | 90.1 | 6,642,945 | 85.5 | 17,454,188 | 91.6 |
| France ⁽¹⁾ | 4,297 | 0.2 | 389,944 | 9.9 | 987,593 | 12.7 | 1,480,523 | 7.8 |
| Japan | – | – | – | – | 139,272 | 1.8 | 109,985 | 0.6 |
| Total | 2,533,298 | 100.0 | 3,931,122 | 100.0 | 7,769,810 | 100.0 | 19,044,696 | 100.0 |

Note:

(1) Please see “Risk Factors—Risks Relating to the Group’s Business or the Industry in which the Group Operates—The Group is subject to laws, regulations and policies imposed by various government and regulatory authorities in the jurisdictions in which it operates”.

Please refer to the section titled “Offer Document Summary – Business Overview” of this Offer Document for a more comprehensive discussion of the products and services the Group provides.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Factors affecting the Group's revenue

The Group's revenue may be affected by, *inter alia*, the following key factors:

- (a) the level of activity in the renewable energy industry;
- (b) the preference for owners or operators of renewable energy installations to outsource the operational management of those installations;
- (c) the availability and timing of contract awards, renewals, maturity or termination;
- (d) seasonality of climate in different regions (only for offshore personnel services);
- (e) profile/type of contracts;
- (f) ability to secure supply of personnel with the requisite skills and track record to meet clients' requirements;
- (g) ability to retain and attract clients and to compete effectively in the market;
- (h) the Group's reputation; and
- (i) legal, economic and market conditions of the countries in which the Group operates.

Please refer to the section titled "Risk Factors" of this Offer Document for a more comprehensive discussion of other factors which may affect the business operations, revenue and financial performance of the Group.

Cost of sales

The cost of sales comprises labour costs, visa and work permit applications, training, provision of kits, air tickets, meals, medical, accommodation, deployment logistics, workers' withholding tax and other workers related costs.

In respect of provision of human resource services, cost of sales comprises mainly labour costs. Save in France, the Group employs the personnel who are deployed to its clients. In France, employees are employed by third party companies which then provide its services/manpower to the Group. Provision of human resource services accounted for approximately 46.2%, 86.4%, 87.8% and 94.5% of the total cost of sales in FY2020, FY2021, FY2022 and FP2023 respectively. Cost of human resources are recognised monthly when timesheets of personnel provided are received.

In respect of ancillary services, cost of sales comprises mainly visa and work permit applications, training, provision of kits, air tickets, meals, medical, accommodation and deployment logistics. Ancillary services accounted for approximately 53.8%, 13.6%, 12.2% and 5.5% of the total cost of sales in FY2020, FY2021, FY2022 and FP2023, respectively. Costs of ancillary services are recognised at the point of time when the goods or services are transferred which generally coincides with the invoicing by the suppliers.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

The cost of sales accounted for approximately 91.1%, 76.5%, 84.2% and 72.4% of the total revenue in FY2020, FY2021, FY2022 and FP2023, respectively.

The breakdown of the cost of sales for the Period Under Review is as follows:

| Business Segments | FY2020 | | FY2021 | | FY2022 | | FP2023 | |
|--------------------------------------|------------------|--------------|------------------|--------------|------------------|--------------|-------------------|--------------|
| | US\$ | % | US\$ | % | US\$ | % | US\$ | % |
| Provision of human resource services | 1,067,210 | 46.2 | 2,598,134 | 86.4 | 5,739,450 | 87.8 | 13,023,199 | 94.5 |
| Ancillary services | 1,240,625 | 53.8 | 409,376 | 13.6 | 799,070 | 12.2 | 758,881 | 5.5 |
| Total | 2,307,835 | 100.0 | 3,007,510 | 100.0 | 6,538,520 | 100.0 | 13,782,080 | 100.0 |

The cost of sales may be affected by, *inter alia*, the following key factors:

- (a) changes in labour costs, which are primarily determined by demand and supply of personnel;
- (b) fees payable to the Group's suppliers;
- (c) changes in transportation costs (i.e. airfares, land transportation and various modes of travel to deploy the personnel);
- (d) cost associated with workers – visas, insurances, unions, processing fees etc.

Please refer to the section entitled "Risk Factors" of this Offer Document for a more comprehensive discussion of other factors which may affect the business operations and financial performance.

Gross profit and gross profit margin

The gross profit is determined after deducting cost of sales incurred from revenue. The Group's gross profit amounted to approximately US\$225,463, US\$923,612, US\$1,231,290 and US\$5,262,616 in FY2020, FY2021, FY2022 and FP2023 respectively.

The breakdown of the gross profit for the Period Under Review is as follows:

| Business Segments | FY2020 | | FY2021 | | FY2022 | | FP2023 | |
|--------------------------------------|----------------|--------------|----------------|--------------|------------------|--------------|------------------|--------------|
| | US\$ | % | US\$ | % | US\$ | % | US\$ | % |
| Provision of human resource services | 298,423 | 132.4 | 881,865 | 95.5 | 1,106,729 | 89.9 | 5,013,021 | 95.3 |
| Ancillary services | (72,960) | (32.4) | 41,747 | 4.5 | 124,561 | 10.1 | 249,595 | 4.7 |
| Total | 225,463 | 100.0 | 923,612 | 100.0 | 1,231,290 | 100.0 | 5,262,616 | 100.0 |

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

The gross profit margin by business segments for the Period Under Review is as follows:

| Business Segments | FY2020 % | FY2021 % | FY2022 % | FP2023 % |
|--------------------------------------|-------------|-------------|-------------|-------------|
| Provision of human resource services | 21.9 | 25.3 | 16.2 | 27.8 |
| Ancillary services | (6.2) | 9.3 | 13.5 | 24.7 |
| Overall | 8.9 | 23.5 | 15.8 | 27.6 |

Administrative expenses

The administrative expenses comprise mainly employee benefits expense, rental and professional fees.

The administrative expenses amounted to US\$550,382, US\$673,161, US\$1,199,645 and US\$1,818,295 for FY2020, FY2021, FY2022 and FP2023 respectively.

The breakdown of the administrative expenses for the Period Under Review is as follows:

| | FY2020 | | FY2021 | | FY2022 | | FP2023 | |
|---------------------------|----------------|--------------|----------------|--------------|------------------|--------------|------------------|--------------|
| | US\$ | % | US\$ | % | US\$ | % | US\$ | % |
| Employee benefits expense | 288,901 | 52.5 | 387,193 | 57.5 | 635,585 | 53.0 | 952,824 | 52.4 |
| Rental ⁽¹⁾ | 44,531 | 8.1 | 56,270 | 8.4 | 79,203 | 6.6 | 50,763 | 2.8 |
| Professional fees | 42,772 | 7.8 | 43,451 | 6.4 | 68,321 | 5.7 | 414,277 | 22.8 |
| Others | 174,178 | 31.6 | 186,247 | 27.7 | 416,536 | 34.7 | 400,431 | 22.0 |
| Total | 550,382 | 100.0 | 673,161 | 100.0 | 1,199,645 | 100.0 | 1,818,295 | 100.0 |

Note:

(1) This is inclusive of expenses relating to short-term leases and re-charge of rental expenses.

Finance costs

The finance costs relate to interests on right-of-use assets. The finance costs amounted to US\$Nil, US\$434, US\$715 for FY2020, FY2021, FY2022 respectively. In FP2023, the finance costs comprised interests on right-of-use assets and bank borrowing amounting to US\$3,573 and US\$3,215 respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Other gains/(losses)

Other gains/(losses) in FY2020, FY2021, FY2022 and FP2023 were US\$32,032, US\$61,481, US\$(131,833) and US\$(113,918), respectively, and accounted for approximately 1.3%, 1.6%, (1.7)% and (0.6)% of the total revenue for FY2020, FY2021, FY2022 and FP2023, respectively. The breakdown of the other gains/(losses) for the Period Under Review is as follows:

| | FY2020 | | FY2021 | | FY2022 | | FP2023 | |
|----------------------------------|---------------|--------------|---------------|--------------|------------------|--------------|------------------|--------------|
| | US\$ | % | US\$ | % | US\$ | % | US\$ | % |
| Interest income | 196 | 0.6 | 39 | 0.1 | 60 | n.m. | 19 | n.m. |
| Grant income | 27,757 | 86.7 | 5,551 | 9.0 | – | – | 6,040 | (5.3) |
| Net foreign exchange gain/(loss) | 7,885 | 24.6 | 55,773 | 90.7 | (131,978) | 100.1 | (116,810) | 102.5 |
| Others | (3,806) | (11.9) | 118 | 0.2 | 85 | (0.1) | (3,167) | 2.8 |
| Total | 32,032 | 100.0 | 61,481 | 100.0 | (131,833) | 100.0 | (113,918) | 100.0 |

n.m. – not meaningful

The other income comprises mainly net foreign exchange gain and loss.

Income tax expense

The Company and SGAPL are incorporated in Singapore.

Income tax for Singapore incorporated companies is calculated at 17% of the estimated assessable income for the year.

The SGAPL's foreign branch registered in Taiwan and the Company's subsidiaries incorporated in France and Japan were subject to income tax charges calculated according to the tax laws enacted or substantially enacted in the country they operate and generate income.

The statutory tax rates for SGAPL's branch in Taiwan and the Company's subsidiaries in France and Japan were 20%, 25% and 15%, respectively.

The income tax expense in FY2021, FY2022 and FP2023 was US\$106,940, US\$50,961 and US\$862,690 respectively. The effective tax rate in FY2021 and FP2023 was 34.3% and 26.0%. There was a tax credit of US\$24,657 in FY2020. There is a tax expense incurred in spite of the loss before income tax in FY2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

REVIEW OF RESULTS OF OPERATIONS

FY2020 and FY2021

Revenue

The revenue increased by US\$1,397,824 or approximately 55.2%, from US\$2,533,298 in FY2020 to US\$3,931,122 in FY2021.

The revenue from the provision of human resource services increased by US\$2,114,366 or approximately 154.8%, from US\$1,365,633 in FY2020 to US\$3,479,999 in FY2021. The increase was mainly due to: (i) four new projects secured in Taiwan and two new projects in France; and (ii) increase in personnel provided for two existing projects in Taiwan. The increase was partly offset by a project in Taiwan that tapered off to completion in FY2021.

The revenue from ancillary services decreased by US\$716,542 or approximately 61.4%, from US\$1,167,665 in FY2020 to US\$451,123 in FY2021. The decrease was mainly due to the decrease in accommodation revenue for a project in Taiwan that tapered off to completion in FY2021.

Note:

The revenue from the provision of human resources services and ancillary services contributed by SGSAS in FY2021 amounted to US\$385,930 (FY2020: US\$4,297) and US\$4,014 (FY2020: \$Nil) respectively.

Cost of sales

The cost of sales increased by US\$699,675 or approximately 30.3%, from US\$2,307,835 in FY2020 to US\$3,007,510 in FY2021.

The increase was mainly in line with the increase in revenue.

Gross profit and gross profit margin

The gross profit increased by US\$698,149 or approximately 309.7% from US\$225,463 in FY2020 to US\$923,612 in FY2021. The gross profit margin increased by 14.6% from 8.9% in FY2020 to 23.5% in FY2021.

This is mainly due to an increase in gross profit margin for the Group's provision of human resource services and the mark-up for the Group's ancillary services as well as a decrease in reliance on third party service providers. The decrease in reliance on third party service providers from FY2020 to FY2021 is due to an increase in headcount to undertake more operations in-house.

Administrative expenses

The administrative expenses increased by US\$122,779 or approximately 22.3% from US\$550,382 in FY2020 to US\$673,161 in FY2021. The increase was mainly due to increased employee benefits expenses for the Taiwan branch attributable to increased headcount.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Finance costs

The finance costs increased by US\$434 or approximately 100.0% from US\$Nil in FY2020 to US\$434 in FY2021 as a result of the inception of right of use assets in the latter year.

Other gains/(losses)

The other income/(losses) increased by US\$29,449 or approximately 91.9% from US\$32,032 in FY2020 to US\$61,481 in FY2021. The increase was mainly attributable to an increase in net foreign exchange gain due to the effect of the weakening of the USD vis-à-vis the EUR and NTD on USD-denominated liabilities recorded by Group entities.

Income tax expense

The income tax expenses increased by US\$131,597 from a tax credit of US\$24,657 in FY2020 as compared to a tax expense of US\$106,940 in FY2021. The increase was mainly due to the increase in profit before income tax in FY2021.

(Loss)/Profit for the year

As a result of the above, the Group turned around from a loss for the year of US\$268,230 in FY2020 to a profit of US\$204,558 in FY2021.

Note:

The loss for the year contributed by SGSAS in FY2021 amounted to US\$124,058 (FY2020: US\$149,538).

FY2021 and FY2022

Revenue

The revenue increased by US\$3,838,688 or approximately 97.6%, from US\$3,931,122 in FY2021 to US\$7,769,810 in FY2022.

The revenue from the provision of human resource services increased by US\$3,366,180 or approximately 96.7%, from US\$3,479,999 in FY2021 to US\$6,846,179 in FY2022. The increase was mainly due to: (i) two new projects secured in Taiwan, six new projects in France and one new project in Japan; and (ii) increase in personnel provided for the existing projects in Taiwan and France. The increase was partly offset by a project that tapered off to completion in FY2021 and the completion of a project in FY2022 in Taiwan.

The revenue from ancillary services increased by US\$472,508 or approximately 104.7%, from US\$451,123 in FY2021 to US\$923,631 in FY2022. The increase was mainly due to the increase in accommodation and transportation for deployment of personnel in line with the increase in personnel deployed for new and existing projects in Taiwan for FY2022.

Note:

The revenue from the provision of human resources services and ancillary services contributed by SGSAS in FY2022 amounted to US\$944,228 (FY2021: US\$385,930) and US\$43,365 (FY2021: US\$4,014) respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Cost of sales

The cost of sales increased by US\$3,531,010 or approximately 117.4%, from US\$3,007,510 in FY2021 to US\$6,538,520 in FY2022.

The increase was mainly in line with the increase in revenue.

Gross profit and gross profit margin

The gross profit increased by US\$307,678 or approximately 33.3% from US\$923,612 in FY2021 to US\$1,231,290 in FY2022. The gross profit margin decreased by 7.7% from 23.5% in FY2021 to 15.8% in FY2022 due to an increase in the costs associated with the increase in numbers of workers mobilised.

This is mainly due to an increase in the costs associated with the increase in numbers of workers mobilised.

Administrative expenses

The administrative expenses increased by US\$526,484 or approximately 78.2% from US\$673,161 in FY2021 to US\$1,199,645 in FY2022. The increase was mainly due to increased employee benefits expenses for the Taiwan branch and France subsidiary attributable to increased headcount which is in line with the business expansion. In addition, there was also an increase in the employee benefits expenses for the Japan subsidiary which was incorporated in FY2021. Rental expense also increased as a result of the move to a bigger office in Taiwan. To a lesser extent, professional fees for accounting, tax and secretarial services for the France and Japan subsidiaries also witnessed an increase.

Finance costs

The finance costs increased by US\$281 or approximately 64.7% from US\$434 in FY2021 to US\$715 in FY2022. The increase was mainly due to finance costs incurred for the full year in FY2022 vis-à-vis a shorter period of finance costs incurred in FY2021 as right of use assets was incepted in the latter half of FY2021.

Other gains/(losses)

The other income/(losses) decreased by US\$193,314 or approximately 314.4% from a gain of US\$61,481 in FY2021 to a loss of US\$131,833 in FY2022. The decrease was mainly attributable to a turnaround from a net foreign exchange gain in FY2021 to a net foreign exchange loss in FY2022 due to effect of the strengthening of the USD vis-à-vis the EUR and NTD on USD-denominated liabilities recorded by Group entities.

Income tax expense

The income tax expense decreased by US\$55,979 or approximately 52.3%, from US\$106,940 in FY2021 to US\$50,961 in FY2022. The decrease was mainly due to the decrease in chargeable income in FY2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Profit/loss for the year

As a result of the above, the profit for the year attributable to owners of the Company decreased by US\$356,422 or approximately 174.2%, from a profit of US\$204,558 in FY2021 to a loss of US\$151,864 in FY2022.

Note:

The loss for the year contributed by SGSAS in FY2022 amounted to US\$201,523 (FY2021: US\$124,058).

FP2022 and FP2023

Revenue

The revenue increased by US\$14,349,467 or approximately 305.6%, from US\$4,695,229 in FP2022 to US\$19,044,696 in FP2023.

The revenue from the provision of human resource services increased by US\$13,779,522 or approximately 323.7%, from US\$4,256,698 in FP2022 to US\$18,036,220 in FP2023. The increase was mainly due to the increase in projects secured as well as the number of personnel provided for existing projects primarily in Taiwan and France. The increase was partly offset by the completion of a project in FP2022 in Taiwan.

The revenue from ancillary services increased by US\$569,945 or approximately 130.0%, from US\$438,531 in FP2022 to US\$1,008,476 in FP2023. The increase was mainly in line with the increase in personnel deployed for new and existing projects in Taiwan for FP2023.

Note:

The revenue from the provision of human resources services and ancillary services contributed by SGSAS in FP2023 amounted to US\$1,435,808 (FP2022: US\$621,857) and US\$44,715 (FP2022: US\$34,315) respectively.

Cost of sales

The cost of sales increased by US\$9,982,069 or approximately 262.7%, from US\$3,800,011 in FP2022 to US\$13,782,080 in FP2023.

This is mainly in line with the increase in revenue.

Gross profit and gross profit margin

The gross profit increased by US\$4,367,398 or approximately 487.9% from US\$895,218 in FP2022 to US\$5,262,616 in FP2023. The gross profit margin increased by 8.5% from 19.1% in FP2022 to 27.6% in FP2023. This is mainly due to an increase in personnel deployed for a project in Taiwan that has a higher gross profit margin. There was an increase in gross profit margin from FP2022 to FP2023 as opposed to a decrease in gross profit margin from FY2021 to FY2022 and the reason for the former has been discussed.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Administrative expenses

The administrative expenses increased by US\$1,061,426 or approximately 140.2% from US\$756,869 in FP2022 to US\$1,818,295 in FP2023. The increase was mainly attributable to increased professional fees for accounting, tax and secretarial services, expenses for the Listing, salaries and related expenses due to the full focus of director on renewable energy compared to allocation of cost to oil and gas, travelling expenses and Taiwan salaries and related costs and operational expenses due to business expansion.

Finance costs

The finance costs increased by US\$6,165 or approximately 989.6% from US\$623 in FP2022 to US\$6,788 in FP2023. The increase was mainly due to an increase of lease liabilities and finance costs in connection with new borrowings.

Other gains/(losses)

The other gains/(losses) increased by US\$64,623 or approximately 131.1% from a loss of US\$49,295 in FP2022 to a loss of US\$113,918 in FP2023. The increase was mainly attributable to an increase in exchange loss from the effect of the weakening of the USD vis-à-vis the IDR and SGD on IDR-denominated and SGD-denominated liabilities recorded by Group entities. This is partially offset by the exchange gain from the effect of the strengthening of the EUR vis-à-vis the USD in connection with USD-denominated liabilities recorded by entity within the Group.

Income tax expense

The income tax expense increased by US\$773,284 or approximately 864.9%, from US\$89,406 in FP2022 to US\$862,690 in FP2023. The increase was mainly due to the increase in chargeable income in FP2023.

Profit/loss for the year

As a result of the above, the profit for the year attributable to owners of the Company increased by US\$2,461,900, from a loss of US\$975 in FP2022 to a profit of US\$2,460,925 in FP2023.

Note:

The loss for the year contributed by SGSAS in FP2023 amounted to US\$23,700 (FP2022: US\$114,873).

REVIEW OF FINANCIAL POSITION

As at 30 June 2020

Current assets

As at 30 June 2020, the current assets of US\$1,374,598 accounted for 99.6% of the total assets. The current assets comprised of trade and other receivables of US\$899,785, cash and cash equivalents of US\$55,180 and amount due from related companies of US\$419,633 which accounted for approximately 65.5%, 4.0% and 30.5% of the total current assets, respectively. The

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

trade and other receivables consisted mainly of trade receivables from third parties of US\$455,529 and unbilled receivables of US\$352,246 which relate to human resource and ancillary services provided but yet to be billed. Amount due from related companies mainly relate to collections on behalf by related companies and were at a time when the Group was part of the re-organisation group of companies owned by the ultimate holding company.

The ageing of trade receivables as at 30 June 2020 is as follows:–

| | Not past due | ≤ 30 days | 31 to 60 days | 61 to 90 days | 90 to 120 days | Total |
|---------------------------------------|-----------------------------|----------------------|------------------------------|------------------------------|-------------------------------|----------------|
| | US\$ | US\$ | US\$ | US\$ | US\$ | US\$ |
| 30 June 2020 | | | | | | |
| Estimated total gross carrying amount | 176,796 | 278,733 | – | – | – | <u>455,529</u> |

Non-current assets

As at 30 June 2020, the non-current assets of US\$5,582 accounted for 0.4% of the total assets. The non-current assets consisted mainly of office equipment.

Current liabilities

As at 30 June 2020, the current liabilities comprised mainly trade and other payables of US\$763,756, amount due to related companies of US\$851,602 and income tax payable of US\$2,184.

As at 30 June 2020, the trade and other payables accounted for approximately 47.2% of the total current liabilities. The trade and other payables consisted mainly of trade payables to third parties of US\$373,194 and accrued crew salaries of US\$344,046.

As at 30 June 2020, the amount due to related due to related parties accounted for approximately 52.6% of the total current liabilities. These mainly relate to payments made on behalf and short-term advances by related companies for working capital purposes. These were at a time when the Group was part of the pre-reorganisation group of companies owned by the ultimate holding company.

As at 30 June 2020, income tax payable accounted for approximately 0.1% of the total current liabilities. This relates to right-of-use assets (this relate to all lease arrangements in which the Group is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets).

Capital and reserves

As at 30 June 2020, the capital and reserves amounted to US\$(237,362) and comprised share capital of US\$33,925, translation reserve of US\$(2,575) and accumulated losses of US\$(268,712).

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

As at 30 June 2021

Current assets

As at 30 June 2021, the current assets of US\$1,548,500 accounted for 88.0% of the total assets. The current assets comprised of trade and other receivables of US\$1,099,894 and cash and cash equivalents of US\$217,438 which accounted for approximately 71.0% and 14.0% of the total current assets, respectively. The trade and other receivables consisted mainly of trade receivables from third parties of US\$635,556 and unbilled receivables of US\$363,294 which relate to human resource and ancillary services provided but yet to be billed.

The ageing of trade receivables as at 30 June 2021 is as follows:–

| | Not past due | ≤ 30 days | 31 to 60 days | 61 to 90 days | 90 to 120 days | Total |
|---------------------------------------|-----------------------------|----------------------|--------------------------|--------------------------|-------------------------------|--------------|
| | US\$ | US\$ | US\$ | US\$ | US\$ | US\$ |
| 30 June 2021 | | | | | | |
| Estimated total gross carrying amount | 265,370 | 366,620 | 996 | 2,570 | – | 635,556 |

Non-current assets

As at 30 June 2021, the non-current assets of US\$211,828 accounted for 12.0% of the total assets. The non-current assets consisted mainly office equipment, right-of-use assets and pledged deposits.

Current liabilities

As at 30 June 2021, the current liabilities comprised trade and other payables of US\$469,236, amount due to related companies of US\$969,143, lease liabilities of US\$52,473 and income tax payable of US\$105,240.

As at 30 June 2021, the trade and other payables accounted for approximately 29.4% of the total current liabilities. The trade and other payables consisted mainly of trade payables to third parties of US\$80,885 and accrued crew salaries of US\$260,157.

As at 30 June 2021, the amount due to related companies accounted for approximately 60.7% of the total current liabilities. These mainly relate to payments made on behalf and short-term advances by related companies for working capital purposes. These were at a time when the Group was part of the pre-reorganisation group of companies owned by the ultimate holding company.

As at 30 June 2021, the lease liabilities accounted for approximately 3.3% of the total current liabilities. This relates to right-of-use assets.

As at 30 June 2021, the income tax payable accounted for approximately 6.6% of the total current liabilities. This relates to corporate tax payable by the Taiwan branch.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Capital and reserves

As at 30 June 2021, the capital and reserves amounted to US\$142,143 and comprised share capital of US\$219,925, translation reserve of US\$(13,628) and accumulated losses of US\$(64,154).

As at 30 June 2022

Current assets

As at 30 June 2022, the current assets of US\$3,842,467 accounted for 93.9% of the total assets. The current assets comprised of trade and other receivables of US\$2,900,761 and cash and cash equivalents of US\$774,333 which accounted for approximately 75.5% and 20.2% of the total current assets, respectively. The trade and other receivables consisted mainly of trade receivables from third parties of US\$1,611,030 and unbilled receivables of US\$1,175,355 which relate to human resource and ancillary services provided but yet to be billed.

The trade receivables increased from US\$998,850 as at 30 June 2021 to US\$2,786,385 as at 30 June 2022. The increase in trade receivables is mainly attributable to the increase in number of projects and personnel supplied.

The ageing of trade receivables as at 30 June 2022 is as follows:–

| | Not past due | ≤ 30 days | 31 to 60 days | 61 to 90 days | 90 to 120 days | Total |
|---------------------------------------|--------------------|--------------|------------------|------------------|----------------------|------------------|
| | US\$ | US\$ | US\$ | US\$ | US\$ | US\$ |
| 30 June 2022 | | | | | | |
| Estimated total gross carrying amount | 560,957 | 953,791 | 79,843 | 16,439 | – | <u>1,611,030</u> |

Non-current assets

As at 30 June 2022, the non-current assets of US\$250,456 accounted for 6.1% of the total assets. The non-current assets consisted mainly office equipment, right-of-use assets and pledged deposits.

Current liabilities

As at 30 June 2022, the current liabilities comprised trade and other payables of US\$1,720,736, amount due to related companies of US\$1,092,162, lease liabilities of US\$17,866 and income tax payable of US\$138,309.

As at 30 June 2022, the trade and other payables accounted for approximately 58.0% of the total current liabilities. The trade and other payables consisted mainly of trade payables to third parties of US\$292,810 and accrued crew salaries of US\$1,055,448.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

As at 30 June 2022, the amount due to related companies accounted for approximately 36.8% of the total current liabilities. These mainly relate to payments made on behalf and short-term advances by related companies for working capital purposes. These were at a time when the Group was part of the pre-reorganisation group of companies owned by the ultimate holding company.

As at 30 June 2022, the lease liabilities accounted for approximately 0.6% of the total current liabilities. This relates to right-of-use assets.

As at 30 June 2022, the income tax payable accounted for approximately 4.7% of the total current liabilities. This relates to corporate tax payable by the Taiwan branch.

Capital and reserves

As at 30 June 2022, the capital and reserves amounted to US\$1,123,850 and comprised share capital of US\$1,278,302, merger reserve of US\$33,921, translation reserve of US\$27,645 and accumulated losses of US\$(216,018).

As at 31 March 2023

Current assets

As at 31 March 2023, the current assets of US\$10,131,499 accounted for 98.3% of the total assets. The current assets comprised of trade and other receivables of US\$7,995,430 and cash and cash equivalents of US\$2,027,030 which accounted for approximately 78.9% and 20.0% of the total current assets, respectively. The trade and other receivables consisted mainly of trade receivables from third parties of US\$1,717,617 and unbilled receivables of US\$5,401,436 which relate to human resource and ancillary services provided but yet to be billed. As at 31 March 2023, approximately US\$3.8 million of the unbilled receivables relating to the provision of human resource services by the Group to a single customer that is not related to the Group which had been billed and collected subsequent to the end of the financial period.

The trade receivables increased from US\$2,786,385 as at 30 June 2022 to US\$7,119,053 as at 31 March 2023. The increase in trade receivables is mainly attributable to the increase in number of projects and personnel supplied.

The ageing of trade receivables as at 31 March 2023 is as follows:–

| | Not past due | ≤ 30 days | 31 to 60 days | 61 to 90 days | 90 to 120 days | Total |
|---------------------------------------|--------------------|--------------|------------------|------------------|----------------------|------------------|
| | US\$ | US\$ | US\$ | US\$ | US\$ | US\$ |
| 31 March 2023 | | | | | | |
| Estimated total gross carrying amount | 1,558,179 | 128,968 | 25,980 | 872 | 3,618 | <u>1,717,617</u> |

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Non-current assets

As at 31 March 2023, the non-current assets of US\$171,679 accounted for 1.7% of the total assets. The non-current assets consisted mainly office equipment and right-of-use assets.

Current liabilities

As at 31 March 2023, the current liabilities comprised trade and other payables of US\$4,163,200, amount due to related companies of US\$558,558, lease liabilities of US\$66,530, borrowings of US\$689,636 and income tax payable of US\$867,271.

As at 31 March 2023, the trade and other payables accounted for approximately 65.6% of the total current liabilities. The trade and other payables consisted mainly of trade payables to third parties of US\$1,261,283 and accrued crew salaries of US\$2,239,028.

As at 31 March 2023, the amount due to related companies accounted for approximately 8.8% of the total current liabilities. These mainly relate to payments made on behalf and short-term advances by related companies for working capital purposes. These were at a time when the Group was part of the pre-reorganisation group of companies owned by the ultimate holding company.

As at 31 March 2023, the lease liabilities accounted for approximately 1.0% of the total current liabilities. This relates to right-of-use assets.

As at 31 March 2023, borrowings accounted for approximately 10.9% of the total current liabilities. This relates to facilities obtained by the Taiwan branch.

As at 31 March 2023, the income tax payable accounted for approximately 13.7% of the total current liabilities. This relates to corporate tax payable by the Taiwan branch.

Capital and reserves

As at 31 March 2023, the capital and reserves amounted to US\$3,901,633 and comprised share capital of US\$2,067,562, merger reserve of US\$33,921, translation reserve of US\$5,623 and accumulated profits of US\$1,794,527.

LIQUIDITY AND CAPITAL RESOURCES

As at the Latest Practicable Date, the Group has financed the operations through internal and external sources. As at the Latest Practicable Date, the internal sources of funds comprise net cash provided by the Group's operating activities. As at the Latest Practicable Date, the external sources of funds comprise mainly amount from short-term loans and borrowings. The principal uses of these cash sources are to finance working capital requirements and the expansion of the Group's business operations.

For the year ended 30 June 2022, while the Group had net positive cash flow, the Group recorded negative operating cash flow of US\$561,520, which was primarily due to net working capital outflows of US\$596,680. For the nine months period ended 31 Mar 2023, the Group had net positive cash flow and recorded positive operating cash flow of US\$95,015, which was primarily due to net cash generated from operations of US\$96,325. As at the Latest Practicable Date, the

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

primary sources of liquidity are the cash and cash equivalents of US\$3,791,363. See "Capitalisation and Indebtedness – Loans and Borrowings" for details of the bank borrowings. To ensure that the Group has sufficient funds to meet the contractual and financial obligations, the Group monitors the net operating cash flows and maintain a level of cash and cash equivalents deemed adequate by management for working capital.

The Directors are of the reasonable opinion that, having made due and careful enquiry and after taking into account the following:

- (a) for FP2023, the Company had revenue of US\$19,044,696 and gross profit of US\$5,262,616, and on a pro forma basis, revenue and gross profit of US\$17,564,173 and US\$5,104,766, respectively;
- (b) the expected cash flows generated from the operations, including that the Group cash flow was positive for the latest financial period, with net cash generated from operations of US\$95,015 and net increase in cash and cash equivalents of US\$1,228,366;
- (c) the increasing working capital requirements of the Group as it expands its business and supply more personnel to the Group's clients;
- (d) the existing cash and cash equivalents, including that, as at the Latest Practicable Date, the primary sources of liquidity are the cash and cash equivalents of US\$3,791,363;
- (e) the net cash used in operating activities of the Group for FY2020, FY2021 and FY2022;
- (f) the banking facilities, including that, in FP2023, the Group had secured a NTD23 million (approximately US\$750,000) short term loan to facilitate the Group's working capital;
- (g) the capital commitments (as disclosed in the section entitled "Management's Discussion and Analysis of Financial Position and Results of Operations – Capital Expenditures, Divestments and Commitments" of this Offer Document), including that, as at the Latest Practicable Date, the Group did not have any material capital commitments and the Group is not expected to incur any material capital expenditures in the 12 months after the Listing save that which has been earmarked for Group's plans to establish its first training centre;
- (h) As at the Latest Practicable Date, save in the ordinary course of business and save for amounts which has been earmarked for Group's plans to establish its first training centre in Taiwan, the Group does not have any material cash requirements in the next 12 months;
- (i) the lease commitments of the Company for the next 12 months;
- (j) the loans which are repayable within 12 months from Listing; and
- (k) the working capital position of the Company for FY2020, FY2021, FY2022 and FP2023,

the working capital available to the Company as at the date of lodgement of this Offer Document is sufficient to meet the present requirements and for at least 12 months after the Listing. For the avoidance of doubt, the Directors have not taken into account the proceeds of the Offering in arriving at their opinion above.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

The Sponsor, Issue Manager and Joint Placement Agent is of the reasonable opinion that, having made due and careful enquiry and after taking into account the following:

- (a) for FP2023, the Company had revenue of US\$19,044,696 and gross profit of US\$5,262,616, and on a pro forma basis, revenue and gross profit of US\$17,564,173 and US\$5,104,766, respectively;
- (b) the expected cash flows generated from the operations, including that the Group cash flow was positive for the latest financial period, with net cash generated from operations of US\$95,015 and net increase in cash and cash equivalents of US\$1,228,366;
- (c) the increasing working capital requirements of the Group as it expands its business and supply more personnel to the Group's clients;
- (d) the existing cash and cash equivalents, including that, as at the Latest Practicable Date, the primary sources of liquidity are the cash and cash equivalents of US\$3,791,363;
- (e) the net cash used in operating activities of the Group for FY2020, FY2021 and FY2022;
- (f) the banking facilities, including that in FP2023, the Group had secured a NTD23 million (approximately US\$750,000) short term loan to facilitate the Group's working capital;
- (g) the capital commitments (as disclosed in the section entitled "Management's Discussion and Analysis of Financial Position and Results of Operations – Capital Expenditures, Divestments and Commitments" of this Offer Document), including that, as at the Latest Practicable Date, the Group did not have any material capital commitments and the Group is not expected to incur any material capital expenditures in the 12 months after the Listing save that which has been earmarked for Group's plans to establish its first training centre;
- (h) As at the Latest Practicable Date, save in the ordinary course of business and save for amounts which has been earmarked for Group's plans to establish its first training centre in Taiwan, the Group does not have any material cash requirements in the next 12 months;
- (i) the lease commitments of the Company for the next 12 months;
- (j) the loans which are repayable within 12 months from Listing; and
- (k) the working capital position of the Company for FY2020, FY2021, FY2022 and FP2023,

the working capital available to the Company as at the date of lodgement of this Offer Document is sufficient to meet the present requirements and for at least 12 months after the Listing. For the avoidance of doubt, the Sponsor, Issue Manager and Joint Placement Agent has not taken into account the proceeds of the Offering in arriving at their opinion above.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

The following table sets out a summary of the Group's combined statements of cash flow for FY2020, FY2021, FY2022 and FP2023, respectively.

| | FY2020 US\$ | FY2021 US\$ | FY2022 US\$ | FP2023 US\$ |
|--|------------------|----------------|----------------|------------------|
| Net cash (used in) from operating activities | (477,483) | (59,265) | (561,520) | 95,015 |
| Net cash used in investing activities | (7,279) | (137,911) | (103,556) | (42,686) |
| Net cash from/(used in) financing activities | 118,754 | 358,041 | 1,257,514 | 1,176,037 |
| Net (decrease)/increase in cash and cash equivalents | (366,008) | 160,865 | 592,438 | 1,228,366 |
| Cash and cash equivalents at beginning of year/period | 409,749 | 55,180 | 217,438 | 774,333 |
| Effect of exchange rate changes on the balances of cash held in foreign currencies | 11,439 | 1,393 | (35,543) | 24,331 |
| Cash and cash equivalents at end of year/period | 55,180 | 217,438 | 774,333 | 2,027,030 |

FY2020

In FY2020, the Group recorded net cash used in operating activities of US\$477,483, which was a result of operating loss before working capital changes of US\$304,530 and net working capital outflow of US\$172,953. The main changes in working capital resulting in the negative working capital are as follow:

An increase in trade receivables and other receivables which is mainly attributable and in line with the increase in revenue for the year, amount due from related companies and a decrease in amount due to related companies of US\$686,507, US\$143,817 and US\$72,019 respectively, partially offset by an increase in trade and other payables of US\$739,575 which is primarily in line with the increase in revenue and reliance on third party service providers who provided the Group with credit terms during the initial stages of the business in Taiwan.

Net cash used in investing activities amounted to US\$7,279 which was attributable to the purchase of office equipment.

Net cash from financing activities amounted to US\$118,754 which was attributable to advances from related companies.

As a result of the above, there was a net decrease of US\$366,008 in the cash and cash equivalents from US\$409,747 as at 1 July 2019 to US\$55,180 as at 30 June 2020.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

The reason for the net decrease of US\$366,008 is essentially derived from the Group's operational necessity of first receiving the workers' timesheets (which are based on hours worked and vary from billing period to billing period) upon which payments are made for the workers' salaries based on the same from the Group's working capital before such time costs can be charged to clients with whom the workers have been placed. The flows have also been more pronounced as the business scaled over the relevant period. Accordingly, with the increase in workers placed, particularly close to the financial year ends, it will generally contribute to an increase in trade receivables compared to the preceding financial year resulting in a working capital outflow as mentioned above.

FY2021

In FY2021, the Group recorded net cash used in operating activities of US\$59,265, which was a result of operating profit before working capital changes of US\$321,547 and net working capital outflow of US\$380,812. The changes in working capital primarily contributing to the negative working capital are as follow:

- (i) an increase in trade and other receivables of US\$200,109;
- (ii) a decrease in trade payables and other payables of US\$291,838 mainly attributable to a decrease in reliance on a third-party service providers who provided the Group with credit terms compared with FY2020 above which was partially offset by an increase in accrued crew salaries from increased personnel provided to clients and accrued operating expenses in line with business expansion; and
- (iii) a decrease in amount due to related companies of US\$38,764, partially offset by;
- (iv) a decrease in amount due from related companies of US\$188,465.

Net cash used in investing activities amounted to US\$137,911 which was attributable to the placement of pledged deposits of US\$107,481, the purchase of office equipment and software of US\$25,213 and US\$5,217 respectively.

Net cash generated from financing activities amounted to US\$358,041, which was mainly attributable to issuance of shares and advances from related companies partially offset by a repayment of lease liabilities.

As a result of the above, there was a net increase of US\$160,865 in the cash and cash equivalents from US\$55,180 as at 1 July 2020 to US\$217,438 as at 30 June 2021.

As mentioned above for FY2020, the reason for the net working capital outflow is essentially derive from the Group's operational necessity of first receiving the worker's timesheets (which are based on hours worked and vary from billing period to billing period) before such time costs can be charged to clients with whom the workers have been placed which was the main cause for the net cash used in operating activities. However, the net cash generated from financing activities primarily due to issuance of shares and advances from related companies more than offset the net cash used in operating activities and investing activities resulting in the net increase in the cash and cash equivalents.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

FY2022

In FY2022, the Group recorded net cash used in operating activities of US\$561,520, which was a result of operating profit before working capital changes of US\$35,160 and net working capital outflow of US\$596,680.

The main changes in working capital outflow are: an increase in trade and other receivables of US\$1,800,867 primarily attributable to and in line with the increase in revenue for the year; and a decrease in amount due to related companies of US\$89,347, partially offset by: a decrease in amount due from related companies of US\$63,795; and an increase in trade and other payables of US\$1,249,752 mainly contributed by an increase in accrued crew salaries from increased personnel provided to clients as well as, to a lesser extent, an increase in ancillary services provided, and the cash inflow from other payables mainly resulting from an increase in accrued operating expenses in line with continued business expansion.

Net cash used in investing activities amounted to US\$103,556 which was attributable to the placement of pledged deposits and purchase of office equipment and software.

Net cash generated from financing activities amounted to US\$1,257,514, which was attributable to issuance of shares of US\$1,092,302 and advances from related companies of US\$399,235 partially offset by repayment of lease liabilities of US\$50,308, its associated finance costs of US\$715 and repayment of advances of US\$183,000.

As a result of the above, there was a net increase of US\$592,438 in the cash and cash equivalents from US\$217,438 as at 1 July 2021 to US\$774,333 as at 30 June 2022.

Regarding the Group's net cash outflow from working capital changes for FY2022 and negative operating cashflows during the Period Under Review, these also stem from the Group's operational necessity of first receiving the worker's timesheets before such time costs can be charged to clients with whom the workers have been placed.

Notwithstanding the negative operating cashflow for the Period Under Review, the Group had positive equity with positive working capital represented by a net assets position as at 30 June 2022.

FP2023

In FP2023, the Group recorded net cash generated from operating activities of US\$95,015, which was a result of operating profit before working capital changes of US\$3,354,440 and net working capital outflow of US\$3,449,455.

The working capital changes are primarily an increase in trade and other receivables of US\$7,850,530 mainly attributable to and in line with the increase in revenue for the year and a decrease in amount due to related companies of US\$103,161, partially offset by a decrease in amount due from related companies of US\$281,558 and an increase in trade and other payables of US\$4,414,018 mainly arising from an increase in accrued crew salaries from increased personnel provided to clients.

Net cash used in investing activities amounted to US\$42,686 which was attributable to the placement of pledged deposit and purchase of office equipment and software.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Net cash generated from financing activities amounted to US\$1,176,037, which was attributable to the proceeds of borrowings of US\$765,119, issuance of shares of US\$338,880 and advances from related companies of US\$210,359, and partially offset by repayment of lease liabilities and its associated interest of US\$52,486 and US\$3,573 respectively as well as the repayment of borrowings and payment of its associated interests of US\$79,047 and US\$3,215 respectively.

In FP2023, the Group had secured a NTD23 million (approximately US\$750,000) short term loan to facilitate the Group's working capital and is exploring the possibility of securing factoring facilities for which it can use to "bridge" any working capital shortfall.

As a result of the above, there was a net increase of US\$1,228,366 in the cash and cash equivalents from US\$774,333 as at 1 July 2022 to US\$2,027,030 as at 31 March 2023.

CAPITAL EXPENDITURE, DIVESTMENTS AND COMMITMENTS

Capital expenditure

The capital expenditures of the Group for the Period Under Review and from 1 April 2023 to the Latest Practicable Date are mainly for computer equipment and software which are not material.

During the Period Under Review and from 1 April 2023 to the Latest Practicable Date, the Group did not have any material divestment of capital investment in progress.

Capital Commitments

As of the Latest Practicable Date, the Group has capital expenditures commitments for the development of training modules accredited by GWO and construction of plant and equipment as part of its plans to establish a training centre in Taiwan amounting to approximately US\$281,920 (GBP226,952)⁽¹⁾ and US\$409,644 (GBP329,773)⁽¹⁾ respectively. The anticipated source of funds will be from internally generated funds of the Group or proceeds from the Listing.

Note:

(1) Based on an exchange rate of GBP1: US\$1.2422, being the closing exchange rate as at 15 September 2023.

OPERATING LEASE COMMITMENTS

During the Period Under Review, the Group has no operating lease commitments.

INFLATION

During the Period Under Review, inflation did not have a material impact on the financial performance of the Group.

FOREIGN EXCHANGE MANAGEMENT

The financial statements of the Company are presented in US\$, which is also the functional currency of the Company.

Foreign currency transactions are translated into US\$ using the exchange rates as at the date of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in profit or loss.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

The net foreign exchange (losses)/gains for each of FY2020, FY2021, FY2022 and FP2023 are as follows:

| | FY2020 | FY2021 | FY2022 | FP2023 |
|---|--------|--------|-----------|-----------|
| Net foreign exchange gains/(losses) (US\$) | 7,885 | 55,773 | (131,978) | (116,810) |
| As a percentage of profit before income tax (%) | n.m. | 17.9% | 130.8% | n.m. |

n.m. not meaningful

The Group does not have significant exposure to foreign exchange fluctuations for the Thai Baht in 2023 in light of the entry by the relevant Group Company into the deeds of assignments where the Group's payables to SEL and STRL denominated in Thai Baht has been assigned by both SEL and STRL to SEPL. Subsequent to the assignments, the Group's payables to SEPL are denominated and to be settled in USD. Please refer to the section titled "Restructuring Exercise" for further details on the assignment of intercompany receivables and payables.

At present, the Group does not have a formal policy for hedging against foreign exchange exposure. The Group will continue to monitor the foreign exchange exposure and may employ hedging instruments to manage the foreign exchange exposure should the need arise.

Should the Group enter into any hedging transaction in the future, such transaction shall be subject to the review of the Board. In addition, should the Group establish any formal hedging policy in the future, such policy shall be subject to the review and approval by the Board prior to implementation. The Audit Committee will review periodically the hedging policies, all types of instruments used for hedging as well as the foreign exchange policies and practices of the Group.

SEASONALITY

Certain of the clients, particularly those operating offshore vessels or structures, have operations in geographical areas which experience adverse seasonal weather changes during certain periods of the year. For instance, clients which have operations in Taiwan are affected by the Western Pacific Ocean typhoon season, in which most typhoon activity occurs between September to February. The difficult working conditions occasioned by such adverse seasonal weather change may restrict the clients' operational capabilities during these periods, which may in turn adversely affect demand for the services, particularly the offshore crew services, during these periods. Despite so, the Group did not observe any significant seasonal trends arising from the seasonal weather changes during Period Under Review. Please see Section titled "Risk Factors – Risks Relating to the Business or the Industry in which the Group Operates" of this Offer Document for further discussion.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

SIGNIFICANT ACCOUNTING POLICY CHANGES

The financial statements for the Period Under Review have been prepared in accordance with SFRS(I).

The Group has adopted all applicable new and revised SFRS(I)s and interpretations of SFRS(I)s with which the relevant accounting policies have been consistently applied to the Company's financial statements throughout the Period Under Review. The Group does not expect to change the accounting policies in the next 12 months which may result in material adjustments to the financial statements for FY2020, FY2021, FY2022 and FP2023. Please refer to the section entitled "Summary of Significant Accounting Policies" in the "Independent Auditor's Report And The Audited Combined Financial Statements For The Years Ended 30 June 2020, 2021 And 2022 And Nine Months Period Ended 31 March 2023" as set out in Appendix A of this Offer Document for details on the Company's accounting policies.

EXCHANGE RATES

The following table sets out, for each of the financial years or periods indicated, the average and closing exchange rates for S\$/US\$. Where applicable, the exchange rates in the below table used for the translation of the Group's financial statements are disclosed elsewhere in this Offer Document.

| | S\$/US\$ | |
|--------|----------|---------|
| | Average | Closing |
| FY2020 | 1.3708 | 1.3932 |
| FY2021 | 1.3515 | 1.3444 |
| FY2022 | 1.3554 | 1.3918 |
| FP2023 | 1.3775 | 1.3270 |

The table below sets forth the highest and lowest exchange rates between S\$ and US\$ for each of the past six (6) months prior to the Latest Practicable Date, and how much S\$ can be bought with one US\$.

| | S\$/US\$ | |
|-------------|----------|--------|
| | High | Low |
| August 2023 | 1.3620 | 1.3315 |
| July 2023 | 1.3536 | 1.3176 |
| June 2023 | 1.3557 | 1.3376 |
| May 2023 | 1.3542 | 1.3247 |
| April 2023 | 1.3378 | 1.3241 |
| March 2023 | 1.3561 | 1.3250 |

On the Latest Practicable Date, the exchange rate between S\$/US\$ was S\$1.3621 to US\$1.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Fluctuations in the exchange rate between the Singapore dollar and the US dollar will affect the US dollar equivalent of the Singapore dollar price of the Shares on the SGX-ST and the US dollar value of the cash dividends paid by the Group in Singapore dollars.

Notes:

Source: MAS: Financial Database – Exchange Rates. MAS has not consented to the inclusion of the information set out under this section and is thereby not liable for this information under Sections 253 and 254 of the SFA. While the Group has taken reasonable action to ensure that the relevant information has been reproduced in its proper form and context, the Group has not verified the accuracy of such information.

EXCHANGE CONTROLS

The discussion below is not intended to constitute a complete analysis of all exchange control consequences relating to the operations of business in Singapore, Taiwan and Japan. Prospective investors in the Shares should consult their own legal advisers concerning the exchange control consequences of their particular situations. This description is based on laws, regulations and interpretations now in effect and available as of the date of this Offer Document. The laws, regulations and interpretations, however, may change at any time and any change can be retroactive. These laws and regulations are also subject to various interpretations and the relevant authorities or the courts can later disagree with the explanations or conclusions set out below.

Singapore

There are no Singapore governmental laws, decrees, regulations or other legislation that may affect the following:

- (a) the import or export of capital, including the availability of cash and cash equivalents for use by the Company; and
- (b) the remittance of dividends, interest or other payments to non-resident holders of the Company's securities.

Taiwan

Exchange controls in Taiwan are governed by the Foreign Exchange Control Act (管理外汇条例) that is administered by the Central Bank of Taiwan. Based on the current regulations applicable (the Regulations Governing the Declaration of Foreign Exchange Receipts, Disbursements or Transactions (外汇收支或交易申报办法)), each foreign exchange remittance that exceeds NTD 500,000 should be declared through the transaction bank.

There are currently no laws and regulations in Taiwan that restrict the repatriation and remittance of profits by SGAPL (Taiwan Branch) to SGAPL. While foreign exchange transactions related to trade may purchase foreign currency freely, a company incorporated in Taiwan may remit into or outside Taiwan foreign currency up to US\$50,000,000 (or its equivalent) without prior approval from the Central Bank of Taiwan.

Japan

Under the Foreign Exchange and Foreign Trade Act, remittance to foreign country is generally possible without any restrictions unless such remittance falls under the category of economic sanction provided in the Foreign Exchange and Foreign Trade Act. For remittance over JPY30 million is subject to ex post facto reporting requirements.

SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION

UNAUDITED PRO FORMA STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

As at 30 June 2022

| | Audited combined statement of profit or loss and other comprehensive income US\$ | Unaudited pro forma adjustments US\$ | Unaudited pro forma combined statement of profit or loss and other comprehensive income US\$ |
|---|---|---|--|
| Revenue | 7,769,810 | (987,593) | 6,782,217 |
| Cost of sales | (6,538,520) | 921,980 | (5,616,540) |
| Gross profit | 1,231,290 | (65,613) | 1,165,677 |
| Administrative expenses | (1,199,645) | 207,810 | (991,835) |
| Finance cost | (715) | – | (715) |
| Other (losses)/gains | (131,833) | 59,326 | (72,507) |
| (Loss) Profit before income tax | (100,903) | 201,523 | 100,620 |
| Income tax expense | (50,961) | – | (50,961) |
| (Loss) Profit for the year | (151,864) | 201,523 | 49,659 |
| Other comprehensive income/(loss): | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | |
| Exchange differences on translation of foreign operations | 41,273 | (27,001) | 14,272 |
| Total comprehensive (loss) income for the year | (110,591) | 174,522 | 63,931 |
| Earnings per share | | | |
| Basic and diluted (cents) | (0.09) | 0.12 | 0.03 |

SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION

As at 31 March 2023

| | Audited combined statement of profit or loss and other comprehensive income US\$ | Unaudited pro forma adjustments US\$ | Unaudited pro forma combined statement of profit or loss and other comprehensive income US\$ |
|---|---|---|--|
| Revenue | 19,044,696 | (1,480,523) | 17,564,173 |
| Cost of sales | (13,782,080) | 1,322,673 | (12,459,407) |
| Gross profit | 5,262,616 | (157,850) | 5,104,766 |
| Administrative expenses | (1,818,295) | 214,305 | (1,603,990) |
| Finance cost | (6,788) | – | (6,788) |
| Other (losses)/gains | (113,918) | (32,755) | (146,673) |
| Profit before income tax | 3,323,615 | 23,700 | 3,347,315 |
| Income tax expense | (862,690) | – | (862,690) |
| Profit for the year | 2,460,925 | 23,700 | 2,484,625 |
| Other comprehensive income/(loss): | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | |
| Exchange differences on translation of foreign operations | (22,022) | 19,089 | (2,933) |
| Total comprehensive income for the year | 2,438,903 | 42,789 | 2,481,692 |
| Earnings per share | | | |
| Basic and diluted (cents) | 1.52 | 0.01 | 1.53 |

SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION

UNAUDITED PRO FORMA STATEMENTS OF FINANCIAL POSITION

As at 30 June 2022

| | Audited combined statement of financial position US\$ | Unaudited pro forma adjustments US\$ | Unaudited pro forma combined statement of financial position US\$ |
|-------------------------------------|--|---|---|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 774,333 | (54,609) | 719,724 |
| Trade and other receivables | 2,900,761 | (424,508) | 2,476,253 |
| Amount due from related companies | 167,373 | 603,682 | 771,055 |
| Total current assets | 3,842,467 | 124,565 | 3,967,032 |
| Non-current assets | | | |
| Equipment | 23,625 | (2,696) | 20,929 |
| Intangible assets | 5,414 | – | 5,414 |
| Right-of-use assets | 19,810 | – | 19,810 |
| Pledged deposits | 201,607 | – | 201,607 |
| Total non-current assets | 250,456 | (2,696) | 247,760 |
| Total assets | 4,092,923 | 121,869 | 4,214,792 |
| LIABILITIES AND EQUITY | | | |
| Current liabilities | | | |
| Trade and other payables | 1,720,736 | (285,479) | 1,435,257 |
| Amount due to related companies | 1,092,162 | – | 1,092,162 |
| Lease liabilities | 17,866 | – | 17,866 |
| Income tax payable | 138,309 | – | 138,309 |
| Total current liabilities | 2,969,073 | (285,479) | 2,683,594 |
| Total liabilities | 2,969,073 | (285,479) | 2,683,594 |
| Capital and reserves | | | |
| Share capital | 1,278,302 | – | 1,278,302 |
| Merger reserves | 33,921 | (33,921) | – |
| Translation reserve | 27,645 | (37,204) | (9,559) |
| Other reserve | – | 478,473 | 478,473 |
| Accumulated losses | (216,018) | – | (216,018) |
| Total equity | 1,123,850 | 407,348 | 1,531,198 |
| Total liabilities and equity | 4,092,923 | 121,869 | 4,214,792 |

SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION

As at 31 March 2023

| | Audited combined statement of financial position US\$ | Unaudited pro forma adjustments US\$ | Unaudited pro forma combined statement of financial position US\$ |
|-------------------------------------|--|---|---|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 2,027,030 | (199,974) | 1,827,056 |
| Pledged deposits | 109,039 | – | 109,039 |
| Trade and other receivables | 7,995,430 | (686,205) | 7,309,225 |
| Amount due from related companies | – | 945,047 | 945,047 |
| Total current assets | 10,131,499 | 58,868 | 10,190,367 |
| Non-current assets | | | |
| Equipment | 44,297 | (2,699) | 41,598 |
| Intangible assets | 6,053 | – | 6,053 |
| Right-of-use assets | 121,329 | – | 121,329 |
| Total non-current assets | 171,679 | (2,699) | 168,980 |
| Total assets | 10,303,178 | 56,169 | 10,359,347 |
| LIABILITIES AND EQUITY | | | |
| Current liabilities | | | |
| Trade and other payables | 4,163,200 | (393,969) | 3,769,231 |
| Amount due to related companies | 558,558 | – | 558,558 |
| Lease liabilities | 66,530 | – | 66,530 |
| Borrowings | 689,636 | – | 689,636 |
| Income tax payable | 867,271 | – | 867,271 |
| Total current liabilities | 6,345,195 | (393,969) | 5,951,226 |
| Non-current liability | | | |
| Lease liabilities | 56,350 | – | 56,350 |
| Total liabilities | 6,401,545 | (393,969) | 6,007,576 |
| Capital and reserves | | | |
| Share capital | 2,067,562 | – | 2,067,562 |
| Merger reserves | 33,921 | (33,921) | – |
| Translation reserve | 5,623 | (18,115) | (12,492) |
| Other reserve | – | 502,174 | 502,174 |
| Accumulated profit | 1,794,527 | – | 1,794,527 |
| Total equity | 3,901,633 | 450,138 | 4,351,771 |
| Total liabilities and equity | 10,303,178 | 56,169 | 10,359,347 |

SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION

UNAUDITED PRO FORMA STATEMENTS OF CASHFLOWS

As at 30 June 2022

| | Audited combined statement of cash flows US\$ | Unaudited pro forma adjustments US\$ | Unaudited pro forma combined statement of cash flows US\$ |
|---|---|---|--|
| Operating activities | | | |
| (Loss)/Profit before income tax | (100,903) | 201,523 | 100,620 |
| Adjustments for: | | | |
| Depreciation of equipment | 7,603 | (1,218) | 6,385 |
| Amortisation of intangible assets | 2,080 | – | 2,080 |
| Finance cost | 715 | – | 715 |
| Unrealised foreign exchange loss/(gain) | 78,695 | (50,110) | 28,585 |
| Depreciation of right-of-use assets | 46,970 | – | 46,970 |
| Operating cash flows before movements in working capital | 35,160 | 150,195 | 185,355 |
| Trade and other receivables | (1,800,867) | 311,856 | (1,489,011) |
| Trade and other payables | 1,249,752 | (173,408) | 1,076,344 |
| Amount due from related companies | 63,795 | – | 63,795 |
| Amount due to related companies | (89,347) | – | (89,347) |
| Cash (used in)/generated from operations | (541,507) | 288,643 | (252,864) |
| Income tax paid | (20,013) | – | (20,013) |
| Net cash (used in)/from operating activities | (561,520) | 288,643 | (272,877) |
| Investing activities | | | |
| Placement of pledged deposits | (94,126) | – | (94,126) |
| Purchase of equipment | (6,411) | 2,155 | (4,256) |
| Purchase of intangibles | (3,015) | – | (3,015) |
| Acquisition of business under common control | (4) | – | (4) |
| Net proceeds on disposal of subsidiary | – | (21,109) | (21,109) |
| Advances to related company | – | (326,871) | (326,871) |
| Net cash used in investing activities | (103,556) | (345,825) | (449,381) |

SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION

| | Audited combined statement of cash flows US\$ | Unaudited pro forma adjustments US\$ | Unaudited pro forma combined statement of cash flows US\$ |
|---|---|---|--|
| Financing activities | | | |
| Issue of shares | 1,092,302 | – | 1,092,302 |
| Advances from related companies | 399,235 | – | 399,235 |
| Repayment of advances | (183,000) | – | (183,000) |
| Repayment of lease liabilities | (50,308) | – | (50,308) |
| Interest on lease liabilities | (715) | – | (715) |
| Net cash from financing activities | 1,257,514 | – | 1,257,514 |
| Net increase/(decrease) in cash and cash equivalents | | | |
| Cash and cash equivalents at beginning of year | 217,438 | – | 217,438 |
| Effect of exchange rate changes on the balance of cash held in foreign currencies | (35,543) | 2,573 | (32,970) |
| Cash and cash equivalents at the end of the year | 774,333 | (54,609) | 719,724 |

As at 31 March 2023

| | Audited combined statement of cash flows US\$ | Unaudited pro forma adjustments US\$ | Unaudited pro forma combined statement of cash flows US\$ |
|---|---|---|--|
| Operating activities | | | |
| Profit before income tax | 3,323,615 | 23,700 | 3,347,315 |
| Adjustments for: | | | |
| Depreciation of equipment | 8,110 | (1,002) | 7,108 |
| Amortisation of intangible assets | 2,212 | – | 2,212 |
| Finance cost | 6,788 | – | 6,788 |
| Unrealised foreign exchange (gain)/loss | (42,244) | 21,512 | (20,732) |
| Depreciation of right-of-use assets | 55,959 | – | 55,959 |

SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION

| | Audited combined statement of cash flows US\$ | Unaudited pro forma adjustments US\$ | Unaudited pro forma combined statement of cash flows US\$ |
|---|---|---|--|
| Operating cash flows before movements in working capital | 3,354,440 | 44,210 | 3,398,650 |
| Trade and other receivables | (7,850,530) | 261,697 | (7,588,833) |
| Trade and other payables | 4,414,018 | (108,490) | 4,305,528 |
| Amount due from related companies | 281,558 | – | 281,558 |
| Amount due to related companies | (103,161) | – | (103,161) |
| Cash generated from operations | 96,325 | 197,417 | 293,742 |
| Income tax paid | (1,310) | – | (1,310) |
| Net cash from operating activities | 95,015 | 197,417 | 292,432 |
| Investing activities | | | |
| Placement of pledged deposits | (10,530) | – | (10,530) |
| Purchase of equipment | (29,186) | 948 | (28,238) |
| Purchase of intangibles | (2,970) | – | (2,970) |
| Advances to related company | – | (341,365) | (341,365) |
| Net cash used in investing activities | (42,686) | (340,417) | (383,103) |
| Financing activities | | | |
| Proceeds from borrowings | 765,119 | – | 765,119 |
| Issue of shares | 338,880 | – | 338,880 |
| Advances from related companies | 210,359 | – | 210,359 |
| Repayment of lease liabilities | (52,486) | – | (52,486) |
| Interest on lease liabilities | (3,573) | – | (3,573) |
| Repayment of borrowings | (79,047) | – | (79,047) |
| Interest on borrowings | (3,215) | – | (3,215) |
| Net cash from financing activities | 1,176,037 | – | 1,176,037 |
| Net increase/(decrease) in cash and cash equivalents | 1,228,366 | (143,000) | 1,085,366 |
| Cash and cash equivalents at beginning of year | 774,333 | (54,609) | 719,724 |
| Effect of exchange rate changes on the balance of cash held in foreign currencies | 24,331 | (2,365) | 21,966 |
| Cash and cash equivalents at the end of the period | 2,027,030 | (199,974) | 1,827,056 |

SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION

BASIS OF PREPARATION

The unaudited pro forma financial information of the Group for the financial year ended 30 June 2022 and nine months period ended 31 March 2023 have been compiled based on the audited combined financial statements of Sheffield Green Ltd. for the financial year ended 30 June 2022 and 31 March 2023 which were prepared by management in accordance with the Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) and audited by Deloitte & Touche LLP, Singapore in accordance with Singapore Standards on Auditing (“**SSAs**”). The auditor’s report on these combined financial statements was not modified.

The unaudited pro forma financial information of the Group for the financial year ended 30 June 2022 and nine months period ended 31 March 2023 accounts for the disposal of SGSAS by the Company to SEPL pursuant to the SGSAS SPA as described in the sections titled “*Risk Factors – Risks Relating to the Group’s Business or the Industry in which the Group Operates – The Group is subject to laws, regulations and policies imposed by various government and regulatory authorities in the jurisdictions in which it operates*”, “*Restructuring Exercise*” and pages B-11 to B-14 of the “Independent Auditor’s Assurance Report and the Compilation of Unaudited Pro Forma Financial Information of Sheffield Green Ltd and its Subsidiaries for the Financial Year Ended 30 June 2022 And Nine Months Financial Period Ended 31 March 2023” as set out in Appendix B (“**Significant Event**”).

The unaudited pro forma financial information of the Group for the financial year ended 30 June 2022 and nine months period ended 31 March 2023 have been prepared using the same accounting policies and methods of computation in the preparation of the audited combined financial statements for the financial years ended 30 June 2020, 2021 and 2022 and nine months period 31 March 2023.

The unaudited pro forma financial information of the Group for the financial year ended 30 June 2022 and nine months period ended 31 March 2023 are prepared for illustrative purposes only. These are prepared based on certain assumptions and after making certain adjustments to show what:

- (a) the unaudited pro forma combined financial positions of the Group as at 30 June 2022 and 31 March 2023 would have been if the Significant Event as also defined and disclosed in Note 2 to the unaudited pro forma financial information, as set out in Appendix B, had occurred on 30 June 2022 and 31 March 2023 respectively;
- (b) the unaudited pro forma combined financial performance of the Group for the financial year ended 30 June 2022 and 31 March 2023 would have been if the Significant Event as also disclosed in Note 2 to the unaudited pro forma financial information, as set out in Appendix B, had occurred on 1 July 2021; and
- (c) the unaudited pro forma combined cash flows of the Group for the financial year ended 30 June 2022 and 31 March 2023 would have been if the Significant Event as also disclosed in Note 2 to the unaudited pro forma financial information, as set out in Appendix B, had occurred on 1 July 2021.

The unaudited pro forma financial information of the Group, because of its nature, is not necessarily indicative of the results of the operations, cash flows and financial position that would have been attained had the Significant Event actually occurred earlier. Save as disclosed in Note 2 to the unaudited pro forma financial information, the management, for the purpose of preparing this set of unaudited pro forma financial information of the Group, has not considered the effects of other events.

CLEARANCE AND SETTLEMENT

Upon listing and quotation on Catalist, the Shares will be traded under the book-entry settlement system of the CDP, and all dealings in and transactions of the Shares through Catalist will be effected in accordance with the terms and conditions for the operation of Securities Accounts with the CDP, as amended from time to time.

The Shares will be registered in the name of CDP or its nominee and held by CDP for and on behalf of persons who maintain, either directly or through Depository Agents, Securities Accounts with CDP. Persons named as direct Securities Account holders and Depository Agents in the Depository Register maintained by the CDP, rather than CDP itself, will be treated, under the Constitution and the Companies Act, as members of the Company in respect of the number of Shares credited to their respective Securities Accounts.

Persons holding the Shares in Securities Accounts with CDP may withdraw the number of Shares they own from the book-entry settlement system in the form of physical share certificates. Such share certificates will, however, not be valid for delivery pursuant to trades transacted on Catalist, although they will be prima facie evidence of title and may be transferred in accordance with the Constitution. A fee of S\$10.00 for each withdrawal of 1,000 Shares or less and a fee of S\$25.00 for each withdrawal of more than 1,000 Shares is payable upon withdrawing the Shares from the book entry settlement system and obtaining physical share certificates. In addition, a fee of S\$2.00 or such other amount as the Directors may decide, is payable to the share registrar for each share certificate issued and a stamp duty of S\$10.00 is also payable where the Shares are withdrawn in the name of the person withdrawing the Shares or S\$0.20 per S\$100.00 or part thereof of the last transacted price where it is withdrawn in the name of a third party. Persons holding physical share certificates who wish to trade on Catalist must deposit with CDP their share certificates together with the duly executed and stamped instruments of transfer in favour of CDP, and have their respective Securities Accounts credited with the number of Shares deposited before they can effect the desired trades. A fee of S\$10.00 is payable upon the deposit of each instrument of transfer with CDP. The above fees may be subject to such charges as may be in accordance with CDP's prevailing policies or the current tax policies that may be in force in Singapore from time to time.

Transactions in the Shares under the book-entry settlement system will be reflected by the seller's Securities Account being debited with the number of Shares sold and the buyer's Securities Account being credited with the number of Shares acquired. No transfer of stamp duty is currently payable for the Shares that are settled on a book-entry basis.

A Singapore clearing fee for trades in the Shares on Catalist is payable at the rate of 0.04% of the transaction value subject to a maximum of S\$600.00 per transaction. The clearing fee, instrument of transfer deposit fee and share withdrawal fee may be subject to GST at the prevailing rate of 7% (or such other rate prevailing from time to time).

Dealing in the Shares will be carried out in Singapore dollars and will be effected for settlement on CDP on a scripless basis. Settlement of trades on a normal "ready" basis on Catalist generally takes place on the third Market Day following the transaction date, and payment for the securities is generally settled on the following business day. CDP holds securities on behalf of investors in Securities Accounts. An investor may open a direct account with CDP or a sub-account with a CDP Depository Agent. The CDP Depository Agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

GENERAL INFORMATION ON THE GROUP

HISTORY

The Company was incorporated in Singapore on 4 October 2021 under the Companies Act as a private company limited by shares, under the name of “Sheffield Green Pte. Ltd.”. The Company’s Registration Number is 202134454W. The Company became the holding company of the Group following the completion of the Restructuring Exercise. For more information, please refer to the section “Restructuring Exercise” of this Offer Document.

Founded over twenty years ago, the history of the Group can be traced back to around the year of 2000 when Mr. Kee Boo Chye started his manpower supply and human resource services business under other trade names, including, among other things, “Sheffield Energies”, which focused on providing manpower, staffing and human resource services in the oil & gas and oil marine industry.

Mr. Kee Boo Chye who has now over twenty years of experience in the business of providing human resource services in the energy sector, spearheaded the Group’s business by overseeing the strategic planning, overall management and business development of the Group. For further details on Mr. Kee Boo Chye’s experience, please refer to the section titled “Management and Corporate Governance – Directors” of this Offer Document.

In or around 2015, under the Sheffield Energies trade name, as part of his strategic growth and business plans, Mr. Kee Boo Chye expanded the business of Sheffield Energies towards the provision of such services in the renewable energy industry in Europe. The impetus for this expansion was the growing global emphasis on achieving a carbon-neutral vision and the transition towards sustainable and renewable energy sources, which has resulted in a waning reliance on fossil fuels.

In 2018, the Renewable Energy Business expanded overseas to Taiwan by registering a foreign branch using a subsidiary, SEPL, of the Holdco. This was to capitalise on the increasing support for the renewable energy by the Taiwanese authorities which spawned a growing demand for human resource services by companies in such industry. Mr. Kee Boo Chye played a key role in developing the Taiwanese business and eventually secured contracts with five of the biggest players in the fabrication space in Taiwan.

In 2021, the Renewable Energy Business was expanded overseas to Japan and SGKK was incorporated as a subsidiary of SEPL in Japan to expand its business coverage and geographical presence overseas.

In order to concentrate the business focus to the renewable energy industry, Mr. Kee Boo Chye decided to restructure the business by carving out the human resource Renewable Energy Business from the businesses of the other non-listed subsidiaries under the Holdco. By isolating the Renewable Energy Business from the Oil & Gas Business, the Group is more strategically poised to benefit from the developing trends in the renewable energy industry. As such, the Group underwent the following Restructuring Exercise.

GENERAL INFORMATION ON THE GROUP

In October 2021, the Company was incorporated in Singapore with the Holdco as the sole shareholder. The Company would be the holding company of the various subsidiaries in the Group that would be assuming and taking over the Renewable Energy Business from the predecessor, SEPL. “Sheffield Green” was chosen as the name of the Company as it comprises the name of Mr. Kee Boo Chye’s alma mater for which he has a personal sentiment, together with the word “Green” which is conventionally associated with green energy, or clean and renewable energy.

In November 2021, SGAPL was incorporated in Singapore with the Company as the sole shareholder. Thereafter, in March 2022, SGAPL registered SGAPL (Taiwan Branch) as a foreign branch in Taiwan.

In July 2022, the Renewable Energy Business under SEPL was transferred to SGAPL and SGAPL assumed the Renewable Energy Business of SEPL.

In July 2023, the entire shareholding interest of SEPL in SEKK was transferred to the Company and SEKK was rebranded and renamed to its present name as “Sheffield Green K.K.”.

In August 2023, the Group incorporated WATPL as a wholly-owned subsidiary of the Company and WATPL, in turn, intends to incorporate a wholly-owned a subsidiary in Taiwan which has plans to establish training schools and centres in Taiwan to conduct lessons for renewable energy professionals within an estimated one year from the date of the Listing which will allow the Group to diversify its business segments by providing such training services. The name “Wind Asia Training” does not follow the same “Sheffield Green” naming convention as the Company for strategic business reasons, as the training courses are intended to be offered, not only to the Group’s personnel and clients, but to a broader customer base, including potentially other industry players, for which there may not be the same appeal should the same naming convention have been used

Since the inception of the Group, the Group has grown and firmly established itself as a global recruitment company spanning across numerous jurisdictions. The Group guides and supports the clients in their project and operational requirements from inception to delivery, providing them with experienced personnel on a contract, permanent or fixed term’s basis. Working side by side with the clients, the Group has built a clear understanding and knowledge of what are the technical requirements in delivering successful projects and operations in the renewable energy industry. In providing human resource services to the clients, the Group has an intimate understanding of the clients’ technical and business needs and have the ability to match the appropriate personnel in accordance with the clients’ requirements.

The Group has expanded the business overseas into the jurisdictions of Taiwan and Japan. With established local offices in these markets, the experienced recruitment teams have placed professionals in this vastly growing market across Asia. The Group supports the clients in diverse roles such as front-end and detailed engineering, global procurement, onsite construction supervision, offshore land surveys on geo-physical vessels, onshore/offshore installation and commissioning, etc. The Group engages and selects the most suitable candidates to fulfil the clients’ requirements across all phases of the energy project development lifecycle, whether onshore wind, offshore wind, solar or green hydrogen. As such, the Group is strategically placed to support the partners and other major players involved in the renewable energy industry.

KEY MILESTONES

| Year | Milestone |
|------|---|
| 2018 | The Renewable Energy Business of the Company’s predecessor, SEPL, expanded overseas to Taiwan by registering a foreign branch of the Holdco’s subsidiary, “Sheffield Energy Pte. Ltd.”. |

GENERAL INFORMATION ON THE GROUP

| Year | Milestone |
|----------------------|---|
| 2021 | SEPL expanded to the market in Japan and SGKK was incorporated as a subsidiary of SEPL in Japan to expand its business coverage and geographical presence overseas. |
| October 2021 | The Company was incorporated in Singapore as a holding company of the renewable energy companies. |
| November 2021 | SGAPL was incorporated in Singapore to assume the Renewable Energy Business of the Company's predecessor, SEPL. |
| March 2022 | SGAPL registered a branch in Taiwan to assume the Renewable Energy Business of SEPL in Taiwan. |
| November 2022 | The Group takes its first step towards expanding its business service in providing training for the renewable energy personnel in Taiwan and signs a memorandum of understanding with Cyan Renewables to develop offshore wind maritime talent in Taiwan and the rest of Asia Pacific. Cyan Renewables is Asia's first pure-play offshore wind farm vessel owner serving the fast-growing offshore wind farm industry globally. |



| | |
|--------------------|--|
| August 2023 | The Group incorporates WATPL as a wholly-owned subsidiary of the Company and WATPL, in turn, intends to incorporate a wholly-owned subsidiary in Taiwan which has plans to establish training schools and centres in Taiwan to conduct lessons for renewable energy personnel within an estimated one year from the date of the Listing which will allow the Group to diversify its business segments by providing such training services. |
|--------------------|--|

GENERAL INFORMATION ON THE GROUP

BUSINESS OVERVIEW

The Group is a human resource service provider for the renewable energy industry headquartered in Singapore with subsidiaries incorporated in Singapore and Japan, and a branch office registered in Taiwan. The Group provides human resource services in relation to EPCI works for the renewable energy industry, which includes onshore wind, offshore wind, solar and green hydrogen. The majority of the Group's business consist of projects from the offshore wind sector, and the Group specialises in providing human resource services along the entire renewable energy value chain.

The Group's comprehensive end-to-end suite of human resource services range from sourcing and training of workers, to provision of equipment kits such as personal protective equipment as may be required in order for the personnel to work on-site, mobilisation of workers, as well as funding of payroll administration. The Group also provides executive search services to the Group's clients which entails identifying and matching personnel to such clients. The Group employs the personnel who are deployed to its clients in all of the countries in which the Group operates.

The Group's existing and past clients include major players in the renewable energy industry, such as IPPs, developers, EPCI contractors, T&I contractors, wind turbine manufacturers and offshore wind foundation manufacturers. Further, the Group has also provided its human resource services to and worked with various notable vessel owners who were the Group's clients in relation to Taiwan offshore projects.

The Group's Renewable Energy Business differs from the Oil & Gas Business of the Group's Holdco and its subsidiaries, in terms of the type of placements that the Group is able to provide. The Group provides personnel with the skills sets and certifications specific to the Renewable Energy Business, which are distinct from that required in the Oil & Gas Business. For illustration, certain banksman, ISO9606-1 (Welder Qualification Test) and GWO certifications are required in the Renewable Energy Business but not in the Oil & Gas Business. Even in the atypical case where a candidate may possess the qualifications and skills sets required for both the Renewable Energy Business and the Oil & Gas Business, the Group requires the candidate to specify his/her requirements for a specific position and indicate the companies they wish to work with. The Group will only place the candidate if they have the position and desired companies are in the Renewable Energy Business. The Group does not cross-refer any personnel to the other companies involved in the Oil & Gas Business. While there is no specific procedure to monitor such cross-referrals, the Group has established a code of conduct encompassing guidelines on addressing conflicts of interests and business opportunities and protecting confidential information of the Company, such as its database of renewable energy personnel, as well as procedures to report any breaches of the code of conduct. Further, the Group's recruiting department is also distinct from the other entities of the Sheffield Energy Group. Please see the section titled "*Interested Person Transactions – Potential Conflicts of Interests*" for further details.

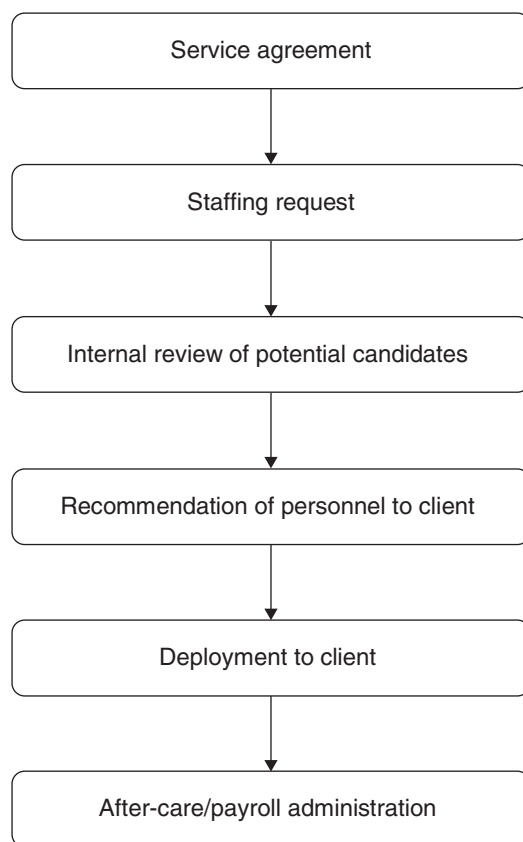
Please refer to the section "Offer Document Summary – Business Overview" of this Offer Document for further details.

The Business Process

Due to the nature of the renewable energy industry, the staffing requests that the Group receives can be broadly classified into two categories, namely fixed-duration staffing and payroll administration. For fixed-duration staffing, the Group has an existing fixed-duration staffing agreement with a client whereby the Group will arrange for personnel to be provided and deployed at a project site at the client's request for the duration of the arrangement. For payroll administration, the Group provides payroll administration services in respect of personnel which the clients have recruited on their own.

GENERAL INFORMATION ON THE GROUP

The Group sets out below the typical sequence of events when it receives such staffing requests.



(a) Service agreement

Renewable energy companies often have very specific labour hire requirements including, but not limited to, industry accreditation, minimum education level or technical institutional certification, specific age requirements for certain roles, willingness to relocate and ability to secure work visa. The Group commences the business relationship with the clients through the signing of fixed-duration service agreements which process is handled by the Group's Business Development Team, which typically require it to provide staffing services at the client's request during the term of the agreement. Such fixed-duration service agreement does not include upfront fees and/or milestone fee payments by clients. Billings are generally invoiced on a monthly basis as the provision of human resource services are made. Historically, service agreements with clients for offshore projects are of a shorter duration (usually six to nine months), whereas service agreements with clients for onshore projects are of a longer duration (usually one year and above). The scope of services to be provided by the Group and the fees are also negotiated at this stage. Clients will send personnel request during the term of the agreement to the Group for its requirements. For avoidance of doubt, such agreements are specifically for the clients' Renewable Energy Business only and not their Oil & Gas Business if such clients are involved in both. As such, the Group does not make recommendations or provide services to the clients for their Oil & Gas Business.

GENERAL INFORMATION ON THE GROUP

(b) Staffing request

After the service agreement is executed, the client may send a staffing request to the Group's Recruitment Team (for white collar positions) and Operations Team (for blue collar or crew personnel) during the term of the agreement. To ensure that the Group is able to recommend suitable personnel for deployment, the clients are encouraged to provide detailed hiring requirements, such as, job description, years of experience, industry accreditation, project country or location and proposed salary and basis of hire (for example, on a secondment or a direct hire basis).

(c) Internal review of potential personnel

Once the Group's Recruitment Team or the Operations Team has received the client's requirements, the Group would conduct a detailed search for suitable personnel on the recruitment database. Where the Recruitment or the Operations Team is unable to identify suitable personnel in the recruitment database, the Recruitment or the Operations Team would turn to third party databases to source for suitable personnel and the Group would bear such costs of accessing information from such third party databases. As this is part of the internal process of the Group, there are no differences in the service agreement between the Group and the client or in the employment contract with the personnel where the personnel is sourced from a third party database. There are numerous factors that may affect the duration of a search, including, seniority of the role, speciality and availability. Once the Recruitment or the Operations Team has shortlisted suitable personnel from the database, the Recruitment or the Operations Team would interview each candidate, and based on the clients' requirements, the Recruitment or the Operations Team conduct a detailed assessment of their candidature and suitability before making a recommendation to the client.

(d) Recommendation of personnel to client

The shortlisted personnel are then formally recommended by the Recruitment or the Operations Team to the clients. Depending on the basis of hire, the Recruitment or the Operations Team may either arrange meetings or interviews on behalf of the clients or put parties directly in contact. Subsequent follow-up interviews may be conducted by the clients if so required. Where the client does not agree to the personnel shortlisted by the Recruitment or Operations Team, the relevant team will proceed to review and source for other personnel to recommend other personnel to the client in line with the client's requirements.

(e) Deployment to client

After the client confirms the personnel it wishes to staff on its project, the Group's Operations Team (for blue collar or crew personnel) and the Global Mobility Team (for white collar personnel) will proceed to make the necessary arrangements for the deployment of the personnel. The Group is required to incur such upfront costs, including, among others, the payment of visa and work permit applications, purchase of air tickets for mobilised personnel, the payment of accommodation for mobilised personnel and the payment of the Group's personnel's advances (e.g. accommodation, visa fees and other similar items) and regular wages. For expenses incurred by the relevant Group Company on behalf of the client for such ancillary services, depending on discussion of contract terms with clients, such costs may be included in the rate of personnel deployed or billed to the client at an agreed mark up under an invoice that is issued to the clients when these are incurred.

GENERAL INFORMATION ON THE GROUP

(f) *After-care/Payroll administration*

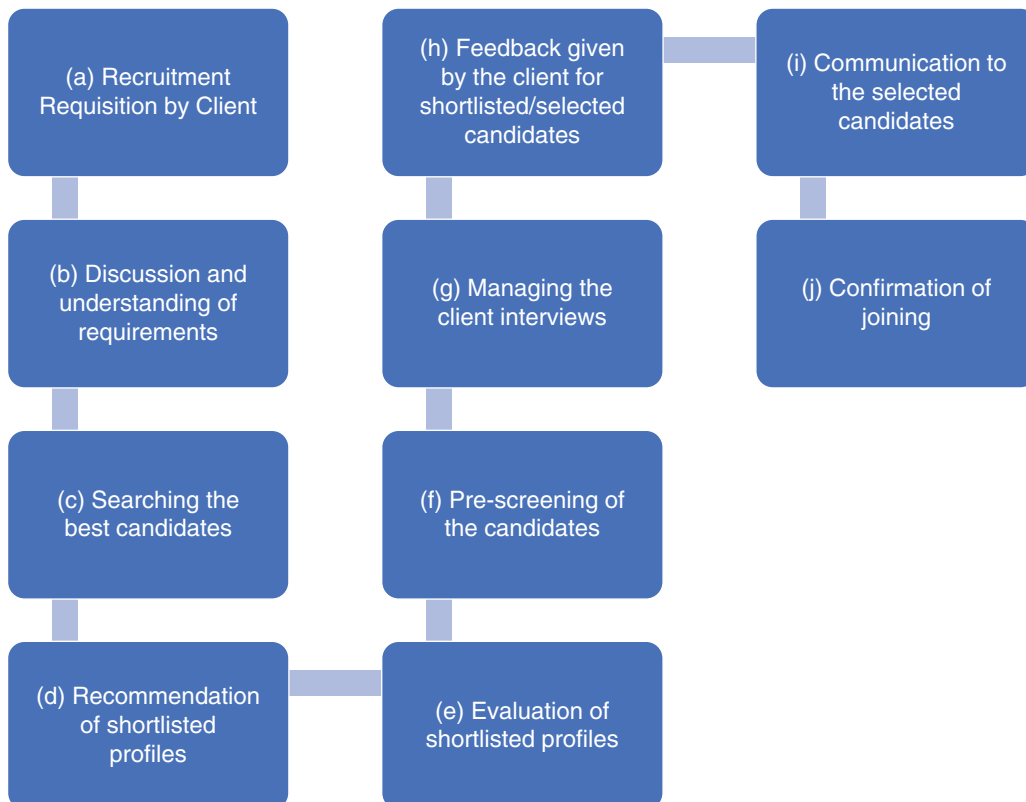
If otherwise required, the Group's Payroll Specialists for both white collar and other placements may provide payroll administration services to the clients for the duration of the personnel's deployment. The personnel are expected to submit time sheets on a monthly basis or after work is done and are typically paid by the 15th day of the month after such time sheets are verified. A corresponding bill is also sent to the client once the time sheets are verified.

In the event that a mobilised personnel is subsequently found to be unsuitable for the appointment, the Group's Operations Team and the Global Mobility Team would search for suitable replacements and deploy them at the Group's own cost.

However, as the Group maintains extensive records on all personnel in the database, including client appraisals for prior deployments, the Group has historically not experienced high rejection rates from the clients. Based on the Group's records, the Group's rejection rates for the Period Under Review are respectively 0.0% in FY2020, 2.6% in FY2021, 1.5% in FY2022 and 3.7% in FP2023.

The Recruitment Process

The process for the recruitment of the personnel and employees undergo a process whereby the most suitable candidates are screened based on the clients' technical and other requirements and specifications. The recruitment process is set out below:



GENERAL INFORMATION ON THE GROUP

Steps (a) to (b) – Understanding the Client's Requirements

The recruitment consultants (consultants in the recruiting department) play a crucial role in ensuring that the Group identifies and attracts the best candidates for the clients' job openings. The recruitment consultants work closely with the clients to gather as much information as possible about the role they are hiring for, including the type and scope of the duties and responsibilities involved, the skills, experience, training, or qualifications required for the role, and how the position fits into the broader organisational structure of the client's business. Usually, a detailed job description is provided by the client to the recruitment consultant to assess the client's business needs. The recruitment consultants work collaboratively with the clients to ensure that they fully understand the requirements of the job opening and the needs of the client's business.

Step (c) – Searching for the Candidate

During the searching process, the Group uses a range of different methods and tools to identify the most appropriate candidates for each position. One approach the Group utilises is to leverage the extensive database of candidates, which the Group maintains and continually builds over time. This database contains a wealth of information about candidates the Group has previously identified and is regularly updated with new candidates. Apart from the own database, the Group also subscribes to external databases maintained by third-party service providers in order to expand the search for the most qualified candidates.

In addition to the database, the Group also advertises job openings on various online platforms, such as JobsDB and other third-party databases to which the Group subscribes where the Group bears the costs of such subscriptions and advertisements. These platforms are frequented by a vast number of job seekers, making them an excellent resource for identifying qualified and experienced candidates who may be a good fit for the clients' job requirements. Furthermore, the experienced recruitment consultants also conduct targeted headhunting on LinkedIn, which is a useful tool for identifying job seekers.

Moreover, the recruiters may already have a suitable candidate in mind from their past successful placements or their in-depth knowledge of the job market. They use their expertise and industry connections to identify candidates who have a proven track record of success and are likely to excel in the new role.

Overall, the comprehensive and multifaceted approach to candidate identification enables the Group to find the most appropriate individuals for the clients' needs. The Group is committed to delivering a high-quality service that matches exceptional candidates with the best-suited job opportunities, and the Group prides itself on its ability to identify and attract top talent across various industries and sectors.

Steps (d) to (e) – Identifying Viable Candidates

Finding suitable candidates for a job opening is only one of the steps in the recruitment process. However, what truly sets the Group apart from the competitors is the ability to source highly qualified individuals who may not even be actively looking for a job. While anyone can search for candidates, it takes a great deal of effort, expertise, and skill to identify and attract the best talent in the market.

In identifying viable candidates, the Group prides itself on the ability to go above and beyond in finding the most outstanding candidates for the clients. The Group understands that a successful recruitment is not just about filling a position. The recruitment specialists are dedicated to conducting extensive research and tapping into the vast network of industry connections to identify candidates. The Group believes that the caliber of candidates the Group is able to source for the clients is second to none and is a testament to its commitment to excellence in recruitment.

GENERAL INFORMATION ON THE GROUP

Step (f) – Telephone Screening

After the initial candidate search, the recruitment team then moves on to the next stage of the process, which is the telephone screening. The objective of this stage is to evaluate the candidate's suitability for the role in more detail and determine whether the candidate's qualifications and skills match the role and whether they are a good fit for the company culture.

The recruitment consultants typically narrow down the candidate pool to 5-10 individuals who they will reach out to for further discussions. During these conversations, the recruitment consultants will ask more detailed questions about the candidate's previous work experience, education, qualifications, and any relevant skills or certifications. The Group believes that finding a candidate who aligns with the company culture and values is as important as their technical skills and experience.

Steps (g) to (h) – The Interview

The interview stage is a critical part of the recruitment process as it provides the opportunity for the employer and the applicant to interact directly and learn more about each other. At this stage, the recruitment team will schedule an interview, which can take place either face-to-face or via phone or video call, depending on the situation.

The interview process may involve a single meeting or multiple stages, depending on the type of the position, the number of applicants, and the specific requirements of the employer. For instance, some employers may prefer to conduct a first-round screening interview before inviting applicants for a more in-depth, second-stage interview. In such cases, the recruitment consultants will coordinate and assist to schedule the interviews.

After the interview, the recruitment team will perform background and reference checks to verify the information provided by the applicant. The background check may include verification of employment history, educational qualifications, and criminal record checks, where necessary. The reference check will involve contacting previous employers to obtain their feedback on the applicant's skills and overall performance.

In conclusion, the interview stage of the recruitment process is an opportunity for both the employer and the applicant to determine whether they are a good fit for each other. The recruitment team will ensure that the interview process runs smoothly.

Step (i) – An Offer

After the candidate has successfully passed the selection process and is deemed suitable for the position, the next stage of the recruitment process involves negotiating the terms of the job offer. The recruitment consultants play a crucial role in this process as they work as the liaison between the candidate and the client.

The first step in the offer negotiation process is for the recruitment consultants to gather all relevant information from the client about the compensation package they are offering for the position. This information will help the recruitment consultants determine the appropriate salary and benefits package to offer the candidate.

Once the initial offer has been made, the consultants will work with the candidate to negotiate the terms of the offer. This may include discussing details such as the salary of the candidate. The consultants will use their expertise and knowledge of the industry to ensure that the offer is fair and competitive. The recruitment consultants may also use external market benchmarks to compare the salary and benefits package offered by the client to those offered by other companies in the same industry. This helps to ensure that the offer is competitive and attractive to the candidate.

GENERAL INFORMATION ON THE GROUP

Throughout the negotiation process, the recruitment consultants will keep the lines of communication open between the candidate and the client. They will act as an intermediary, ensuring that both parties are satisfied with the terms of the offer before finalising the deal.

Step (j) – Joining the Company

After the offer has been accepted and the start date has been confirmed, the recruitment consultant's role shifts from finding the right candidate to ensuring a smooth onboarding process. The Group understands that onboarding is a critical step in integrating a new hire into the company. The onboarding process goes beyond paperwork and orientation sessions. It involves providing the new hire with the necessary tools, resources, and information to enable them to thrive in their new role.

The Group believes that investing in a strong onboarding process not only sets up the new hire for success, but also strengthens their commitment to the company and its mission. The recruitment consultants pride themselves on building relationships with the new hire, ensuring that they feel valued and appreciated from the moment they join the organisation.

COMPETITIVE STRENGTHS

The Group's strong market position as a human resource services provider in the renewable energy industry is based on the following key competitive strengths:

- (a) The Group offers a comprehensive range of human resource services across the entire renewable energy value chain;
- (b) The Group has established local presences and gained expertise in key geographical locations;
- (c) The Group has the capability and capacity to source for and procure a large number of workers to meet the manpower demands of large-scale projects; and
- (d) The Group has an established track record and market reputation.

Please refer to the section titled "Offer Document Summary – Competitive Strengths" of this Offer Document for more details.

BUSINESS STRATEGIES AND FUTURE PLANS

The Group's emphasis on providing its clients with quality service, as evident from the ability of the Group to provide personnel to its clients with low rejection rates coupled with the comprehensive ancillary services has enabled the Group to grow its market presence and share in Taiwan, has enabled the Group to develop its business as a human resource services provider and the Group intends to further strengthen its position and increase its market share in the renewable energy industry, as well as broaden its service offerings. To achieve its business objectives, the Group plans to adopt the following strategies:

- (a) Expanding the scale of existing business geographical coverage; and
- (b) Expanding into complementary offerings, new product lines and other technical services.

Please refer to the section titled "Offer Document Summary – Business Strategies and Future Plans" of this Offer Document for further details.

GENERAL INFORMATION ON THE GROUP

QUALITY CONTROL

The Group recognises the importance of maintaining high standards for the services which is the key to the continued growth. The Group maintains a strict quality assurance and control system whereby the Group ensures that the personnel supplied are checked and approved by the recruitment consultants. The Group has historically not experienced high rejection rates from the clients. Based on the Group's records, the Group had a less than 5% rejection rate for the personnel that the Group mobilised for the period from July to December 2022.

To maintain the high standards of service, the recruitment of the personnel and employees undergo a process whereby the most suitable candidates are screened based on the clients' technical and other requirements and specifications which have been set out in the section titled "Offer Document Summary – Business Overview" of this Offer Document for further details.

MARKETING AND BUSINESS DEVELOPMENT

The Business and Development team led by Ms. Kow Yuen Teng Jocelyn. Ms. Kow is Deputy Regional Director and oversees business development activities for the Group in the whole of Asia Pacific Region. In total, the Business, Development and Marketing team comprises 5 employees who collectively manage the business development and marketing activities. Members of the team are strategically located in Singapore, Taiwan and Japan and report to the CEO and Executive Director, Mr. Kee Boo Chye. The Business, Development and Marketing team also reviews industry related publications to keep abreast of latest industry developments, trends and demand patterns.

In addition, in order to market the capabilities and services, the Group participates in trade fairs and seminars relating to the renewable energy industry. The Group attends such events in Singapore, the countries in which the Group has operations as well as in countries the Group intends to expand the operations to. For instance, the Group had attended the Global Offshore Wind Summit Taiwan in October 2022, the International Offshore Wind Partnering Forum (IPF) in the US in April of 2023, the Floating Offshore Wind Turbines (FOWT) in May 2023 in France which purports to be one of the world's largest event that is dedicated to floating offshore wind conferences and the PSEW Polish conference in June 2023. The Group believes that such networking events allows the Group to keep abreast of the latest developments in the renewable energy industry, in particular the wind energy industry, and to network with other major players attending such events so as to broaden the Group's client base.

MAJOR CLIENTS

The following table sets out the clients which accounted for five per cent (5.0%) or more of the total revenue during each of the financial years for the Period Under Review.

| Major Client | Services Supplied to Client | As a percentage of total revenue (%) | | | |
|---------------------------|--|--------------------------------------|--------|--------|--------|
| | | FY2020 | FY2021 | FY2022 | FP2023 |
| Customer A ⁽¹⁾ | Human Resource Services and Ancillary Services | 28.7% | 49.1% | 40.8% | 37.7% |

GENERAL INFORMATION ON THE GROUP

| Major Client | Services Supplied to Client | As a percentage of total revenue (%) | | | |
|---------------------------|--|--------------------------------------|--------|--------|--------|
| | | FY2020 | FY2021 | FY2022 | FP2023 |
| Customer B ⁽²⁾ | Human Resource Services and Ancillary Services | – | – | 10.2% | 7.6% |
| Customer C ⁽³⁾ | Human Resource Services and Ancillary Services | 0.2% | 8.1% | 3.6% | – |
| Customer D ⁽⁴⁾ | Human Resource Services and Ancillary Services | 70.9% | 6.7% | 1.8% | 0.6% |
| Customer E ⁽⁵⁾ | Human Resource Services and Ancillary Services | – | 9.0% | 4.8% | – |
| Customer F ⁽⁶⁾ | Human Resource Services and Ancillary Services | 0.2% | 7.7% | 3.3% | – |
| Customer G ⁽⁷⁾ | Human Resource Services and Ancillary Services | – | 2.9% | 9.5% | 6.2% |
| Customer H ⁽⁸⁾ | Human Resource Services and Ancillary Services | – | – | 1.1% | 34.8% |

Notes:

- (1) Customer A is a group comprising of two Taiwanese sister entities and who did not consent to the disclosure of their identities in this Offer Document. One company manufactures and markets a variety of steel products, including steel structures, architectural components, and welded steels, and the other company focuses on the development and construction of offshore wind farms. Customer A obtained human resource and ancillary services from the Company in FY2020, FY2021, FY2022 and FP2023.
- (2) Customer B is a customer who did not consent to the disclosure of their identity in this Offer Document. Customer B is a Taiwanese company that manufactures subsea foundations for offshore wind power projects. Customer B obtained human resource and ancillary services from the Company in FY2022 and FP2023.
- (3) Customer C is a group comprising of two French sister entities and who did not consent to the disclosure of their identities in this Offer Document. Both entities are in the windfarm industry and each entity is involved in a project regarding an offshore wind farm at the respective location of the project in France. Customer C obtained human resource and ancillary services from the Company in FY2020, FY2021 and FY2022.
- (4) Customer D is a customer who did not consent to the disclosure of their identity in this Offer Document. Customer D is a Belgium-based engineering and construction company that specialises in dredging, marine construction, and offshore wind farm installation. Customer D obtained human resource and ancillary services from the Company in FY2020, FY2021, FY2022 and FP2023. The decrease in the percentage of revenue from 70.9% in FY2020 to 6.7% in FY2021 is due to the decrease in revenue from the project's tapering off to completion in FY2021.
- (5) Customer E is a customer who did not consent to the disclosure of their identity in this Offer Document. Customer E is a Taiwan company that is a manufacturer of wind towers for the onshore and offshore wind market and its parent company is based in South Korea. Customer E obtained human resource and ancillary services from the Company in FY2021 and FY2022.

GENERAL INFORMATION ON THE GROUP

- (6) Customer F is a customer who did not consent to the disclosure of their identity in this Offer Document. Customer F is a Dutch company that provides heavy lift shipping and offshore transportation & installation services. Customer F obtained human resource and ancillary services from the Company in FY2020, FY2021 and FY2022.
- (7) Customer G is a customer who did not consent to the disclosure of their identity in this Offer Document. Customer G is a Dutch multinational company that provides dredging, marine engineering, and offshore services. Company G obtained human resource and ancillary services from the Company in FY2021, FY2022 and FP2023.
- (8) Customer H is a customer who did not consent to the disclosure of their identity in this Offer Document. Customer H is a provider of coating solutions for the marine, offshore, and industrial sectors in Taiwan. Company H obtained human resource and ancillary services from the Company in FY2022 and FP2023. The increase in the percentage of revenue from 1.1% in FY2022 to 34.8% in FP2023 is due to the increase in personnel provided since the securing of this project in FY2022.

Revenue contribution from the clients varied from year to year due to the nature of the business being dependent on the project of the clients. The Group may not be awarded the same contracts of a similar size and scope or by the same clients year-on-year. While Customer A accounted for approximately 49.1% and 40.8% of the Company's revenue for FY2021 and FY2022, respectively, the Group believes that the business and profitability will not be materially affected by the loss of any single client, nor is the Group dependent on any particular commercial contract with any client as in the event that the Group is not awarded the tender for projects, the Group will direct the excess capacity to sourcing for, securing and performing other projects.

The Group generally enters into service agreements with a specific client for the provision of a specific scope of work with various durations ranging from six months to a year and three and five years for some master service agreements, depending on the duration of the projects. Such service agreement will set out the relevant Group Company's scope of work which would include the work for recruitment, screening, selection and payrolling of personnel, along with other ancillary services such as the arrangement of accommodation, assistance with work visa application, arrangement of training and medical verification, if required. For expenses incurred by the relevant Group Company on behalf of the client for such ancillary services, the Group would usually impose an agreed mark up on top of such expenses incurred by the Group. The service agreement would usually also set out a quotation for the personnel required to be supplied by the Group Company containing the positions to be filled, the nationality of the personnel, any applicable employer statutory contributions and the billing rates. Regarding the invoicing terms, the service agreement would state that the invoice for the monthly payroll will be submitted on a monthly basis and the Group grants a credit term to customers of typically 30 to 60 days from invoice date for trade receivables to all customers during the Period Under Review. No interest is charged on the outstanding balances. Please refer to the section titled "General Information on the Group – Credit Terms" for further information.

Save as disclosed above, there are no other clients who accounted for five per cent (5.0%) or more of the revenue during each of the financial years for the Period Under Review. To the best of their knowledge, the Directors are not aware of any information or arrangements which would lead to a cessation or termination of the current relationship with any of the major clients.

As at the Latest Practicable Date, save for any interests in any quoted or listed equity securities of affiliates of the major clients which do not exceed five per cent (5.0%) of the total amount of the issued securities of such affiliate in that class for the time being, none of the Directors, Executive Officers or Substantial Shareholders or their respective associates has any interest, direct or indirect, in the major clients. To the best of the Directors' knowledge, as at the Latest Practicable Date, none of the Directors, Executive Officers, Substantial Shareholders or their respective associates has any interest, direct or indirect, in interests in any quoted or listed equity securities of affiliates of the major clients. For the purposes of this section, "affiliate" means with respect to any entity, any other entity directly or indirectly controlling, controlled by, or under common control with, such entity.

GENERAL INFORMATION ON THE GROUP

There are no prohibitions on the Directors, Executive Officers, Substantial Shareholders or their respective associates from holding 5.0% or more of the shareholding interest in the major clients. Notwithstanding this, the Service Agreement of the Executive Director contains non-solicitation provisions and restrictive covenants that apply for the duration of the agreement and for 24 months following the termination of the respective Service Agreement, which prohibits, among others, the participation in any competing business and the solicitation of any person who at any time during the period of 12 months before the termination of the respective Service Agreement was a customer, client, distributor, agent or supplier of the Company or in the habit of dealing with the Company.

MAJOR SUPPLIERS

The following table sets out the suppliers which accounted for five per cent (5.0%) or more of the total cost of sales during each of the financial years for the Period Under Review:

| Major Supplier | Services Received from Supplier | As a percentage of total cost of sales (%) | | | |
|---------------------------|--|--|--------|--------|--------|
| | | FY2020 | FY2021 | FY2022 | FP2023 |
| Supplier A ⁽¹⁾ | Supply of personnel and its ancillary services | 63.1% | 7.0% | 3.8% | 3.6% |
| SEPL ⁽²⁾ | Supply of offshore workers | – | – | 2.5% | 16.6% |
| Supplier B ⁽³⁾ | Supply of personnel and its ancillary services | – | 5.3% | 0.5% | – |

Notes:

- (1) Supplier A is a supplier who did not consent to the disclosure of their identity in this Offer Document. Supplier A is a South Korean company that provides a wide range of shipping and other related services. Supplier A provided the supply of personnel and its ancillary expenses to the Company in FY2020, FY2021, FY2022 and FP2023.
- (2) Please refer to the section titled “Interested Person Transactions – Past Interested Person Transactions – Supply of Offshore Workers from SEPL to SGAPL” for further details regarding the supply of offshore workers from SEPL to SGAPL. The Group has already obtained its own ISO certification and MLC on 19 September 2023.
- (3) Supplier B is a supplier who did not consent to the disclosure of their identity in this Offer Document. Supplier B is a consulting firm that provides services in the areas of human resources, training, and development. Supplier B provided the supply of personnel and its ancillary expenses to the Company in FY2021 and FY2022 for France.

Other than the transactions disclosed under the section titled “Interested Person Transactions – Past Interested Person Transactions – Supply of Offshore Workers from SEPL to SGAPL” regarding the supply of offshore workers from SEPL to SGAPL, as at the Latest Practicable Date, save for any interests in any quoted or listed equity securities of affiliates of the major suppliers which do not exceed five per cent (5.0%) of the total amount of the issued securities of such affiliate in that class for the time being, none of the Directors, Executive Officers or Substantial Shareholders or their respective associates has any interest, direct or indirect, in the major suppliers. To the best of the Directors’ knowledge, as at the Latest Practicable Date, none of the Directors, Executive Officers, Substantial Shareholders or their respective associates has any interest, direct or indirect, in interests in any quoted or listed equity securities of affiliates of major suppliers.

GENERAL INFORMATION ON THE GROUP

The Group is not materially dependent on its Major Suppliers as the services supplied by Supplier A only accounts for 3.6% of the Group's total cost of sales for FP2023 and the Group was not required to obtain any supply of services from Supplier B for FP2023. The Group is not materially dependent on the supply of offshore workers from SEPL as it has obtained the relevant ISO certificate and MLC which will allow it to supply its own offshore workers to its clients.

Due to the nature of the business, the Group does not have any major suppliers outside of contributors key to the day-to-day running of the business, such as insurance, electricity, telephone and other service providers and the interested person transactions disclosed in the relevant section.

CREDIT TERMS

The average credit period for the rendering of services is 30 to 60 days from billing. The Company does not assess whether a contract has a significant financing component if the expectation at contract inception is that the period between payment by the customer and the transfer of the services to the customer will be less than one year. As at Latest Practicable Date, the Company does not have any significant financing components or extended payment terms.

The Group's trade receivables' turnover days for FY2020, FY2021, FY2022 and FP2023 are 116, 93, 131 and 101 respectively.

As at 31 March 2023, the Group had trade receivables of US\$7,119,053. As at the Latest Practicable Date, the Group had collected approximately US\$6,960,532 of the US\$7,119,053 trade receivables from third parties which were outstanding as at 31 March 2023.

There is no material exposure to doubtful trade receivables for each of FY2020, FY2021, FY2022 and FP2023.

PROPERTIES AND FIXED ASSETS

Properties Owned by the Group

The Group does not own any material properties or land use rights.

Properties Leased by the Group

| Location | Date of Commencement/ Expiry | Estimated Gross Floor Area | Lessor | Usage |
|---|---|----------------------------|--|--------|
| 11 Collyer Quay, #06-01, The Arcade, Singapore 049317 | 1 July 2023/ 30 June 2025 | 2,000 sq. ft | SEPL | Office |
| Room FC3 at 10 Anson Road #33-10 International Plaza Singapore 079903 | 3 April 2023/ 2 April 2024 | 30 sq. ft | Appgo Global Pte. Ltd. ("AGPL") | Office |
| Area B, 9F, No. 112, Sec. 1, Zhongxiao East Rd., Taipei | 16 September 2022/ 15 September 2025 | 2,000 sq. ft | Yanghua Optoelectronics Co., Ltd. ("YOCL") | Office |

GENERAL INFORMATION ON THE GROUP

| Location | Date of Commencement/ Expiry | Estimated Gross Floor Area | Lessor | Usage |
|---|------------------------------------|----------------------------|----------------------------------|--------|
| 1-6, MotoAzabu 3-chome, Minato-ku, Tokyo, Japan | 10 March 2021/ 30 November 2023 | 215 sq. ft | Blink Roppongi GK ("BRGK") | Office |

In respect of the lease for the premises from SEPL ("**Singapore Lease**"), SEPL may at any time re-enter the premises under the following events: if the gross rent or any other monies due under the Singapore Lease shall remain gross rent hereby reserved or any other monies due under the Lease or any part thereof shall remain unpaid for ten (10) days after becoming payable (whether formally demanded or not) or if any of the covenants on the Company's part herein contained shall not be performed or observed or if the Company shall go into liquidation whether compulsorily or voluntarily (save for the purpose of reconstruction or amalgamation) or if a receiver be appointed of any part of the Company's undertaking or if the Company shall commit any act of insolvency or if the Company shall enter into any composition or arrangement with the Company's creditors (whichever is applicable) or suffer any distress, writ of seizure and sale or execution to be levied on its goods. There is no right of early termination under the Singapore Lease by the Company. As at the Latest Practicable Date, the Company confirms, to the best of its knowledge, that there are no material breaches of the Singapore Lease which may lead to termination of the Singapore Lease.

In respect of the lease for the premises from AGPL ("**AGPL Lease**"), AGPL shall be entitled to re-enter upon the premises if rent shall not be paid for seven (7) days after its due date or if there shall be a breach of any of the conditions, covenants or stipulations on the part of SGAPL contained in the lease. Under the AGPL Lease, in the event that SGAPL withdraws or cancels or attempts to terminate the AGPL Lease before the end date, SGAPL shall provide on months' notice in advance or one month service fee in lieu, failing which SGAPL will be liable to compensate AGPL the full balance monthly service fee amount until the end date.

In respect of the lease for the premises from YOCL ("**Taiwan Lease**"), YOCL has the right to terminate the Taiwan Lease if the total amount of late payment of rent or fees by SGAPL (Taiwan Branch) reaches two months' rent or if SGAPL (Taiwan Branch) violates the relevant provisions under the Taiwan Lease or if SGAPL (Taiwan Branch)'s behaviour has caused immediate danger. If the improvement of any breach fails to be completed within a reasonable period of time after being notified, YOCL has the right to immediately terminate the Taiwan Lease. Under the Taiwan Lease, if SGAPL (Taiwan Branch) wishes to terminate the lease early, it shall notify the other party within one month and shall compensate YOCL for liquidated damages equivalent to one month's rent. When the lease is terminated, YOCL shall return SGAPL (Taiwan Branch) any rent paid by SGAPL (Taiwan Branch) which has not yet become due. As at the Latest Practicable Date, the Company confirms, to the best of its knowledge, that there are no material breaches of the Taiwan Lease which may lead to termination of the Taiwan Lease.

In respect of the lease for the premises from Blink Roppongi ("**Japan Lease**"), there are no express termination clauses provided for in the Japan Lease which states that midterm termination/cancellation shall not be acceptable. There is no right of early termination under the Japan Lease by SGKK. SGKK will not be renewing the Japan Lease but shall be entering into a new lease agreement and relocating to another location which lease shall commence from 16 November 2023 to 30 November 2024.

GENERAL INFORMATION ON THE GROUP

As at the Latest Practicable Date, in the event that any of the above leases are terminated, the Company does not reasonably foresee any difficulties in relocating to alternative premises at a comparable space.

Save as disclosed in the sections entitled “Risk Factors” and “General Information on the Group – Government Regulations” of this Offer Document, there are currently no regulatory requirements or environmental issues that may materially affect the Company’s utilisation of the above property. The lessor of the above property may not unilaterally terminate the lease without cause (such as breach by the Company of the obligations under the lease).

LICENCES, PERMITS, APPROVALS AND CERTIFICATIONS

To the best of the knowledge, the Group has obtained all necessary licences, permits, approvals and certifications required for the business and operations. As at the Latest Practicable Date, save for those disclosed below, in the section titled “Risk Factors” and the section “Government Regulations” of this Offer Document, the business and operations are not subject to any special legislation or regulatory controls which have a material effect on the business and operations other than those generally applicable to companies and businesses operating in Singapore, Taiwan and Japan.

Please refer to the section “Government Regulations” of this Offer Document for a summary of the relevant laws and regulations in Singapore, Taiwan and Japan applicable to the Group.

The following are the main licences, permits, approvals and certificates issued and/or granted to the Group which are essential for the business operations:

| Date of grant/ expiry date | Licences, Permits, Approvals and Certifications | Awarding Organisation/ Authority | Salient Terms and Conditions |
|---|--|--|---|
| 19 September 2023/ 18 September 2026 | ISO 9001-2015 (Approval No. 9001 – 00041966) | LRAQ Limited | Compliance with the requirements of the International Labour Organisation’s Maritime Labour Convention, 2006 (MLC,2006) as applicable to recruitment and placement services |
| 5 September 2023/ No end date stated | Application for the Certificate of Authorisation (COA) For Seafarer Recruitment and Placement Services | Maritime and Port Authority of Singapore | No material terms and conditions |

GENERAL INFORMATION ON THE GROUP

| Date of grant/ expiry date | Licences, Permits, Approvals and Certifications | Awarding Organisation/ Authority | Salient Terms and Conditions |
|-------------------------------------|---|---|--|
| 5 July 2023/ 5 July 2026 | Employment Agency Licence | Ministry of Manpower of Singapore (“ MOM ”) | <p>To operate the licensee’s employment agency in accordance with the Employment Agencies Act 1958.</p> <p>To have at least one key appointment holder who is registered with the Ministry of Manpower under the licensee’s employment agency.</p> <p>A banker’s guarantee for the amount of S\$60,000 is required to be placed with MOM in respect of a security bond dated 19 June 2023.</p> <p>Other conditions imposed by MOM.</p> |
| 19 October 2022/ 22 June 2024 | License of Private Employment Service Agency | Ministry of Labor of Taiwan (“ MOL ”) | <p>A security deposit placed in the bank for a guarantee of NTD 3 million for the period from 30 May 2022 to 30 July 2024.</p> <p>Other conditions imposed by MOL.</p> |
| 1 September 2021/ 31 August 2024 | Certificate of Employment Agency Business | Ministry of Health, Labour and Welfare of Japan (“ MHLW ”) | <p>To not conduct employment placement services for minors whose employment is prohibited under the provisions of Article 56 of the Labor Standards Act.</p> |

GENERAL INFORMATION ON THE GROUP

| Date of grant/ expiry date | Licences, Permits, Approvals and Certifications | Awarding Organisation/ Authority | Salient Terms and Conditions |
|-------------------------------|---|--|--|
| | | | <p>Job placement shall not be limited to specific job seekers without a reasonable reason.</p> |
| | | | <p>When forming a business tie-up between employment agencies, such partners must have legally received permission or notified under the provisions of the Employment Security Act ("Act"), among other conditions.</p> |
| | | | <p>When conducting employment placement overseas, the company is not to conduct employment placement with destination countries other than the countries notified as the scope of occupations, etc., handled pursuant to the provisions of article 32-12, paragraph 1, of the Act.</p> |
| | | | <p>Other conditions imposed by MHLW.</p> |

For any of the above licences which are due to be expiring within the next 12 months from the date of Listing, as at the Latest Practicable Date, the Group does not foresee any difficulties in renewing such licences.

GENERAL INFORMATION ON THE GROUP

INSURANCE

The Group has also taken various insurance policies for the employees and personnel as required under the applicable law of each of the jurisdiction in which the Group operates. The above insurance policies are reviewed annually to ensure that the Group has sufficient insurance coverage. The Directors are of the view that the insurance coverage from the above insurance policies is sufficient for the present operations and is in line with industry practice. As the business expands, the Group will continue to regularly review and assess the risk portfolio and adjust the insurance coverage based on the needs and industry practice. The Group may nevertheless, experience and incur liabilities beyond the current coverage and may be unable to obtain similar coverage in the future. For further details, please refer to the section titled “Risk Factors – Risks Relating to the Business and Industry – The Group is exposed to certain risks against which the Group does not insure, and may have difficulty obtaining insurance on acceptable terms or at all” of this Offer Document.

RESEARCH AND DEVELOPMENT

The Group has not carried out any research and development activities due to the nature of the business. As such, the Group has not incurred any research and development expenditure, during the Period Under Review.

INTELLECTUAL PROPERTY

Website Domains

As at the Latest Practicable Date, the following domain names are owned by the Company:

| Website Domain | Registered Owner | Registration Date | Expiry Date |
|------------------------|------------------|-------------------|--------------|
| www.sheffieldgreen.com | The Company | 21 June 2023 | 21 June 2024 |

As at the Latest Practicable Date, the Group has made the following applications for the registration of its logo as a registered trade mark:

- (a) an application to the Intellectual Property Office of Singapore (“**IPOS**”) under the Trade Marks Act 1998 of Singapore was made on 10 August 2023 which could take an estimated time period of around 12 months for such mark to be registered. As at the Latest Practicable Date, the Company’s application for the trade mark is under examination by IPOS; and
- (b) an application to the Taiwan Intellectual Property Office (“**TIPO**”) under the Trademark Act of the Republic of China (Taiwan) was made on 15 September 2023 and the examination of such mark by the TIPO can take an estimated time period of 8 to 12 months. As at the Latest Practicable Date, the Company’s application for the trade mark is under examination by TIPO.

Save as disclosed above, the Group does not own or use any other registered trademarks, designs, patents, internet domain names or intellectual property which are material to the business or profitability. During the Period Under Review and up to the Latest Practicable Date, there were no disputes or any other pending legal proceedings concerning intellectual property rights. As at the Latest Practicable Date, the Group does not foresee any difficulties in renewing its ownership to the website domain.

GENERAL INFORMATION ON THE GROUP

COMPETITION

There are generally no direct competitors found based on the industry or sectors that the Group provide human resource services to. However, the Group has identified one of the closer competitors as Brunel International, a Dutch group listed on the Euronext Amsterdam Exchange, which provides human resource services broadly across the Oil and Gas, Engineering and Construction, and more recently through its acquisition of Taylor Hopkinson, in the Renewable Energy industry. It is to be noted that although Brunel International has ventured into the Renewable Energy industry, it is known for its “white collar” placements (i.e. the engineers and executives in the renewable energy industry) as this is a capability which Taylor Hopkinson was known for prior to the acquisition by Brunel International.

In contrast, the Group fulfils much of the “blue collar” needs of clients in the renewable energy industry such as the supply of personnel. The supply of such “blue collar” personnel generally requires a different set of capabilities in terms of coordination. The human resource services provider of “blue collar” personnel will need to have the necessary scale and infrastructure to handle coordination work such as large quantity of visa and work permit applications, travel arrangements and bank account opening guidance etc. The Group believes that it is the one of the few, if not the only player in the Renewable Energy industry which possesses such capabilities. As a testament to the Group’s ability, the Group has won multiple tenders and has the experience and capability to fulfil its clients’ requirements for large numbers of operational personnel for its client’s renewable energy projects, a track record which none of its competitors has. The Group is confident that it is the market leader in terms of the ability to provide large scale “blue collar” personnel.

Furthermore, the Group observes that most of the competitors tend to focus on the provision of limited and specialised services to certain segments of the renewable energy value chain such as the provision of headhunting and recruitment services only. In addition, some of its competitors may only provide recruitment services within a limited class of personnel which may not be sufficient to service all of a potential client’s needs. As such, the Group has sought to distinguish itself from its competitors by enabling the Group to provide a range of services to meet the clients’ human resource requirements along the entire renewable energy (both onshore and offshore) value chain. The Group is able to supply a wide range of personnel in accordance with the requirements of its clients ranging from top tier management, technical personnel, to offshore crew personnel across industry sub-segments and across various levels of seniority. The range of end-to-end human resource services that the Group provides is wide and include, personnel selection, visa application, training, deployment logistics, and staff and payroll funding and administration. The Group has a diverse portfolio of clients in the renewable energy industry, including infrastructure investors (fund managers, strategic corporates, general partners, institutions), utility companies, project developers, EPCI companies, operation and maintenance companies and many more.

PROSPECTS

The Directors believe that the Group will continue to enjoy growth in the foreseeable future as the renewable energy industry is poised for significant growth in the coming years due to increasing awareness of the negative impacts of traditional energy sources, such as fossil fuels, on the environment and public health, as well as the declining cost of renewable technologies. The global shift towards renewable energy sources, such as wind, solar and hydropower, is expected to continue and accelerate, as countries and companies around the world commit to reducing their carbon footprint and transitioning to more sustainable energy sources.

GENERAL INFORMATION ON THE GROUP

The underlying demand trends for the services will likely be positive in the foreseeable future for the reasons summarised below:

- (a) There will be a strong global demand for renewable energy; and
- (b) There will be a limited talent pool of experienced renewable energy personnel and outsourcing trends of human resource functions.

Please refer to the section titled “Offer Document Summary – Prospects” of this Offer Document for further details.

TRENDS

Based on the revenue and operations of the Group as at the Latest Practicable Date and barring unforeseen circumstances, the Directors have observed the following trends for FY2023:

- (a) The Group expects the revenue to increase due to the growing wind energy industry; and
- (b) There will be an increasing focus on the training of local workers due to the local content requirements of the various local governments.

Please refer to the section titled “Offer Document Summary – Trends” of this Offer Document for further details.

ORDER BOOK

The Directors are of the view that the order book information is not relevant or meaningful to the Group. After the relevant subsidiary or branch enters into an agreement with the client, the client will put in their request for personnel to be supplied for their respective project, which are generally fulfilled within a short period of time of around one to two months. Such personnel will generally be contracted for a period of 6 to 12 months. Accordingly, the order book does not provide a meaningful or accurate representation of the services to be fulfilled or supplied by the Group on a medium to long-term basis. Generally, such personnel supplied remain relatively consistent on a month-on-month basis, save for some nominal mobilisation and demobilisation.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

The Group views the corporate social responsibility initiatives as both a responsibility and a competitive advantage. The Group recognises the obligations to the employees, shareholders, business partners and the communities in which the Group operates, and are committed to achieving long-term mutually sustainable relationships with the stakeholders.

As evident from the involvement in the renewable energy industry, the Group also places strong emphasis on promoting and investing in renewable and sustainable energy. The Group firmly believes in the importance of using sustainable energy sources to mitigate the impact of climate change and promote a more eco-friendly future. The involvement in the renewable energy industry is a clear demonstration of the commitment to this cause. Furthermore, the Group is actively working together with the clients towards a carbon-neutral future by reducing the carbon footprint and implementing green initiatives throughout the operations.

GENERAL INFORMATION ON THE GROUP

The Group recognises that the corporate social responsibility and sustainability initiatives will continue to evolve as the Group grows the business, and the Group will strive to be part of a positive change to society, both socially and environmentally. As the Group monitors the corresponding impact on society, the environment, the Shareholders and other stakeholders, the Group will continue to develop and improve the corporate social responsibility and sustainability initiatives.

GOVERNMENT REGULATIONS

The Group is subject to certain laws and regulations in Singapore, Taiwan and Japan which apply to the business and operations. The laws and regulations set out below are not exhaustive and are only intended to provide some general information to the investors and are neither designed nor intended to be a substitute for professional advice. Prospective investors should consult their own advisers regarding the implication of such laws and regulations on the Company.

As at the Latest Practicable Date, the Directors believe that the Group is not in breach of any laws or regulations applicable to the business operations that would materially affect the business operations, and the Group is in compliance with all the laws and regulations that would materially affect the business operations.

Singapore

Work Injury Compensation Act

Work Injury Compensation Act 2019 of Singapore (“**WICA**”), which is regulated by the MOM, applies to workmen in all industries in respect of injury suffered by them in the course of their employment and sets out, among others, the amount of compensation they are entitled to and the method(s) of calculating such compensation.

The WICA provides that if in any employment, personal injury by accident arising out of and in the course of the employment is caused to a workman, the employer shall be liable to pay compensation in accordance with the provisions of the WICA.

Further, the WICA provides that, amongst others, where any person (referred to as the principal) in the course of or for the purpose of his trade or business contracts with any other person (referred to as the employer) for the execution by the employer of the whole or any part of any work undertaken by the principal, the principal shall be liable to pay to any workman employed in the execution of the work any compensation which he would have been liable to pay if that workman had been immediately employed by the principal.

Employers are required to maintain work injury compensation insurance for two categories of employees engaged under contracts of service (unless exempted) – firstly, all employees doing manual work and secondly, non-manual employees earning S\$1,600 or less a month. Failure to do so is an offence punishable by a maximum fine of \$10,000 and/or imprisonment of up to 12 months.

Workplace Safety and Health Safety Measures

Under the Workplace Safety and Health Act 2006 of Singapore (“**WSHA**”), every employer has the duty to take, so far as is reasonably practicable, such measures as are necessary to ensure the safety and health of his employees at work. These measures include providing and maintaining for the employees a work environment which is safe, without risk to health, and adequate as regards facilities and arrangements for their welfare at work, ensuring that adequate safety measures are taken in respect of any machinery, equipment, plant, article or process used by the employees, ensuring that the employees are not exposed to hazards arising out of the arrangement, disposal, manipulation, organisation, processing, storage, transport, working or use of things in their workplace or near their workplace and under the control of the employer, developing and implementing procedures for dealing with emergencies that may arise while those persons are at work and ensuring that the person at work has adequate instruction, information, training and supervision as is necessary for that person to perform his work.

GOVERNMENT REGULATIONS

More specific duties imposed on employers are laid out in the Workplace Safety and Health (General Provisions) Regulations (“**WSHR**”). Some of these duties include taking effective measures to protect persons at work from the harmful effects of any exposure to any bio-hazardous material which may constitute a risk to their health.

Under the WSHA, inspectors appointed by the Commissioner for Workplace Safety and Health (“**CWSH**”) may, among others, enter, inspect and examine any workplace, to inspect and examine any machinery, equipment, plant, installation or article at any workplace, to make such examination and inquiry as may be necessary to ascertain whether the provisions of the WSHA are complied with, to take samples of any material or substance found in a workplace or being discharged from any workplace for the purpose of analysis or test, to assess the levels of noise, illumination, heat or harmful or hazardous substances in any workplace and the exposure levels of persons at work therein and to take into custody any article in the workplace which is relevant to an investigation or inquiry under the WSHA.

Under the WSHA, the CWSH may issue a stop-work order in respect of a workplace if he is satisfied that (i) the workplace is in such condition, or is so located, or any part of the machinery, equipment, plant or article is in such condition, or is so located, or any part of the machinery, equipment, plant or article in the workplace is so used, that any process or work carried on in the workplace cannot be carried on with due regard to the safety, health and welfare of persons at work; (ii) any person has contravened any duty imposed by the WSHA; or (iii) any person has done any act, or has refrained from doing any act which, in the opinion of the CWSH, poses or is likely to posed a risk to the safety, health and welfare of persons at work. The stop-work order shall, amongst others, direct the person served with the order to immediately cease to carry on any work indefinitely or until such measures as are required by the CWSH have been taken, to the satisfaction of the CWSH, to remedy any danger so as to enable the work in the workplace to be carried on with due regard to the safety, health and welfare of the persons at work.

Employment Act

The Employment Act 1968 of Singapore (“**EA**”) is also administered by the MOM and sets out the basic terms and conditions of employment and the rights and responsibilities of employers as well as employees. With effect from 1 April 2019, the EA extends to all employees, including persons employed in managerial or executive positions, with certain exceptions. In particular, Part 4 of the EA sets out enhanced protection requirements such as rest days, hours of work and other conditions of service for workmen who receive salaries not exceeding S\$4,500 a month and employees (other than workmen) who receive salaries not exceeding S\$2,600 a month (“**relevant employees**”). Section 38(8) of the EA provides that a relevant employee is not allowed to work for more than 12 hours in any one (1) day except in specified circumstances, such as where the work is essential to the life of the community, defence or security. In addition, section 38(5) of the EA limits the extent of overtime work that a relevant employee can perform to 72 hours a month.

Employers must seek the prior approval of the Commissioner for Labour (“**Commissioner**”) for exemption if they require a relevant employee or class of relevant employees to work for more than 12 hours a day or work overtime for more than 72 hours a month. The Commissioner may, after considering the operational needs of the employer and the health and safety of the relevant employee or class of relevant employees, by order in writing exempt such relevant employees from the overtime limits subject to such conditions as the Commissioner thinks fit. Where such exemptions have been granted, the employer shall display the order or a copy thereof conspicuously in the place where such employees are employed.

GOVERNMENT REGULATIONS

Enhanced administrative requirements

From 1 April 2016, the Employment (Amendment) Act 2015 requires employers to implement enhanced administrative requirements for employees covered under the EA. There are key changes in relation to pay slips, employment terms and employment records, as well as the new framework adopted for less severe breaches of the EA. Employers are also required to provide itemised pay slips to all employees, provide employees with written key employment terms and keep detailed employment records for each employee.

Tripartite Guidelines on Fair Employment Practices

The Tripartite Guidelines on Fair Employment Practices (“**Guidelines**”), formulated by the Tripartite Alliance for Fair and Progressive Employment Practices (“**TAFEP**”), sets out fair employment practices that should be adopted by employers to help prevent discrimination at the workplace. The MOM and TAFEP make reference to the Guidelines in promoting fair and responsible employment practices. Employers are expected to abide by the principles of fair employment and adopt the recommended good practices.

Central Provident Fund Act

The Central Provident Fund (“**CPF**”) system is a mandatory social security savings scheme funded by contributions from employers and employees. Pursuant to the Central Provident Fund Act 1953 of Singapore (the “**CPF Act**”), an employer is obliged to make CPF contributions for all employees who are Singapore citizens or permanent residents who are employed in Singapore under a contract of service (save for employees who are employed as a master, a seaman or an apprentice in any vessel, subject to an exception for non-exempted owners). CPF contributions are not applicable for foreigners who hold Employment Passes, S Passes or Work Permits. CPF contributions are required for both ordinary wages and additional wages (subject to a yearly additional wage ceiling) of employees at the applicable prescribed rates which is dependent on, amongst others, the amount of monthly wages and the age of the employee. An employer must pay both the employer’s and employee’s share of the monthly CPF contribution. However, an employer can recover the employee’s share of CPF contributions by deducting it from their wages when the contributions are paid for that month.

Personal Data Protection

Personal data in Singapore is protected under the Personal Data Protection Act 2012 of Singapore (“**PDPA**”). The PDPA generally requires organisations to give notice and obtain consents prior to collection, use or disclosure of personal data (being data, whether true or not, about an individual who can be identified from that data or other accessible information), and to provide individuals with the right to access and correct their own personal data. Organisations have mandatory obligations to assess data breaches they suffer, and to notify the Singapore Personal Data Protection Commission (“**PDPC**”) and the relevant individuals where the data breach is of a certain severity. The PDPA also imposes various baseline obligations on organisations in connection with permitted uses of, accountability for, the protection of, the retention of, and overseas transfers of, personal data.

The PDPA creates various offences in connection with the improper use of personal data, certain methods of collecting personal data and certain failures to comply with the requirements under the PDPA. These offences may be applicable to organisations, their officers and/or their employees. Offenders are liable on conviction to fines and/or imprisonment. The PDPA empowers the PDPC with significant regulatory powers to ensure compliance with the PDPA, including powers to

GOVERNMENT REGULATIONS

investigate, give directions and impose a financial penalty of up to S\$1 million. In addition, the PDPA created a right of private action, pursuant to which the Singapore courts may grant damages, injunctions and relief by way of declaration, to persons who suffer loss or damages directly as a result of contraventions of certain requirements under the PDPA.

The PDPA was last amended by the Personal Data Protection (Amendment) Act 2020, which is only partially in force. From 1 October 2022, for organisations whose annual turnover in Singapore exceeds S\$10 million, the maximum financial penalty that the PDPC may impose is 10% of the annual turnover in Singapore of that organisation or S\$1 million, whichever is higher. As at the Latest Practicable Date, a key portion of such Act not yet in force includes a requirement for organisations to transfer personal data of an individual to a different organisation where requested by the individual (generally referred to as “data portability”).

Employment Agencies Act

The Employment Agencies Act 1958 (“**EAA**”) regulates employment agencies in Singapore.

Employment Agency Licence

Under Section 6(1) of the EAA, a person must not carry on an employment agency unless the person is the holder of a licence from the Commissioner authorising the person to carry on an employment agency. An “employment agency” for the purposes of the EAA means any agency or registry carried on or represented as being or intended to be carried on (whether for the purpose of gain or reward or not) for or in connection with the employment of persons in any capacity, but does not include any registry set up by an employer for the sole purpose of recruiting persons for employment on the employer’s own behalf.

Registration of All Employment Agency Personnel

All key appointment holders and other employment agency personnel performing employment agency work must be registered with MOM before the licensee may permit or authorise such personnel to perform any specified employment agency work.

Eligibility for Employment Agency Personnel

A key appointment holder is, in relation to an employment agency, any director, CEO, chief financial officer, chief operating officer, partner or sole-proprietor of the employment agency, or anyone who has general control and management of the administration of any specified employment agency work of the employment agency, and must minimally not be an undischarged bankrupt, not have been convicted of an offence involving dishonesty or human trafficking, and not have been a director or manager of an employment agency whose licence was revoked.

Any other employment agency personnel performing employment agency work must minimally not have been convicted of an offence involving human trafficking, and not have been a director or manager of an employment agency whose licence was revoked.

GOVERNMENT REGULATIONS

Taiwan

Company Act (公司法)

The fundamental law governing the establishment of the Taiwan Branch is the Company Act (公司法). From the perspective of Taiwan Law, a branch of a foreign-incorporated company is not considered an independent legal person but a part of its foreign headquarter. And therefore, any liability arising with regard to the branch will be extended to its foreign headquarter if the asset of the Branch is not sufficient to pay off such liabilities.

Income Tax Act (所得税法)

Pursuant to the Income Tax Act (所得税法), a branch of a foreign-incorporated company is subject to profit-seeking entity income tax. Further, based on the same Act and other relevant governmental regulations, payments of interest and royalties to a foreign entity are subject to withholding tax at 20% and payments of dividends to a foreign entity are subject to withholding tax at 20%. Whereas for a branch of a foreign-incorporated company, it is not subject to the withholding tax on earnings to be repatriated to the foreign headquarter and is not subject to the undistributed earning tax (5%).

Value-added and Non-value-added Business Tax Act (加值型与非加值型营业税法)

The current value-added tax (“VAT”) is 5% on businesses generally, that is applied on the sale of most kinds of goods and services by a profit-seeking entity, and to be paid by the purchaser. The VAT rate is 0% on the export of good and services and VAT of 5% is applicable on the import of goods and services and is paid by the importer.

Regulations for Permission and Supervision of Private Employment Services Institution (私立就业服务机构许可及管理办法)

As SGAPL (Taiwan Branch) operates in the employment service sector, the Regulations for Permission and Supervision of Private Employment Services Institution are the primary regulations that govern its licensing and operation.

Fair Trade Act (公平交易法)

The Fair Trade Act (公平交易法) restricts restrictive business practices and unfair trade practices. For the former, the law restricts anti-competitive aspects of monopolies, mergers, concerted actions etc. While for the latter, the law seeks to prevent misleading advertising and labelling, misappropriation of trade secrets and anti-competitive practices in the field of intellectual property.

Employment Services Act (就业服务法)

Based on the Employment Services Act (就业服务法) and the relevant regulations, expatriates should obtain work permits in order to work in Taiwan. For a foreign Branch manager, work permit is also required. And for a branch of a foreign-incorporated company that established in Taiwan for more than one year, some requirements apply, e.g. In the most recent or past three years, average annual revenue should reach at least NTD 10,000,000, average import/export transactions of at least US\$1,000,000 or average agent commissions of at least US\$400,000.

GOVERNMENT REGULATIONS

Labor Standards Act (劳动基准法)

The Labor Standards Act (劳动基准法) is the fundamental law that sets up minimum requirements and standards of employment terms and conditions in Taiwan such as working hours, overtime, leaves, benefits, severance pay, etc. The Labor Standards Act applies to local and foreign workers, and it tends to be protective of employees. Employers are only allowed to unilaterally terminate an employment agreement unless proofs can be provided to show that certain statutory requirements in the Labor Standards Act have been fulfilled.

Labor Social Insurances

Employers must pay into the following social insurances for the employees, including: the labor pension plan (based on either the old plan as provided in the Labor Standards Act or the new plan as provided in the Labor Pension Act (劳工退休金条例)), national health insurance (based on the National Health Insurance Act (全民健康保险法)), employment insurance (based on the Employment Insurance Act (就业保险法)); and labor insurance (based on the Labor Insurance Act (劳工保险条例)).

Personal Data Protection Act (个人资料保护法)

This Act is applicable to all natural persons and legal persons in Taiwan. Personal data may only be collected, processed and used under when: i) the data collector has specific purpose(s) to do so; ii) at least one of the statutorily specified circumstances (e.g., there is a contractual relationship between the parties) exists; (iii) the data collecting agency provides adequate notice to the data subject.

Foreign Exchange Control Act

Laws and regulations concerning exchange controls has been described in the section titled “Exchange Controls” of this Offer Document above.

Japan

Overview

In Japan, labour markets and employment relations are governed by several laws and regulations. These include the Labour Standards Act of Japan (Act No. 49 of 1947, as amended; the “**Labour Standards Act**”), which prescribes minimum labour conditions, the Minimum Wage Act of Japan (Act No. 137 of 1959, as amended) which sets forth minimum wage requirements; and the Industrial Safety and Health Act of Japan (Act No. 57 of 1972, as amended), which sets forth safety and sanitary requirements for the protection of employees.

Terms of Employment

The Labour Standards Act of Japan requires certain terms of employment (such as the terms of employment, working hours, holiday entitlements, and wage matters) to be specified in writing. An employment contract may be for a fixed or an unfixed term. Save where specified in the Labour Standards Act, the term of fixed term labour contracts may not exceed three years (although such fixed term may be renewed for successive terms). Successive renewal has the potential to cause the relevant employee to be deemed to have been hired for an indefinite term. Unless otherwise expressly agreed, an employee will be deemed to be under contract for an indefinite term. This is the typical employment arrangement for regular Japanese employees.

GOVERNMENT REGULATIONS

Work Rules

The Labour Standards Act requires employers in Japan which hire 10 or more employees on a continuous basis to prepare work rules on certain prescribed matters (such as working hours, holiday entitlements, leave entitlements, wage matters, retirement and dismissal, and disciplinary actions). An employer is required to file its work rules with the appropriate local labour standards inspection office.

Termination of Employees

In Japan, employers are prohibited from terminating employees unless such terminations is “appropriate in general societal terms” and is based on “objectively reasonable grounds”. Japanese courts have typically been highly protective of employees’ interests; accordingly, the above requirements are typically strictly interpreted by Japanese courts. Save in limited circumstances, employers are statutorily required to give employees at least 30 days’ termination notice, or make payment of average wages for such period in lieu of notice.

Worker Dispatch Business

As mentioned above, various aspects regarding labour and employment are regulated by Japanese laws. The Act on Securing the Proper Operation of Worker Dispatching Businesses and Protecting Dispatched Workers (Act No. 88 of 1985, as amended), is a Japanese labor law that regulates the employment of dispatched workers in Japan. Under the Worker Dispatching Act, worker dispatching businesses (also known as temporary staffing agencies) are required to obtain a license from the government in order to operate. The Act sets out various requirements that these businesses must comply with, such as maintaining proper employment records, providing social insurance and other benefits to dispatched workers, and ensuring that dispatched workers are not subjected to discrimination or harassment.

INTERESTED PERSON TRANSACTIONS

INTERESTED PERSON TRANSACTIONS

For purposes of this section, the following definitions will apply:

“approved exchange” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles in Chapter 9 of the Catalist Rules.

“Interested Person” means:

- (a) a director, CEO, or controlling shareholder of the Company; or
- (b) an associate of any such director, CEO, or controlling shareholder.

Certain terms such as “associate”, “control”, “controlling shareholder”, and “interested person” used in this section have the meanings as provided in the Catalist Rules and in the SFR, unless the context specifically requires the application of the definitions in one or the other as the case may be.

The following persons or companies who or which (as the case may be) have transacted with the Group during the Relevant Period are as follows:

| Interested Person | Relationship |
|--------------------------|--|
| Kee Boo Chye | Mr. Kee is the CEO, Chairman and Executive Director of the Company. Mr. Kee holds 58.35% of the shares in the Holdco which, in turn, is a controlling shareholder of the Company. |
| The Holdco | The Holdco is a private company limited by shares incorporated in Singapore on 26 September 2009. It is a controlling shareholder of the Company holding 83.66% of the Shares (prior to the Offering). |
| SEPL | SEPL is a private company limited by shares incorporated in Singapore on 18 March 1989. SEPL is a wholly-owned subsidiary of the Holdco. |
| PTSEI | PTSEI is a private company limited by shares incorporated in Indonesia on 12 July 2007. PTSEI is a subsidiary of SEPL. |
| SELTH | SELTH is a company limited by shares incorporated in Thailand on 12 October 2007. SELTH is a wholly-owned subsidiary of SEPL. |
| SESB | SESB is a private company limited by shares incorporated in Malaysia on 10 June 2003. SESB is a wholly-owned subsidiary of SEPL. |
| STRL | STRL is a company limited by shares incorporated in Thailand on 5 February 2014. STRL is a subsidiary of SELTH. |

INTERESTED PERSON TRANSACTIONS

In general, transactions between the Company and any of the interested persons would constitute interested person transactions for the purposes of Chapter 9 of the Catalist Rules.

Details of the present and ongoing transactions as well as past transactions between the Company and Interested Persons which are material in the context of the Offering are set out below and in the section entitled “Restructuring Exercise”. Save as disclosed in this section, in the sections entitled “Restructuring Exercise” and sub-section entitled “Potential Conflicts of Interests” of this Offer Document, there are no material interested person transactions for FY2020, FY2021 and FY2022, and for the period from 30 June 2022 to the Latest Practicable Date (“**Relevant Period**”).

In line with the rules set out in Chapter 9 of the Catalist Rules, a transaction which value is less than S\$100,000 is not considered material in the context of the Offering and is not taken into account for the purposes of aggregation in this section.

PAST INTERESTED PERSON TRANSACTIONS

Details of the past transactions (excluding transactions less than S\$100,000) between the Group Companies and its Interested Persons which are material in the context of the Offering for the Relevant Period are as follows:

(a) Advances

During the Period Under Review, SEPL had provided interest free advances for the following amounts to Group Companies as set out below (“**advances**”):

| Interested Person | FY2020 (US\$) | FY2021 (US\$) | FY2022 (US\$) | FP2023 (US\$) | From FP2023 to the Latest Practicable Date (US\$) |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--|
| SEPL | 118,754 | 188,305 | 378,166 | 210,359 | – ⁽¹⁾ |

Note:

(1) Amount is less than S\$100,000.

As the advances from SEPL were unsecured, repayable on demand and interest free, they were not provided on an arm’s length basis and were not on normal commercial terms. However, such transactions have been settled and will not recur post-Listing, and hence are not prejudicial to the interests of the Company and the minority Shareholders.

INTERESTED PERSON TRANSACTIONS

(b) Receipts on Behalf

During the Period Under Review, SEPL (including its Taiwan branch) had received payments from customers on behalf of Group Companies in the following amounts as set out below:

| Interested Person | FY2020 (US\$) | FY2021 (US\$) | FY2022 (US\$) | FP2023 (US\$) | From FP2023 to the Latest Practicable Date (US\$) |
|-------------------|------------------|------------------|------------------|------------------|--|
| SEPL | 640,817 | 476,731 | 833,545 | 1,231,245 | – |

These were at a time when the Group was part of the pre-reorganisation group of companies owned by the ultimate holding company. The transactions were not provided on an arm's length basis and were not on normal commercial terms. However, such transactions have been settled and will not recur post-Listing, and hence are not prejudicial to the interests of the Company and the minority Shareholders.

(c) Management and Service Fees

During the Period Under Review, SEPL entered into various arrangements to provide management and services for the Group Companies for the following amounts:

| Interested Person | FY2020 (US\$) | FY2021 (US\$) | FY2022 (US\$) | FP2023 (US\$) | From FP2023 to the Latest Practicable Date (US\$) |
|-------------------|------------------|------------------|------------------|------------------|--|
| SEPL | 95,415 | 98,287 | 80,839 | – ⁽¹⁾ | – ⁽¹⁾ |

Note:

(1) Amount is less than S\$100,000.

The transactions were not provided on an arm's length basis and were not on normal commercial terms. However, such transactions have been settled and will not recur post-Listing, and hence are not prejudicial to the interests of the Company and the minority Shareholders.

INTERESTED PERSON TRANSACTIONS

(d) Supply of Offshore Workers from SEPL to SGAPL

Pursuant to the services agreement dated 31 July 2023 entered into between SGAPL and SEPL which has been terminated with effect from 27 September 2023, SGAPL had an ongoing arrangement with SEPL for SEPL to supply offshore workers to SGAPL where such workers are kept on SEPL's payroll. The term of the services agreement is from 1 April 2022 until the termination of the agreement. The agreement may be terminated if the defaulting party:–

- (a) commits a breach of the agreement, and in the case of a breach which is capable of remedy, fails to remedy the breach within 90 days (or such longer period as the non-defaulting party may at its option agree in writing) of written notice from the non-defaulting party to do so;
- (b) assigns its rights otherwise than in accordance with the agreement;
- (c) breaches any undertaking of confidentiality under the agreement;
- (d) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (e) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- (f) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (g) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation;
- (h) has a resolution passed for its winding-up, judicial management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (i) seeks or becomes subject to the appointment of an administrator, judicial manager, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (j) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets; or
- (k) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in sub-clauses (d) to (j) (inclusive) or takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts,

INTERESTED PERSON TRANSACTIONS

the non-defaulting party, shall have the right to terminate the agreement forthwith and to recover from the defaulting party all resulting damages, losses, costs and/or expenses incurred or sustained by the non-defaulting party. SEPL issues a debit note to SGAPL in relation to its costs of providing human resource services and ancillary services and applies a mark-up of around 5% of such costs to SGAPL. The amount of the various transactions are as follows:

| Interested Person | FY2020 (US\$) | FY2021 (US\$) | FY2022 (US\$) | FP2023 (US\$) | From FP2023 to the Latest Practicable Date (US\$) |
|-------------------|------------------|------------------|------------------|------------------|--|
| SEPL | – | – | 160,369 | 2,284,565 | 793,682 |

These transactions were conducted on an arm's length basis and was on normal commercial terms as such rates are in line with the commercial rates that SEPL would have applied to supply of such services with its customers and, hence, are not prejudicial to the interests of the Company and the minority Shareholders. Included in the above amounts, are the cost of offshore workers supplied by SEPL during the period when SGAPL was still in the process of obtaining the relevant ISO certification and the MLC which it has already obtained on 19 September 2023. As SGAPL has obtained the relevant ISO certification and the MLC, such transactions will not recur post-Listing, and hence are not prejudicial to the interests of the Company and the minority Shareholders. The Group does not intend to enter into a similar arrangement with SEPL in the foreseeable future.

PRESENT AND ON-GOING INTERESTED PERSON TRANSACTIONS

Details of the present and ongoing transactions between the Company and interested persons which are material in the context of the Offering (excluding transactions less than S\$100,000) for the Relevant Period are as follows:

(a) Personal Guarantee

As at the Latest Practicable Date, the CEO and Executive Director, Mr. Kee Boo Chye, is providing a personal guarantee for credit facilities granted to the following entity within the Group:

| Lender | Borrower | Guarantor | Approximate amount of Facility/ Amount Guaranteed (US\$) | Amount Outstanding as at the Latest Practicable Date (US\$) | Largest Outstanding Amount Guaranteed for the Period Under Review (US\$) | Type of Facility | Maturity Profile | Interest Rate |
|----------------------------|----------|------------------|--|---|--|------------------|------------------|--------------------|
| Chailease Finance Co., Ltd | SGAPL | Mr. Kee Boo Chye | 750,000 (NTD 23 million) | 279,924 (NTD 8,944,473) | 750,000 (NTD 23 million) | Short term loan | 1 year | 5.5162% 5.7024% |

INTERESTED PERSON TRANSACTIONS

As no consideration was paid by the Company to procure the respective present and ongoing personal guarantees provided by Mr. Kee Boo Chye, the personal guarantee was not provided on an arm's length basis and was not on normal commercial terms. However, as these personal guarantees are to secure the obligations of the Company, the Directors are of the view that they are not prejudicial to the interests of the Company or the minority Shareholders.

Following the Listing, the Group will endeavour to reduce reliance on this personal guarantee and to eventually procure the discharge of the above personal guarantee by the Interested Person. The Directors do not expect any material change in the terms and conditions of the respective banking facilities arising from the discharge of the personal guarantee. Should the respective lenders be unwilling to release and discharge the above guarantees, Mr. Kee Boo Chye will continue to provide the respective guarantee until such time when the Group is able to secure suitable alternative banking facilities from other financial institutions offering comparable terms, without the need for such personal guarantee. To the extent the Company is able to procure the discharge of these personal guarantee, the provision of such personal guarantee by Mr. Kee Boo Chye for the existing credit facilities granted to the Company is not expected to continue post-Listing.

Following the Listing, the Company does not intend to enter into similar new transactions with Mr. Kee Boo Chye for the provision of new personal guarantees. However, in the event that the Company is, for any reason, required to procure that Mr. Kee Boo Chye provide a personal guarantee for the benefit of the Company in the future, it will be subject to all applicable provisions (including Chapter 9) in the Catalist Rules and the procedures set out in the section entitled "Interested Person Transactions – Guidelines and Review Procedures for Ongoing and Future Interested Person Transactions" of this Offer Document.

(b) Payments on Behalf

During the Period Under Review, SEPL and PTSEI had made payments on behalf of the Group Companies for the following amounts as set out below:

| Interested Person | FY2020 (US\$) | FY2021 (US\$) | FY2022 (US\$) | FP2023 (US\$) | From FP2023 to the Latest Practicable Date (US\$) |
|-------------------|------------------|------------------|------------------|------------------|--|
| SEPL | 243,822 | 514,369 | 486,733 | 546,310 | – ⁽¹⁾ |
| PTSEI | – | – | 128,035 | 2,783,180 | 3,567,739 |

Note:

(1) Amount is less than S\$100,000.

Payments on behalf by SEPL primarily relates to salaries for staff and personnel supplied for projects. These were at a time when the Group was part of the pre-organisation group of companies owned by the ultimate holding company as well as before the transfer of projects to the Group.

Payments on behalf by PTSEI mainly relates to processing of salaries of Indonesian personnel supplied for projects.

INTERESTED PERSON TRANSACTIONS

As the payments on behalf of the Group Companies by SEPL (including its Taiwan branch) and PTSEI were unsecured, repayable on demand and interest free, they were not provided on an arm's length basis and were not on normal commercial terms and, as such, the transactions are not prejudicial to the interests of the Company and the minority Shareholders. In the event that the Group enters into similar transactions of the above nature in the future, such transactions, if any, shall be subject to the review procedure set out in the section entitled "Guidelines And Review Procedures For On-Going And Future Interested Person Transactions" below.

(c) Receivables due from SGSAS to the Company

Pursuant to the disposal of SGSAS under the SGSAS SPA, there will be a sum payable by SGSAS in the amount of US\$945,047 based on the outstanding balance due from SGSAS to the Company as at 31 March 2023 which shall be payable by SGSAS to the Company within a period of twelve (12) from the date of completion of the disposal of shares of SGSAS ("**SGSAS Receivables**"). The sum outstanding as at the Latest Practicable Date from SGSAS is US\$945,047.

As the SGSAS Receivables were unsecured and interest free, they were not provided on an arm's length basis and were not on normal commercial terms. However, such transactions are not prejudicial to the interests of the Company and the minority Shareholders as, pursuant to the SGSAS SPA, SEPL will indemnify and save harmless the Company from and against any and all losses which the Company may at any time and from time to time sustain, incur or suffer by reason of or in relation to any sums payable by SGSAS to the Company (including, but not limited to, the SGSAS Receivables). In the event that the Group enters into similar transactions of the above nature in the future, such transactions, if any, shall be subject to the review procedure set out in the section entitled "Guidelines And Review Procedures For On-Going And Future Interested Person Transactions" below.

GUIDELINES AND REVIEW PROCEDURES FOR ON-GOING AND FUTURE INTERESTED PERSON TRANSACTIONS

The Audit Committee will review and approve all interested person transactions to ensure that they are on normal commercial terms and on arm's length basis, that is, the transactions are transacted in terms and prices not more favourable to the Interested Persons than if they were transacted with a third party and are not prejudicial to the Company and the Shareholders' interests in any way.

To ensure that all future interested person transactions are carried out on normal commercial terms and will not be prejudicial to the Company and the Shareholders' interests, the following procedures will be implemented by the Group:

- (a) when purchasing any products or engaging any services from an Interested Person, two other quotations from non-Interested Persons will be obtained for comparison to ensure that the Company and the Shareholders' interests are not disadvantaged. The purchase price or fee for services shall not be higher than the most competitive price or fee of the two other quotations from non-Interested Persons. In determining the most competitive price or fee, all pertinent factors, including but not limited to quality, requirements, specifications, delivery time and track record will be taken into consideration;

INTERESTED PERSON TRANSACTIONS

- (b) when selling any products or providing any services to an Interested Person, the price and the term of two other completed transactions of the same or substantially the same type of transactions from unrelated third parties shall be used as comparison wherever possible. Transactions with such Interested Person shall not be on terms less favourable to the Group than those with unrelated third parties;
- (c) in the case of renting properties from or to an Interested Person, the Board shall take appropriate steps to ensure that the rent is commensurate with the prevailing market rates, including adopting measures such as making relevant inquiries with landlords of similar properties and/or obtaining necessary reports or reviews published by property agents (including an independent valuation report by a property valuer, where considered appropriate). The amount payable shall be based on the most competitive market rental rate of similar property in terms of size, suitability for purpose and location, based on the results of the relevant inquiries;
- (d) where it is not possible to compare against the terms of other transactions with unrelated third parties and given that the products or services may be purchased only from an Interested Person, the interested person transaction will be approved by either the CEO, if he has no interest in the transaction, or failing which, the Audit Committee, in accordance with the usual business practices and policies. In determining the transaction price payable to the Interested Person for such products and/or service, factors such as, but not limited to, quantity, requirements and specifications will be taken into account; and
- (e) in addition, the Group shall monitor all interested person transactions entered into by the Group and categorise these transactions as follows:
 - (i) a Category 1 interested person transaction is one where the value thereof is equal or in excess of 3.0% of the latest audited NTA; and
 - (ii) a Category 2 interested person transaction is one where the value thereof is below 3.0% of the latest audited NTA.

All Category 1 interested person transactions must be approved by the Audit Committee prior to entry whereas Category 2 interested person transactions need not be approved by the Audit Committee prior to entry but shall be reviewed on a quarterly basis by the Audit Committee.

In addition, should there be any interested person transaction that is not in the Group's ordinary course of business, prior to the entry into any such agreement or arrangement with an Interested Person, prior approval shall also be obtained from the Audit Committee. In the event that a member of the Audit Committee is interested in any such transaction, such member shall abstain from reviewing that particular transaction. Any decision to proceed with such an agreement or arrangement shall be recorded for review by the Audit Committee.

The Audit Committee will review all interested person transactions, if any, on a quarterly basis to ensure that they are carried out on an arm's length basis and in accordance with the procedures outlined above, it will take into account all relevant non-quantitative factors. In the event that a member of the Audit Committee is interested in any such transaction, he will abstain from participating in the review and approval process in relation to that particular transaction.

INTERESTED PERSON TRANSACTIONS

The Company shall prepare all the relevant information to assist the Audit Committee in its review and will keep a register recording all interested person transactions. The register shall also record the basis for entry into the transactions, including the quotations and other evidence obtained to support such basis.

In addition, the Audit Committee and the Board will also ensure that all disclosure, approval and other requirements on interested person transactions, including those required by prevailing legislation, the Catalist Rules (in particular, Chapter 9) and relevant accounting standards, are complied with. The annual internal audit plan shall incorporate a review of all interested person transactions entered into. Such transactions will also be subject to the approval of the Shareholders if required by the Catalist Rules. The Company will also endeavour to comply with the recommendations set out in the Code of Corporate Governance.

These internal audit reports will be reviewed by the Audit Committee to ascertain whether the guidelines and procedures established to monitor interested person transactions have been complied with. The Audit Committee shall also review from time to time such guidelines and procedures to determine if they are adequate and/or commercially practicable in ensuring that interested person transactions are conducted on normal commercial terms, on an arm's length basis and do not prejudice the interests of the Company and the interests of the Shareholders. Further, if during these periodic reviews by the Audit Committee, the Audit Committee is of the opinion that the guidelines and procedures as stated above are not sufficient to ensure that interested person transactions will be on normal commercial terms, on an arm's length basis and not prejudicial to the interests of the Company and the Shareholders, the Audit Committee will adopt such new guidelines and review procedures for future interested person transactions as may be appropriate.

Disclosure will be made in the annual report of the aggregate value of interested person transactions during the relevant FY under review.

POTENTIAL CONFLICTS OF INTERESTS

All the Directors have a duty to disclose their interests in respect of any transaction in which they have any personal interest or any actual or potential conflict of interest (including a conflict that arises from their directorship or employment or personal investment in any corporation). Upon such disclosure, such Directors will not participate in any proceedings of the Board and shall abstain from voting in respect of any such transaction where the conflict arises.

The Holdco

The Holdco is a controlling shareholder of the Company and is an investment holding company without any business operations of its own. Mr. Kee Boo Chye is a shareholder and a Non-executive Director of the Holdco (representing 58.20% of the shareholding of the Holdco). Further, the Holdco owns several subsidiaries which are discussed below.

(a) The Sheffield Energy Group

The Oil & Gas Business of the Sheffield Energy Group Companies

SEPL is a wholly owned subsidiary of the Holdco and was incorporated in Singapore. SEPL is in the business of providing human resource services for the oil and gas and oil marine industry in Singapore.

INTERESTED PERSON TRANSACTIONS

SEPL further has a registered branch office in Taiwan and owns other subsidiaries and JVs in the business of providing human resource services in the oil and gas or oil marine industries in the following jurisdictions: Singapore, Netherlands, Indonesia, Malaysia, Thailand, China, Cambodia, Hong Kong, India and Qatar. SEPL also has two JVs companies in Malaysia. Please refer to the section titled “Group Structure” of this Offer Document.

In addition, SEPL also owns the entire share capital SGSAS subject to the right of SGPL to acquire the shares of SGSAS subject to the terms and conditions of the SGSAS Call Option and ROFR Deed. Please refer to the sections titled “Risk Factors – Risks Relating To The Group’s Business Or The Industry In Which The Group Operates – The Group is subject to laws, regulations and policies imposed by various government and regulatory authorities in the jurisdictions in which it operates” and “Restructuring Exercise” for further details.

Mr. Kee Boo Huat, Richard, who is a director of SEPL and substantial shareholder of the Holdco owning 11.20% of the shares in the Holdco, is the brother of Mr. Kee Boo Chye who is a CEO and Executive Director of the Company.

However, in relation to the oil and gas business of the Sheffield Energy Group, the Directors are of the view that any perceived or potential conflicts of interest between the Sheffield Energy Group and the Group either do not arise or are mitigated as follows:

- First, the business of the Group in the renewable energy industry are separate and distinct from the business of the Sheffield Energy Group in the oil and gas industry. In particular, the Group is in the Renewable Energy Business. On the other hand, the Sheffield Energy Group is in the business of providing human resource and services for the Oil & Gas Business. The engagement clients and personnel for the different businesses are distinct as they are in different industries.
- Second, the Group largely operates in different jurisdictions from the Sheffield Energy Group. In particular, the Group Companies operate in Singapore, Taiwan and Japan. These jurisdictions in which the Group currently operates do not have significant Oil & Gas Business and are focused on Renewable Energy Business. On the other hand, the Sheffield Energy Group operate in various locations such as Singapore, Taiwan, Netherlands, Indonesia, Malaysia, Thailand, China, Cambodia, Hong Kong, India and Qatar. There are no overlaps in terms of the jurisdictions save as described below.
- In respect of Taiwan, SEPL is in the process of de-registering its Taiwanese branch within around a year from the date of this Offer Document and will remain dormant prior to its de-registration. SEPL will undertake to ensure the de-registration is completed and that the Taiwanese branch will remain dormant prior to de-registration. At present, SEPL’s Taiwanese branch has ceased conducting any major business operations in Taiwan. In respect of Singapore, the Company does not have any business operations of its own in Singapore and, further, SGAPL does not provide human resource services to clients in Singapore. However, it does carry out headquarter functions and provide operational assistance to the Taiwanese branch office of SGAPL (such as processing visa applications and documentations for mobilisation of personnel) and is the contracting party for the provision of human resource services to certain of its clients’ projects in Taiwan. The provision of human resource services pursuant to such service agreements are provided by SGAPL.

INTERESTED PERSON TRANSACTIONS

- Third, most of the human resource services provided by the Group in the Renewable Energy Business involve the provision of personnel with the skill sets and certifications specific to the Renewable Energy Business which are distinct from that required in the Oil & Gas Business. For illustration, certain banksman, ISO9606-1 (Welder Qualification Test) and GWO certifications are required in the Renewable Energy Business but not in the Oil & Gas Business. Further, even in the uncommon case where personnel may possess skill sets or certificates relevant for both Renewable Energy Business and the Oil & Gas Business, such personnel would have specified their requirements for a specific position and the companies they wish to work with, such that the Group and the Sheffield Energy Group can only recommend such personnel according to the personnel's choice.

- The Business Process set out in the section titled “General Information on The Group – Business Overview” shows that the Group's hiring process is distinct and separate from that of other entities held under the Holdco. The Group's recruiting department does not coordinate with that of the Oil & Gas Business nor does the recruiting department screen for personnel for the Oil & Gas Business. The Group further confirms that:
 - (i) there has been no instance where the same personnel are transferred between the Group and the other entities under the Holdco;
 - (ii) the Group is not aware of instances where such personnel have indicated for positions both in the Renewable Energy Business and the Oil & Gas Business;
 - (iii) the Group is not aware of instances where the same personnel is recommended to clients in both the Renewable Energy Business and Oil & Gas Business; and
 - (iv) there is no intention to coordinate/cooperate with the non-listed Oil & Gas Business for cross-referral and/or transfer of personnel who possess skill sets relevant for both Renewable Energy Business and the Oil & Gas Business post-Listing.

- As the Group's recruiting department is distinct and separate from that of the Oil & Gas Business, the Group does not have access to or visibility over the operations of the other entities under the Holdco to be able to confirm as to whether there are any instances above. As such, even if there had been an instance where the same personnel was recommended to clients in both the Renewable Energy Business and Oil & Gas Business, such recommendation would have been made separately by the Group under the Renewable Energy Business and such other entity under the Holdco under the Oil & Gas Business, and not by virtue of any coordination between the entities.

- Fourth, the employees, management team and board of Directors of the Group are separate and distinct from the employees, management team and board of Directors of the Sheffield Energy Group, such that there is a complete segregation of reporting structure. In addition, the Company will be appointing three Non-executive Independent Directors and one Non-executive Director to the Board of Directors of the Company prior to the Offering to safeguard the best interests of the Company. Mr. Kee, who is a Director of the Group, had stepped down as director from the boards of the Sheffield Energy Group and will not be involved in the operations of the Sheffield Energy Group to further ensure the separation of the directors of the Group from that of the Sheffield Energy Group.

INTERESTED PERSON TRANSACTIONS

- Fifth, and relatedly, there is a clear division of operations and informational structure between the Group and the Sheffield Energy Group. For example, the Group and the Sheffield Energy Group maintain separate databases of client, personnel and other confidential commercial and operational information. The Group also has a completely separate and distinct recruitment process from that of the Sheffield Energy Group.
- Sixth, the Sheffield Energy Group has no intentions to operate in the same jurisdictions as the Group and/or engage in providing human resource services in the Renewable Energy business in future, provided that the Sheffield Energy Group may operate in the same jurisdictions as the Group only for provision of human resource services in the Oil and Gas Business, in the event that such opportunity arises. Similarly, the Group does not have intentions to operate in the same jurisdictions as the Sheffield Energy Group and/or engage in providing human resource services in the Oil and Gas Business, provided that the Group may operate in the same jurisdictions as the Sheffield Energy Group only for provision of human resource services in the Renewable Energy Business, in the event that such opportunity arises.

The Renewable Energy Business of SGSAS in France

In addition, in respect of SGSAS, SGSAS was a former subsidiary of the Group that is involved in the business of providing human resource services in the renewable energy industry in France. SGSAS was transferred by the Company to SEPL in view that there may be legal and regulatory issues in France. Please refer to the section titled “*Risk Factors – Risks Relating to the Group’s Business or the Industry in which the Group Operates – The Group is subject to laws, regulations and policies imposed by various government and regulatory authorities in the jurisdictions in which it operates*” for further details. In order to maintain the Group’s ability to have access and exposure to opportunities in relation to the Renewable Energy Business in France as and when it requires, SEPL, the Company and SGSAS had entered into the SGSAS Call Option and ROFR Deed, whereby SEPL had granted in favour of the Company a call option and a right of first refusal in respect of the shares in SGSAS held by SEPL, each as further described below.

Term and Termination

The SGSAS Call Option and ROFR Deed shall take effect on the date on which the final offer document relating to the Offering in connection with the Listing is registered by the SGX-ST, acting as agent on behalf of the Authority and shall remain effective until the earliest of the following, where it shall cease and be of no further effect:

- (a) the liquidation, administration, winding-up, bankruptcy or dissolution of SGSAS;
- (b) the Company ceasing to be listed on the SGX-ST; and
- (c) SEPL ceasing to be the legal and beneficial owner of the Relevant Shares (as defined below) pursuant to the transfer of the Relevant Shares from SEPL to the Company under the SGSAS Call Option and ROFR Deed.

INTERESTED PERSON TRANSACTIONS

Definitions

For the purposes of the Deed of Undertaking:

“Affected Business” means the business as carried on by the Group from time to time, including the businesses relating to the provision of human resource services for the renewable energy industry but does not include the oil and gas industry.

“Call Option” means the call option granted by SEPL in favour of the Company.

“Completion” means the completion of the sale of Ordinary Shares to the Company following the exercise of the Call Option or the ROFR (as the case may be) and the fulfilment of all conditions to Completion.

“Completion Date” means the day on which the sale of Ordinary Shares to the Company is completed following the exercise of the Call Option or the ROFR (as the case may be), being the date falling seven (7) Business Days after the date of satisfaction of all the conditions precedent (or such other date as SEPL and the Company may agree).

“Ordinary Shares” means the ordinary shares in the capital of SGSAS.

“Relevant Shares” means all the issued Ordinary Shares directly or indirectly held by SEPL.

“ROFR” means the right of first refusal.

“Sale Price” means the purchase price in relation to the sale of Ordinary Shares payable by Buyer to Seller on Completion, which in the case of the Call Option, shall be S\$1.00.

“Territory” means Singapore, Taiwan and Japan and/or in any other country in which the Group has business operations from time to time.

Call Option

Pursuant to the Call Option, SEPL granted to the Company an irrevocable assignable option (the **“Call Option”**) for Buyer to purchase all of the Relevant Shares at the sale price of S\$1, subject to the terms and conditions of the SGSAS Call Option and ROFR Deed.

At any time during the term of the SGSAS Call Option and ROFR Deed, subject to the compliance with all requirements under the applicable laws, the Company may exercise the Call Option in respect of all (and not part only) of the Relevant Shares by delivering a written call option notice (the **“Call Option Notice”**) to SEPL.

At Completion, SEPL shall transfer the Relevant Shares to the Company.

There is no obligation on the Company to exercise the Call Option. The exercise of the Call Option and any acquisition of Ordinary Shares by the Company pursuant thereto shall at all times remain subject to all applicable listing rules of the SGX-ST (including but not limited to Chapters 9 and 10 of the Catalist Rules).

The Call Option may only be exercised on the date after the SGSAS Call Option and ROFR Deed takes effect and for such indefinite period until termination the SGSAS Call Option and ROFR Deed (**“Call Option Period”**). For the avoidance of doubt, if a ROFR Notice is given

INTERESTED PERSON TRANSACTIONS

to the Company, the Company is still entitled to exercise the Call Option and the Call Option shall take precedence over the ROFR Notice provided that the Call Option is exercised during the relevant ROFR Option Period.

SEPL shall abstain from approving and voting on the exercise of the Call Option and any acquisition of Ordinary Shares by the Company pursuant thereto.

ROFR

Pursuant to the ROFR, before accepting or making an offer for the sale of any of the Relevant Shares to a third-party, SEPL shall give the Company written notice of any proposed offer to sell by SEPL of their respective interests in all or part only of the Relevant Shares (the “**Proposed Disposal**”).

Such ROFR Notice shall include (a) the number of Ordinary Shares which it wishes to transfer; (b) the name of the proposed third-party transferee to whom it wishes to transfer the Ordinary Shares; (c) the proposed price at which the Ordinary Shares are to be transferred (d) other terms and conditions of such sale (if any); and (e) any other details of the Proposed Disposal sufficient to allow Buyer to evaluate the Proposed Disposal.

The ROFR Notice shall constitute an offer to the Company for the Company to purchase the shares of the Company on the terms set out in ROFR Notice which shall be irrevocable within the ROFR exercise period one (1) month or such extended period as agreed between the relevant parties following the Company’s receipt of the ROFR Notice (“**ROFR Exercise Period**”) and shall not be capable of amendment without the written agreement of the Company. At any time before the end of the ROFR Exercise Period, the Company may accept the offer set out in the ROFR Notice by delivery to SEPL of a written notice of acceptance executed by the Company or, for the avoidance of doubt, exercise the Call Option.

After SEPL’s receipt of the written notice of acceptance, the Company and SEPL shall in good faith seek to conclude a formal agreement containing the terms as set out in the ROFR Notice as soon as practicable.

If the Company fails to accept the ROFR Notice before the end of the ROFR Exercise Period, the ROFR shall be deemed to have expired and SEPL shall be free to pursue the Proposed Disposal with third-parties pursuant to the terms contained in the ROFR Notice and on terms no more favourable than those contained in the ROFR Notice.

If the ROFR in respect of a Proposed Disposal is waived by the Company or deemed to have expired and SEPL does not enter into a binding agreement (in the form of a sale and purchase agreement or a put and call option agreement, whether conditional or unconditional) with a third-party buyer in respect of the Proposed Disposal within one (1) month from the date of waiver or expiration (the “**ROFR Option Period**”), the Company’s ROFR in respect of that Proposed Disposal shall be fully reinstated and SEPL shall provide a notice to the Company within five (5) days of the expiration of the ROFR Option Period that the Company’s ROFR will be reinstated.

The exercise of the ROFR and any acquisition of Ordinary Shares by the Company pursuant thereto shall at all times remain subject to all applicable listing rules of the SGX-ST (including but not limited to Chapters 9 and 10 of the Catalist Rules). SEPL shall abstain from approving and voting on the exercise of the ROFR and any acquisition of Ordinary Shares by the Company pursuant thereto.

INTERESTED PERSON TRANSACTIONS

Indemnity Provided SEPL

On completion, SEPL covenants with the Company to indemnify and save harmless the Company and their respective officers, members, agents, shareholders, trustees, partners, affiliates, representatives, lenders, lessors, directors, principals, managers and employees, together with all of their respective successors and assigns (collectively, the “**Indemnified Parties**”, and each an “**Indemnified Party**”) from and against any and all losses which any Indemnified Party may at any time and from time to time sustain, incur or suffer by reason of or in relation to:

- (a) any breach of any representation, warranty, undertaking or obligation of or given by SEPL under the SGSAS Call Option and ROFR Deed;
- (b) whether directly or indirectly, in relation to any claims brought against SGSAS or the Indemnified Parties arising out of or in connection with any legal and regulatory compliance issues, including any issue pertaining to the use of ‘portage’ companies by SGSAS;
- (c) the failure to comply with any applicable laws in conducting the business of SGSAS;
- (d) any tax claim against SGSAS whether arising directly or indirectly the matters set out in sub-paragraph (b) above or otherwise; or
- (e) the failure by SGSAS to renew or extend any approval, licenses or permits which have expired prior to SGSAS which are necessary or desirable for the carrying on of its business.

In connection with any losses resulting from any claim or action by a third party, the Company shall be entitled to conduct and participate in the defence and/or settlement of such claim or action, provided that, the Company shall use reasonable endeavours to consult with SEPL and take into account its reasonable requests (at the Seller’s expense) in connection with the defence and/or settlement of such claim or action.

Restrictive Covenants

Pursuant to the SGSAS Call Option and ROFR Deed, to further mitigate any perceived, actual or potential conflicts of interest, SGSAS and SEPL have provided an undertaking that SGSAS shall not, and SEPL shall procure that SGSAS shall not, to the fullest extent, solely or jointly with or on behalf of any other person or entity, directly or indirectly:

- (a) carry on or be engaged in the business or activity which is the same as, reasonably in competition with or in conflict with the Affected Business of the Group within the Territory;
- (b) solicit or entice away, or endeavour to solicit or entice away, any employee of the Group or any related company, and that SGSAS shall not cause or permit any person directly or indirectly under its control, or the Group’s directors, employees or shareholders, to directly or indirectly solicit or entice away, or endeavour to solicit or entice away, any employee of the Group or any related company;

INTERESTED PERSON TRANSACTIONS

- (c) (i) have any interest in any person or entity who carries on, and/or (ii) provide any financial assistance to any person or entity to carry on any business or other activity which competes with or is similar to the Affected Business within the Territory;
- (d) seek to, interfere with or make arrangements which have the effect of harming contractual or other trade relations between the Group and any of the Group's suppliers, customers, contractors, subcontractors, agents or business partners;
- (e) attempt to, solicit, market to or entice away from the Group any customer, client, agent, correspondent, trader, supplier or distributor of the Group or in the habit of dealing with the Group;
- (f) make use or disclose or divulge to any third party any confidential information or trade secrets relating to the Group, other than any information properly available to the public or disclosed or divulged pursuant to an order of a court of competent jurisdiction; or
- (g) assist any person, firm or company with technical advice in relation to any business in competition with or which is similar to the Affected Business within the Territory.

Provision of Financial Information

Under the SGSAS Call Option and ROFR Deed, SGSAS shall, and SEPL undertakes to procure that SGSAS shall:

- (a) prepare management accounts (in such form as the Company, for so long as the Call Option and ROFR is exercisable, shall reasonably require from time to time) for each month and shall deliver such monthly management accounts to the Company who has requested for such monthly management accounts within 20 days after the end of each month.
- (b) within 30 days of every six (6) month period beginning from the start of each financial year of SGSAS, provide the Company with the unaudited financial statements of SGSAS, which shall include the statement of comprehensive income, the statement of financial position and statement of cash flows of SGSAS.
- (c) SGSAS shall permit any director or authorised representative of the Company upon prior appointment and during office hours, to visit and inspect and examine SGSAS's properties, books and records, and to discuss the affairs of SGSAS with its management.

INTERESTED PERSON TRANSACTIONS

Evaluation by the Audit Committee

The Audit Committee of the Company, with a report and recommendations from the Executive Director, will be responsible for reviewing and considering the terms of any acquisition of the Relevant Shares to ensure that it is not prejudicial to the interest of the Company and its minority Shareholders and evaluating whether or not to exercise the Call Option or the ROFR. As part of such evaluation, the Audit Committee may in its discretion choose to undertake certain processes and take into consideration certain factors, including but not limited to the following:

- (a) conducting an analysis of the investment case and business prospects of SGSAS, which may include, among other things, a feasibility study and risk analysis which may be conducted in-house or may be outsourced to third party professional service providers;
- (b) engaging third party professionals (such as legal, accounting, financial or tax advisors, independent valuers and/or private investigators) to undertake due diligence on SGSAS;
- (c) potential synergies between the businesses of SGSAS and the Company and the extent to which such synergies may be realised; and
- (d) considering various factors including, *inter alia*, the following:
 - (i) whether all legal and regulatory compliance issues have been resolved;
 - (ii) various financial and operational metrics and the track record of SGSAS; and
 - (iii) whether SGSAS has achieved steady revenue and operating cashflow.

Potential Conflict of Interests Prior to Exercise of Call Option or ROFR

During the period that SGSAS is held under the Sheffield Energy Group, the Directors are of the view that any perceived or potential conflicts of interest between SGSAS and the Group either do not arise or are mitigated as follows:

- First, the business of SGSAS in the renewable energy industry in France is separate and distinct from the business of the Group in the renewable energy industry in Singapore, Taiwan and Japan. In particular, the engagement clients and personnel for the different businesses are distinct as they are in different geographical locations. Hence, there is no overlap in the customer base of SGSAS and that of the Group.
- Second, the Group largely operates in different jurisdictions from SGSAS and there are no overlap of the jurisdictions of business operations. In particular, the Group Companies operate in Singapore, Taiwan and Japan, while SGSAS operates in France.
- Third, the Group will ensure that its recruiting department is distinct and separate from that of SGSAS. The Group does not have access to or visibility over the operations of SGSAS.

INTERESTED PERSON TRANSACTIONS

- Fourth, the employees, management team and board of directors of the Group are separate and distinct from the employees, management team and board of directors of SGSAS, such that there is a complete segregation of reporting structure. In addition, the Company will be appointing three non-executive independent directors and one Non-executive Director to the Board of Directors of the Company prior to the Offering to safeguard the best interests of the Group. Mr. Kee, who is a director of the Group, has stepped down as director from the board of SGSAS and will not be involved in the operations of SGSAS to further ensure the separation of the directors of the Group from that of SGSAS.
- Fifth, and relatedly, there is a clear division of operations and informational structure between the Group and SGSAS. For example, the Group and SGSAS maintain separate databases of client, personnel and other confidential commercial and operational information. The Group also has a completely separate and distinct recruitment process from that of SGSAS.
- Sixth, subject to the exercise of the SGSAS Call Option and ROFR Deed, SGSAS has no intentions to operate in the same jurisdictions as the Group in future.

(b) SDPL

SDPL is a wholly owned subsidiary of the Holdco and was incorporated in Singapore. SDPL is a property investment holding company and is not in the business of providing human resource or services to any industry. Please refer to the section titled “Group Structure” of this Offer Document.

The Directors are of the view that any perceived or potential conflicts of interest between SDPL and the Group either do not arise or are mitigated as SDPL and the Group are in different businesses as SDPL is a property investment company in the real estate industry while the Group is in the renewable energy industry.

Further, SDPL has no intentions to operate in the same jurisdictions as the Group and/or engage in providing human resource services in the Renewable Energy Business in future, provided that SDPL may operate in the same jurisdictions as the Group only for provision of human resource services in the Oil and Gas Business, in the event that such opportunity arises. Similarly, the Group does not have intentions to operate in the same jurisdictions as SDPL and/or engage in providing human resource services in the Oil and Gas Business, provided that the Group may operate in the same jurisdictions as SDPL only for provision of human resource services in the Renewable Energy Business, in the event that such opportunity arises.

(c) The Sheffield Technical Group

STSPL is a wholly owned subsidiary of the Holdco and was incorporated in Singapore. STSPL is an investment holding company and also in the business of providing human resource services for the oil marine industry in Singapore.

STSPL further has a registered branch office in Taiwan and owns other subsidiaries in the business of providing human resource services in the oil and gas or oil marine industries in the following jurisdictions: Singapore, Myanmar and Thailand. Please refer to the section titled “Group Structure” of this Offer Document.

INTERESTED PERSON TRANSACTIONS

However, the Directors are of the view that any perceived or potential conflicts of interest between the Sheffield Technical Group and the Group either do not arise or are mitigated as follows:

- The Sheffield Technical Group and the Group Companies are in different industries as the Sheffield Technical Group are in the oil marine industry or oil and gas industry while the Group Companies are in the renewable energy industry.
- Further, STSPL and ST(S)PL are dormant companies that do not have any active business operations of their own.
- In addition, SATSCL and STRL operate respectively in the jurisdictions of Myanmar and Thailand, which are jurisdictions that the Group Companies do not have operations in.
- Further, the Sheffield Technical Group has no intentions to operate in the same jurisdictions as the Group and/or engage in providing human resource services in the Renewable Energy business in future, provided that the Sheffield Technical Group may operate in the same jurisdictions as the Group only for provision of human resource services in the Oil and Gas Business, in the event that such opportunity arises. Similarly, the Group does not have intentions to operate in the same jurisdictions as the Sheffield Technical Group and/or engage in providing human resource services in the Oil and Gas Business, provided that the Group may operate in the same jurisdictions as the Sheffield Technical Group only for provision of human resource services in the Renewable Energy Business, in the event that such opportunity arises.

(d) SDIPL and SE(UK)L

SDIPL is a wholly owned subsidiary of the Holdco and was incorporated in Singapore. SDIPL is in the business of providing human resource services for the oil marine industry in the United Kingdom.

SE(UK)L is a subsidiary of SDIPL in the United Kingdom also in the business of providing human resource services in the oil and gas or oil marine industries in the United Kingdom. Please refer to the section titled “Group Structure” of this Offer Document.

However, the directors are of the view that any perceived or potential conflicts of interest between SDIPL and SE(UK)L and the Group either do not arise or are mitigated as follows:

- SDIPL and SE(UK)L and the Group are in different industries as SDIPL and SE(UK)L is in the oil marine industry while the Group is in the renewable energy industry.
- Further, SDIPL is a dormant company that does not have any active business operations of its own, save that it is a holding company of SE(UK)L.
- In addition, SE(UK)L operates in the jurisdiction of the United Kingdom, which is a jurisdiction that the Group does not have operations in.
- Moreover, SDIPL and SE(UK)L have no intentions to operate in the same jurisdictions as the Group and/or engage in providing human resource services in the Renewable Energy business in future, provided that SDIPL and SE(UK)L may operate in the same jurisdictions as the Group only for provision of human resource services in the Oil and Gas Business, in the event that such opportunity arises. Similarly, the Group does not

INTERESTED PERSON TRANSACTIONS

have intentions to operate in the same jurisdictions as SDIPL and SE(UK)L and/or engage in providing human resource services in the Oil and Gas Business, provided that the Group may operate in the same jurisdictions as SDIPL and SE(UK)L only for provision of human resource services in the Renewable Energy Business, in the event that such opportunity arises.

Deeds of Undertakings

To further mitigate any perceived, actual or potential conflicts of interest, Mr. Kee Boo Chye and each of his associates, including, Mr. Kee Boo Chye's immediate family members and SEPL, SDPL, STSPL and SDIPL (collectively, "**Mr. Kee Boo Chye's Associates**"), have each executed and provided a deed of undertaking ("**Deeds of Undertakings**") to the Company and the Sponsor, Issue Manager and Joint Placement Agent and the Underwriter and Joint Placement Agent, pursuant to which each of Mr. Kee Boo Chye and Mr. Kee Boo Chye's Associates have undertaken that each of them shall not solely or jointly with or on behalf of any other person or entity, directly or indirectly:

- (a) carry on or be engaged in the business or activity which is the same as, reasonably in competition with or in conflict with the Affected Business of the Group within the Territory (other than as a holder of not more than five percent (5%) of the total issued shares or debentures of any company listed on any recognised stock exchange);
- (b) solicit or entice away, or endeavour to solicit or entice away, any employee of the Group or any related company, and shall not cause or permit any person directly or indirectly under each of their control, or the Group's directors, employees or shareholders to directly or indirectly solicit or entice away, or endeavour to solicit or entice away, any employee of the Group or any related company;
- (c) (i) have any interest (other than as a holder of not more than five percent (5%) of the total issued shares or debentures of any company listed on any recognised stock exchange) in any person or entity who carries on, and/or (ii) provide any financial assistance to any person or entity to carry on any business or other activity which competes with or is similar to the Affected Business within the Territory;
- (d) seek to, interfere with or make arrangements which have the effect of harming contractual or other trade relations between the Group and any of the Group's suppliers, customers, contractors, subcontractors, agents or business partners;
- (e) attempt to, solicit, market to or entice away from the Group any customer, client, agent, correspondent, trader, supplier or distributor of the Group or in the habit of dealing with the Group;
- (f) be a director and/or holder of a management position and/or commissioner (where applicable) of any entity in any business which will compete with or is similar to the Affected Business;
- (g) make use or disclose or divulge to any third party any confidential information or trade secrets relating to the Group, other than any information properly available to the public or disclosed or divulged pursuant to an order of a court of competent jurisdiction; or
- (h) assist any person, firm or company with technical advice in relation to any business in competition with or which is similar to the Affected Business within the Territory.

INTERESTED PERSON TRANSACTIONS

For the purpose of the Deeds of Undertakings,

“Affected Business” means the business as carried on by the Group from time to time, including the businesses relating to the provision of human resource services for the renewable energy industry but does not include the oil and gas industry; and

“Territory” means Singapore, Taiwan and Japan and/or in any other country in which the Group has business operations from time to time.

In addition, Mr. Kee has also provided an undertaking that he has resigned as director of the following entities and shall not be involved in the management or day-to-day operations of entities within the Sheffield Energy Group (including SGSAS), SDPL, the Sheffield Technical Group, SDIPL and SE(UK)L, save that in respect of SGSAS, such undertaking shall apply only for as long as SEPL holds any shares in SGSAS.

The Deeds of Undertakings shall subsist and be effective without limit in point of time but shall terminate in any of the following events, whichever is the earlier:

- (i) twelve (12) months from the date when Mr. Kee Boo Chye and/or his associates (as defined in the Catalist Rules) ceases to be an Interested Person (as defined in the Catalist Rules) of the Company so that there will no longer be a potential conflict of interest. For the avoidance of doubt, the Deeds of Undertakings shall remain effective for so long as Mr. Kee Boo Chye remains as an Interested Person of the Company; or
- (ii) the Company ceases to be listed on the SGX-ST (whether on the Main Board or Catalist).

Further, as part of the Audit Committee’s terms of reference, the Audit Committee shall, among others, review any transactions falling within the scope of Chapter 9 of the Catalist Rules and review any potential conflicts of interest (if any) and set out a framework to resolve or mitigate any potential conflicts of interest. Please refer to the section titled “Management and Corporate Governance – Corporate Governance” for further details.

Save as disclosed above and in the sections titled “Interested Person Transactions”, “Management and Corporate Governance – Service Agreement” and “Restructuring Exercise” of this Offer Document, none of the Directors, Executive Officers, Controlling Shareholders or any of their associates has an interest, direct or indirect:

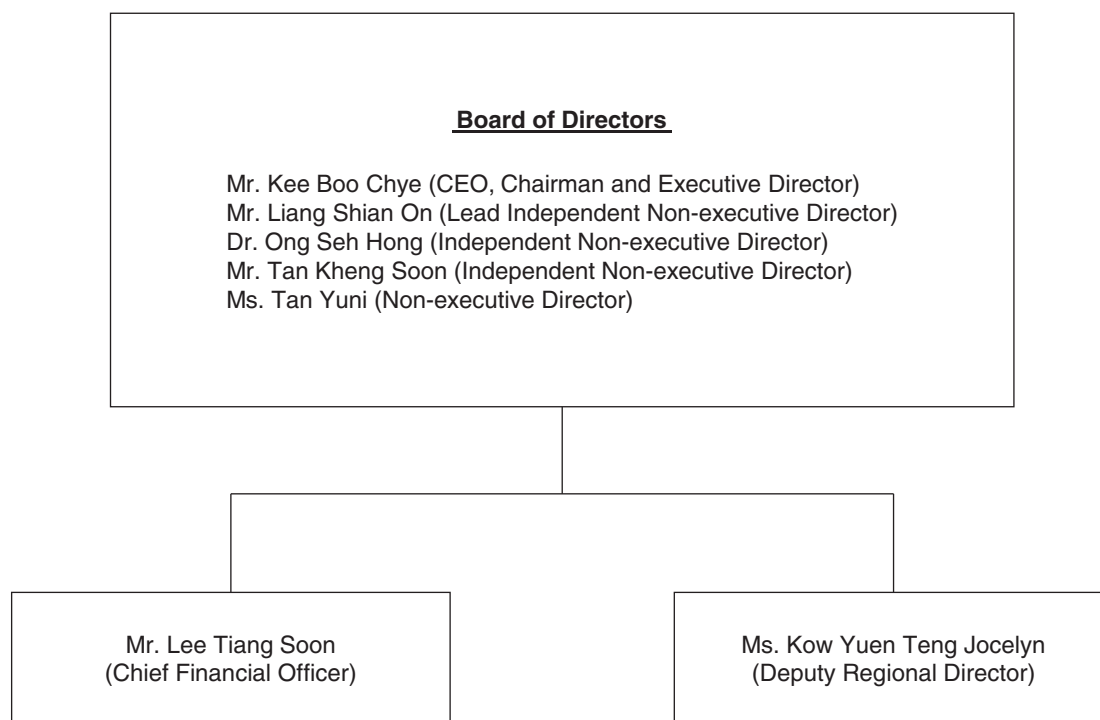
- (a) in any transaction to which the Group was or is to be a party;
- (b) in any entity carrying on the same business or dealing in similar services which competes materially and directly with the existing business; and
- (c) in any enterprise or company that is the client or supplier of goods and services.

Save as disclosed above and in the sections titled “Interested Person Transactions” and “Management and Corporate Governance – Service Agreement” of this Offer Document, none of the Directors has any interest in any existing contract or arrangement which is significant in relation to the business of the Company and its subsidiaries, taken as a whole.

MANAGEMENT AND CORPORATE GOVERNANCE

MANAGEMENT REPORTING STRUCTURE

The following chart shows the management reporting structure as at the Latest Practicable Date.



DIRECTORS

The Board is entrusted with the responsibility for the overall management. The Directors' particulars are listed below:

| Name | Age | Position |
|--------------------|------------|---|
| Mr. Kee Boo Chye | 51 | CEO, Chairman and Executive Director |
| Mr. Liang Shian On | 46 | Lead Independent Non-executive Director |
| Dr. Ong Seh Hong | 61 | Independent Non-executive Director |
| Mr. Tan Kheng Soon | 63 | Independent Non-executive Director |
| Ms. Tan Yuni | 28 | Non-executive Director |

The correspondence address of all the Directors is 11 Collyer Quay, #06-01 The Arcade, Singapore 049317.

MANAGEMENT AND CORPORATE GOVERNANCE

The working and business experience, educational and professional qualifications, if any, and areas of responsibility of the Directors are set out below:

Mr. Kee Boo Chye

Mr. Kee Boo Chye is the CEO, Chairman and Executive Director and was appointed to the Board of Directors on 4 October 2021.

Mr. Kee is a founding member of the Group and has been responsible for the overall management of the Group as CEO and Executive Director. He was appointed Executive Director since the incorporation of the Group and has remained in office since. His current responsibilities include overseeing the Group's overall management, formulation of the Group's overall strategic focus and direction, developing and maintaining relationships with the suppliers and clients as well as overseeing the Group's general operations. Mr. Kee has a wealth of experience in the human resource service business having been in this line of service since around 1999. Mr. Kee Boo Chye's leadership has been pivotal in establishing the Group as a trusted and respected provider of human resource services in the energy sector, and his ongoing guidance and support continue to drive the business forward.

Mr. Kee received his Bachelor of Engineering from the University of Sheffield in July 1996 and subsequently obtained a Master of Business Administration (International Business) from the University of Sheffield in February 2000.

Mr. Liang Shian On

Mr. Liang Shian On is the Non-executive and Lead Independent Director and was appointed to the Board of Directors on 19 September 2023.

Mr. Liang is presently a practising member registered with the Institute of Singapore Chartered Accountants (ISCA) and Malaysia Institute of Accountants (MIA) of Malaysia and an approved company auditor approved by the Accounting and Corporate Regulatory Authority of Singapore (ACRA) and Ministry of Finance in Malaysia. He is also the fellow of the Association of Chartered Certified Accountants (ACCA) in the United Kingdom.

Mr. Liang joined Ernst & Young LLP ("EY") in 2008 and has acquired extensive and varied experience in the audits of companies in a wide range of industries, including real estate, property development, investments trading, health care, food & beverage, shipping, mining, trading and manufacturing. Apart from audit experience, Mr. Liang has also been involved in public listing related works, internal control reviews, due diligence reviews and other financial accountancy related consultancy works.

He left EY in May 2016 to start up his own professional audit practice, S.O. Liang & Co, in Singapore and Malaysia.

During these years in practice, Mr. Liang has undertaken audit and assurance engagements in Singapore and Malaysia. The portfolio of his clients includes entities of varying sizes and from different industries.

Mr. Liang obtained a Diploma in Business Administration in December 1999 from the Association of Business Executives. Mr. Liang also earned Diplomas in Accounting and Cost Accounting in 1996 from the London Chamber of Commerce & Industry.

MANAGEMENT AND CORPORATE GOVERNANCE

Dr. Ong Seh Hong

Dr. Ong Seh Hong is the Non-Executive and Independent Director and was appointed to the Board of Directors on 19 September 2023.

Dr. Ong is the Non-Executive Independent Director of the Company. Dr. Ong is currently a practising senior consultant psychiatrist at Khoo Teck Puat Hospital in Singapore. Prior to this, Dr. Ong was with the Ren Ci Hospital & Medicare Centre and Ren Ci Community Hospital from 2000 to 2009, with his last held position being clinical director and Chief Operating Officer. He was also with the Government of Singapore Investment Corporate Pte Ltd (now known as GIC Private Limited) from 1997 to 1999, with his last held position being Vice President (Corporate Services) of GIC Special Investments Pte Ltd (a direct investment and private equity arm of GIC Private Limited). He was a Member of Parliament from 2001 to 2011.

Dr. Ong is currently serving as the independent non-executive chairman of Hock Lian Seng Holdings Ltd and as an independent director of Econ Healthcare (Asia) Ltd, both of which are companies listed on the SGX-ST. Dr. Ong was awarded the Public Service Medal (PBM – Pingat Bakti Masyarakat) conferred by the Prime Minister's Office of the Republic of Singapore in 2001.

Dr. Ong graduated from the National University of Singapore with a Bachelor of Medicine & Bachelor of Surgery (MBBS) in November 1987 and a Master of Science (Applied Finance) in July 1999.

Mr. Tan Kheng Soon

Mr. Tan Kheng Soon is the Non-Executive and Independent Director and was appointed to the Board of Directors on 19 September 2023.

Mr. Tan is currently serving as a director of Ease Engineering Consultancy Pte. Ltd. He oversees the running of the company which provides civil and structural consultancy services, including, undertaking the structural design of the foundation and superstructure of buildings. He takes on building projects as a qualified person under the Building Control Act 1989.

Mr. Tan started his engineering career as a Government Engineer with the then Public Works Department in Ministry of National Development in 1989. He took on the appointment as a Vice President at CPG Corporation from 1999 to 2003 and as a director at PM Link Pte. Ltd. from 2003 to 2007. He set up his own engineering practice in 2007 and founded Ease Engineering Consultancy Pte Ltd in 2015.

In his 30 years of engineering practice, he has acquired a wide range of experience in civil and structural engineering projects and project management in institution, office, residential and environmental developments both in Singapore and overseas.

Mr. Tan graduated from the National University of Singapore with a Degree of Bachelor of Engineering in June 1988 and a Degree of Master of Science (Building Science) in July 1992.

MANAGEMENT AND CORPORATE GOVERNANCE

Ms. Tan Yuni

Ms. Tan Yuni is the Non-executive Director and was appointed to the Board of Directors on 19 September 2023.

Ms. Tan is currently a Senior Fund Accountant at Hines Singapore, working on a fund portfolio of Japanese and Korean assets. Prior to this, she was an Auditor with KPMG LLP from 2015 to 2018, with clients in the real estate and property development industry. She was also with ESR Group from 2018 to 2020, and 8M Real Estate Holdings from 2020 to 2022 as a Senior Fund Accountant. Her experience includes reviews of internal controls, due diligence, financial statements and investor reports.

She obtained her Bachelor of Commerce (Accounting & Commercial Law) from the University of Auckland in 2015.

Expertise of the Directors

As evidenced by their respective business and working experience set out above, the Directors possess the appropriate expertise to act as directors of the Company. Save for Dr. Ong Seh Hong, the Directors do not have prior experience as directors of public listed companies in Singapore. In accordance with the requirements under the Catalist Rules, each of Mr. Kee Boo Chye, Mr. Tan Kheng Soon, Mr. Liang Shian On and Ms. Tan Yuni will be attending the relevant courses on the roles and responsibilities of a director of a public listed company in Singapore organised by the Singapore Institute of Directors for listed entity essentials, board dynamics, board performance, stakeholder engagement and environmental, social and governance essentials, as well as the courses on audit committee essentials, board risk committee essentials, nominating committee essentials and remuneration committee essentials, where relevant to their respective appointments to the Board, as prescribed under Practice Note 4D of the Catalist Rules, within the first year of the Company's Listing.

Save as disclosed in the section "Share Capital – Ownership Structure" of this Offer Document, none of the Directors are related to each other, the Executive Officers or the Substantial Shareholders.

The Independent Directors do not have any existing business or professional relationship of a material nature with the Group, the Directors or Substantial Shareholders.

None of the Independent Directors sit on the board of the subsidiaries.

None of the Directors have any arrangement or understanding with any of the clients or suppliers pursuant to which such person was appointed as the Director.

MANAGEMENT AND CORPORATE GOVERNANCE

Present and Past Directorships

The list of present and past directorships of each Director over the last five years is set out below:

| Name | Present directorships | Past directorships |
|--------------------|---|--|
| Mr. Kee Boo Chye | Group Companies The Company SGAPL SGKK WATPL | Group Companies None |
| | Other Companies The Holdco | Other Companies SEPL SEBV PTSEI SESB SELTH SICSSL SECL SELHK SEIPL SELLC DSSB DSPL ⁽¹⁾ RSSSB SDPL STSPL ST(S)PL SATSCS STRL SDIPL SE(UK)L SGSAS Sheffield International Holdings Pte. Ltd. ⁽²⁾ Sheffield Offshore Personnel Services Pte. Ltd. ⁽³⁾ Fox Offshore Pte. Ltd. ⁽⁴⁾ |
| Mr. Liang Shian On | Group Companies The Company | Group Companies – |
| | Other Companies – | Other Companies Assurance Pac |
| Mr. Tan Kheng Soon | Group Companies The Company | Group Companies – |
| | Other Companies Ease Engineering Consultancy Pte Ltd | Other Companies – |

MANAGEMENT AND CORPORATE GOVERNANCE

| Name | Present directorships | Past directorships |
|------------------|---|---|
| Dr. Ong Seh Hong | Group Companies The Company | Group Companies – |
| | Other Companies Hock Lian Sengs Holding Ltd Econ Healthcare (Asia) Limited SC3H Holding Pte Ltd | Other Companies Zhongmin Baihui Retail Group Ltd Dyna-Mac Holdings Ltd |
| Ms. Tan Yuni | Group Companies The Company | Group Companies – |
| | Other Companies Miyako Next II Pte. Ltd. Sakura Investment Partners Pte. Ltd. Sakura Investment Partners 1B Pte. Ltd. | Other Companies – |

Notes:

- (1) DSPL has been struck off from the register of companies maintained by ACRA as of 7 August 2023.
- (2) Sheffield International Holdings Pte. Ltd. has been struck off from the register of companies maintained by ACRA as of 4 November 2019.
- (3) Sheffield Offshore Personnel Services Pte. Ltd. has been struck off from the register of companies maintained by ACRA as of 4 November 2019.
- (4) Fox Offshore Pte. Ltd. has been struck off from the register of companies maintained by ACRA as of 4 September 2023.

Mr. Kee Boo Chye has agreed, pursuant to his Service Agreement, that he shall not, during the period of employment and up to two years after the termination of his employment, engage, directly or indirectly, in any business which competes with any business carried on or proposed to be carried on by the Group. Please refer to the section titled “Management and Corporate Governance – Service Agreement” for further details.

EXECUTIVE OFFICERS

The day-to-day operations are entrusted to the Executive Director who is assisted by an experienced and qualified team of Executive Officers. The particulars of the Executive Officers are set out below:

| Name | Age | Position |
|---------------------------|-----|--------------------------|
| Mr. Lee Tiang Soon | 53 | Chief Financial Officer |
| Ms. Kow Yuen Teng Jocelyn | 29 | Deputy Regional Director |

The correspondence address of all the Executive Officers is 11 Collyer Quay, #06-01 The Arcade, Singapore 049317.

None of the Executive Officers are related to one another, the Directors or the Substantial Shareholders.

MANAGEMENT AND CORPORATE GOVERNANCE

The working and business experience and areas of responsibility of the Executive Officers are set out below:

Mr. Lee Tiang Soon

Mr. Lee Tiang Soon is the Group's CFO and oversees the Group's finance, treasury, reporting, budgeting, forecasting and internal accounting functions. Mr. Lee joined the Group on 1 November 2022 and has more than 20 years of experience in the fields of accounting and finance.

Prior to joining the Group, Mr. Lee worked in Ernst & Young LLP between May 1996 and May 2003 where he left as a manager. During this period, he was responsible for the audits assigned to him and the audit teams working on his engagements with his responsibilities including the coverage of audits of clients in various industries. Mr. Lee joined a corporate advisory firm in May 2003, engaging in the areas of insolvency and advisory services and left in April 2008 with his last position being associate director. From April 2008 to October 2018, Mr. Lee served as the executive director of CW Group Holdings Limited, a company listed on the Main Board of the Stock Exchange of Hong Kong. He was also the chief financial officer for Zheng Li Holdings Limited (now known as Zhongshi Minan Holdings Limited) a company listed on the GEM Board of the Stock Exchange of Hong Kong from January 2016 to May 2019.

Mr. Lee graduated with a Bachelor of Commerce degree, in February 1996, from Murdoch University. He is a member of CPA Australia and a non-practising member of the Institute of Singapore Chartered Accounts (formerly known as the Institute of Certified Public Accountants of Singapore).

Ms. Kow Yuen Teng Jocelyn

Ms. Kow Yuen Teng Jocelyn currently serves as the Deputy Regional Director and oversees business development activities for the Group in the whole of Asia Pacific Region. Ms. Kow has joined the Group since 4 January 2021 and has about 6 years of experience in Account Management, Business Strategy planning, Sales and Marketing.

Ms. Kow graduated with a Bachelor of Engineering (Honours) in Engineering Systems and Design from Singapore University of Technology and Design in 2015.

Ms. Kow started her career in Process Excellence and ISO9001 Quality System management in Keppel FELS Limited where she is responsible to identify and solve cross functional pain points in the organisation through performing periodic ISO9001 internal audits for the organisation. She is also responsible in the up keep of the ISO 9001 Quality Management System in the organisation. Between Jun 2018 to Dec 2020, Ms. Kow joined the Marketing and Business Development Department in Keppel FELS Limited as a Marketing Executive and was responsible for customer engagement, account management, sales and marketing. Later on, Ms. Kow was promoted to Assistant Business Development Manager with a team of 3 executives under her care and was involved in re-branding and business strategy planning for the organisation. Ms. Kow had left Keppel FELS Limited in Dec 2020 and joined the Group as Business Development Manager covering Taiwan, Japan and South Korea region.

MANAGEMENT AND CORPORATE GOVERNANCE

Present and Past Directorships

The list of present and past directorships of each Executive Officer over the last five years excluding those held in the Company is set out below:

| Name | Present directorships | Past directorships |
|------------------------------|--|---|
| Mr. Lee Tiang Soon | Group Companies – | Group Companies – |
| | Other Companies Nucleus Consultancy Pte. Ltd. (dormant company) | Other Companies CW Group Holdings Ltd CW Group Pte. Ltd. CW Advanced Technologies Pte. Ltd. |
| Ms. Kow Yuen Teng Jocelyn | Group Companies – | Group Companies – |
| | Other Companies – | Other Companies – |

DIRECTORS' AND EXECUTIVE OFFICERS' REMUNERATION

The remuneration (including bonus, contributions to CPF, directors' fees and benefits-in-kind) paid or payable to the Directors, Executive Officers and legal representative and in remuneration bands for FY2021, FY2022 and the estimated remuneration (excluding bonus, contributions to CPF, directors' fees and benefits-in-kind) payable to them on an individual basis and in remuneration bands for FY2023 are as follows:

| | FY2021 | FY2022 | FY2023 (Estimated) |
|---------------------------|--------|--------|-----------------------|
| Directors | | | |
| Mr. Kee Boo Chye | Band A | Band A | Band B |
| Mr. Liang Shian On | – | – | Band A |
| Dr. Ong Seh Hong | – | – | Band A |
| Mr. Tan Kheng Soon | – | – | Band A |
| Ms. Tan Yuni | – | – | Band A |
| Executive Officers | | | |
| Mr. Lee Tiang Soon | – | Band A | Band A |
| Ms. Kow Yuen Teng Jocelyn | – | Band A | Band A |

Notes:

(1) Remuneration bands:

“Band A” refers to remuneration of up to \$250,000 per annum.

“Band B” refers to remuneration from \$250,001 to \$500,000 per annum.

“Band C” refers to remuneration from \$500,001 to \$750,000 per annum.

MANAGEMENT AND CORPORATE GOVERNANCE

EMPLOYEES

As at the Latest Practicable Date, the Group has 623 full-time employees.

As of Latest Practicable Date, the Group has deployed 583 personnel to clients, including personnel under SEPL's payroll. This was pursuant to the services agreement dated 31 July 2023 entered into between SGAPL and SEPL, which documents SGAPL's past arrangement with SEPL for SEPL to supply offshore workers to SGAPL where such workers were kept on SEPL's payroll during the period when SGAPL was still in the process of obtaining the relevant ISO certification and the MLC which it has already obtained on 19 September 2023. Please refer to the section titled "Interested Person Transactions – Past Interested Person Transactions – Supply of Offshore Workers from SEPL to SGAPL" for further details.

A breakdown of the number of the Group's employees by business function and by geographical locations as at the end of each of FY2020, FY2021, FY2022 and FP2023 and the Latest Practicable Date is as follows:

| Segmented by Function | FY2020 | FY2021 | FY2022 | FP2023 | As at the Latest Practicable Date |
|-----------------------|-----------|------------|------------|------------|-----------------------------------|
| Management | 1 | 1 | 1 | 1 | 1 |
| Finance | 1 | 2 | 4 | 6 | 9 |
| Human Resource | – | – | – | 2 | 2 |
| Recruitment | – | – | 2 | 1 | 3 |
| Crewing | – | 1 | 1 | 3 | 3 |
| Business Development | 2 | 5 | 6 | 6 | 5 |
| Operations | 2 | 6 | 10 | 17 | 12 |
| Immigration | – | 1 | 3 | 4 | 4 |
| Payroll | – | – | – | 1 | 1 |
| Crew ⁽¹⁾ | 52 | 97 | 261 | 777 | 583 |
| Total | 58 | 113 | 288 | 818 | 623 |

MANAGEMENT AND CORPORATE GOVERNANCE

| Segmented by Geographical Location | FY2020 | FY2021 | FY2022 | FP2023 | As at the Latest Practicable Date |
|------------------------------------|-----------|------------|------------|------------|-----------------------------------|
| The Group | | | | | |
| Singapore | 4 | 4 | 5 | 7 | 7 |
| Taiwan | 53 | 105 | 276 | 807 | 614 |
| France | 1 | 2 | 3 | 2 | 0 |
| Japan | – | 2 | 4 | 2 | 2 |
| Total | 58 | 113 | 288 | 818 | 623 |

Note:

(1) Refers to personnel deployed to clients for onshore sites and offices.

The increasing employees and personnel during the track record period are mainly due to the expansion of the operations in Taiwan and the increase in projects and personnel deployed on such projects.

The employees are not unionised. The relationship and cooperation between the management and staff has always been good and is expected to continue in the future. There has not been any incidence of work stoppages or labour disputes which affected the operations.

Pension or retirement benefits

As at the Latest Practicable Date, save for the amounts set aside or accrued in respect of mandatory employee funds, the Group has not set aside or accrued any amounts to provide pension, retirement or similar benefits to the employees. Examples of such mandatory employee funds or similar contributions would include the Central Provident Fund scheme for Singapore employees, the Labor Pension scheme for Taiwan employees and the Employee Pension Insurance scheme for Japan employees. As at the Latest Practicable Date, the Group is in compliance with the pension and retirement benefits obligations of the applicable jurisdictions in which it operates.

SERVICE AGREEMENT

The Company has entered into separate service agreement (the “**Service Agreement**”) with the CEO, Chairman and Executive Director, namely, Mr. Kee Boo Chye.

The Service Agreement is for an initial period of three years (the “**Initial Term**”) commencing with effect from 9 September 2023, subject to renewal annually thereafter unless otherwise agreed in writing between the Company and the Director or terminated in accordance with the respective Service Agreement. During the Initial Term, the parties may terminate the respective service agreement by either party giving not less than nine (9) months’ notice in writing to the other. The Group may also terminate the Service Agreement by notice upon the occurrence of certain events such as serious misconduct, bankruptcy or criminal conviction.

MANAGEMENT AND CORPORATE GOVERNANCE

The Service Agreement provides for compensation in the form of (a) fixed monthly salary of US\$22,000, (b) a fixed bonus in respect of each financial year of one (1) months' salary (payable at the end of each financial year), and (c) an incentive bonus to be decided by the Board or the Remuneration Committee after the accounts of the Group are audited for each financial year.

The Group will also extend to the Director, among others, insurance, medical and dental benefits in line with the prevailing policy. All entertainment expenses, travelling, hotel and other out-of-pocket expenses incurred by him in connection with the business will also be borne by the Group.

Under the terms of the Service Agreement, the Director is subject to certain restrictive covenants as described below. The Director is also prohibited, during the term of his Service Agreement and its termination thereof, to disclose any information, which he knows or ought to reasonably know to be confidential concerning the business, so far as the information had come to their knowledge during their appointment with the Company.

The Director shall not at any time during the period of his employment and for a period of two years after the expiry or termination of his employment for whatever reason, do or permit, *inter alia*, the following without the prior written consent of the Board:

- (a) being directly or indirectly carry on or be engaged or interested in any capacity in or concerned in the conduct of any other business competing with any business carried on or proposed to be carried on by the Group; and/or
- (b) solicit any client or any person who is or has been during their engagement, the client for the purpose of offering to that person goods and services similar to or competing with those of the business conducted by the Group; and/or
- (c) invest, either directly or indirectly, in companies that carry on competing businesses, except where the competing business does not exceed 5.0% of the company's revenue.

The Group had previously entered into various contracts of employment with the Executive Director and Executive Officers. Such contracts typically provide for the salaries payable to them, their working hours, annual leave and grounds of termination.

Save as disclosed above, there are no other existing or proposed service agreements between the Company or the subsidiaries and any of the Directors. There are no existing or proposed service agreements entered into or to be entered into by the Directors with the Company or any of the subsidiaries which provide for benefits upon termination of employment without cause.

CORPORATE GOVERNANCE

The Directors recognise the importance of corporate governance and the offering of high standards of accountability to Shareholders of the Company. Accordingly, the Board has established three committees: (i) the Audit Committee; (ii) the Nominating Committee; and (iii) the Remuneration Committee.

Risk Management

The Board of Directors has overall responsibility for the governance of risk and exercises oversight of the material risks in the Group's business.

MANAGEMENT AND CORPORATE GOVERNANCE

The Board of Directors will be responsible for determining the Company's levels of risk tolerance and risk policies, and overseeing the management in the design, implementation and monitoring of the risk management and internal control systems. The Board of Directors will also review the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology controls.

The identification and management of risks will be delegated to the management who assumes ownership and day-to-day management of such risks. The management will be responsible for the effective implementation of risk management strategy, policies and processes to facilitate the achievement of business plans and goals within the risk tolerance established by the Board of Directors.

Audit Committee

The Audit Committee comprises Mr. Liang Shian On, Dr. Ong Seh Hong and Mr. Tan Kheng Soon. The Chairman of the Audit Committee is Mr. Liang Shian On. The Directors recognise the importance of corporate governance and the offering of high standards of accountability to the Shareholders of the Company. The Audit Committee shall meet periodically to perform the following functions:

- (a) review the audit plans of the external auditors and internal auditors, their evaluation of the system of internal controls, their audit report, their management letter and the management's response, where applicable;
- (b) review with the independent internal auditors the internal audit plans and their evaluation of the adequacy of the internal control and accounting system before submission of the results of such review to the Board for approval;
- (c) review the external and internal auditors' reports;
- (d) review the co-operation given by the Company's officers to the external and internal auditors;
- (e) review the quarterly (if applicable), half-yearly and annual financial statements of the Company and the Group, and discuss any significant adjustments, major risk areas, changes in accounting policies, compliance with Singapore Financial Reporting Standards, concerns and issues arising from the audits including any matters which the auditors may wish to discuss in the absence of management, where necessary, before their submission to the Board for approval;
- (f) review and discuss with the auditors any suspected fraud or irregularity, or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;
- (g) review the independence of the external auditors and recommend their appointment or reappointment, remuneration and terms of engagement;
- (h) review transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);
- (i) review any potential conflicts of interest (if any) and set out a framework to resolve or mitigate any potential conflicts of interest;

MANAGEMENT AND CORPORATE GOVERNANCE

- (j) with the internal and external auditors, and in each case without the presence of management, at least annually, review the co-operation given by the management to the internal and external auditors;
- (k) ensuring the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience and that the internal auditors comply with the standards set by internationally recognised professional bodies;
- (l) ensure that the internal audit function has unfettered access to all the Group's documents, records, offices and personnel, including the AC, and has appropriate standing within the Group;
- (m) assist the Board in fulfilling its responsibility for overseeing the integrity of the Company's system of accounting and financial reports and in maintaining a high standard of transparency and reliability in its corporate disclosures;
- (n) review the procedures and policies put in place to ensure compliance with various laws and regulations (including laws and regulations for which the Group had contravened in the past) at least annually, to ensure that such procedures and policies are commensurate with the Group's operations and expansion plans from time to time;
- (o) review the risk profile of the Group and the appropriate steps to be taken to mitigate and manage risks at acceptable levels determined by the Board;
- (p) reviewing and assessing from time to time whether additional processes are required to be put in place to manage any material conflicts of interest with the controlling shareholders and propose, where appropriate, the relevant measures for the management of such conflicts;
- (q) appraise the performance of the CFO on an annual basis;
- (r) monitor the use of the initial public offering proceeds;
- (s) review the whistleblowing policy and procedures by which employees, customers, suppliers, patients and members of the public may, in confidence, report to the Audit Committee, to report any improper conduct (misconduct, criminal offences or non-ethical medical practices), and ensure that there are procedures in place for the receipt, retention and treatment of complaints, the independent investigation and follow-up actions thereto;
- (t) monitor SEPL's compliance with the relevant deeds/undertakings provided to the Group;
- (u) review and approve foreign exchange hedging policies implemented by the Group and conduct periodic review of foreign exchange transactions and hedging policies and procedures;
- (v) review the key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where the findings are material, announced immediately via SGX-NET;
- (w) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the Audit Committee;

MANAGEMENT AND CORPORATE GOVERNANCE

- (x) review arrangements by which the staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up;
- (y) (i) monitor and oversee any variation to the SGSAS Call Option and ROFR Deed including any withdrawal or amendment of the Indemnities, the Company's exercise of the SGSAS Call Option and ROFR Deed and the legal and regulatory compliance issues relating to SGSAS' business in France and (ii) ensure that the acquisition of SGSAS by the Company, including exercise of the SGSAS Call Option and ROFR Deed, will be subject to the applicable Chapters 9 and 10 of the Catalist Rules; and (iii) monitor and oversee the appointment of the legal adviser in France to opine on the resolution of the legal and regulatory issues in relation to SGSAS's business in France to ensure that they are resolved to the satisfaction of the Group;
- (z) monitor and oversee the Group's ventures in establishing training schools and centres, and ship chandelling and catering business;
- (aa) monitor, oversee and regularly review the Group's implementation of the external auditors and Internal Auditors' recommendations on internal controls to ensure that they are satisfactorily implemented to address any ICWs identified;
- (bb) monitor and oversee the Company's obligations under the Keyman Insurance Undertaking; and
- (cc) generally to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time.

Apart from the duties listed above, the Audit Committee shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or suspected infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position. In the event that a member of the Audit Committee is interested in any matter being considered by the Audit Committee, he will abstain from reviewing and deliberating on that particular transaction or voting on that particular resolution.

The Audit Committee shall also commission an annual internal control audit until such time as the Audit Committee is satisfied that the Group's internal controls are robust and effective enough to mitigate the Group's internal control weaknesses (if any). Prior to the decommissioning of such an annual audit, the Board is required to report to the SGX-ST and the Sponsor, Issue Manager and Joint Placement Agent on how the key internal control weaknesses have been rectified, and the basis for the decision to decommission the annual internal control audit.

Thereafter, such audits may be initiated by the Audit Committee as and when it deems fit to satisfy itself that the Group's internal controls remain robust and effective. Upon completion of the internal control audit, appropriate disclosure will be made via SGXNET of any material, price-sensitive internal control weaknesses and any follow-up actions to be taken by the Board.

For the purposes of the Listing, the Company had commissioned Crowe, as the independent internal control advisers, to conduct a review of the following functions of the Group:

- (a) Corporate government and regulatory compliance;
- (b) Revenue, receivables and receipts;

MANAGEMENT AND CORPORATE GOVERNANCE

- (c) Procurement, payables and payments (including expenses);
- (d) Treasury management (including cash, bank and cashflow);
- (e) Fixed assets management;
- (f) Human resource and payroll processing;
- (g) Financial reporting;
- (h) Cybersecurity controls;
- (i) Confidential information management;
- (j) Investment management (covering business expansion plans); and
- (k) Intellectual property management.

Based on the review of Crowe, all internal control weaknesses (“**ICWs**”) identified by the Internal Auditors have been rectified by the Company. No ICWs were identified in the areas of corporate governance, regulatory compliance or financial reporting. Save as disclosed above in relation to the ICWs, based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by the management, the Board of Directors and the Audit Committee, the Board of Directors, to the best of its knowledge and belief, with the concurrence of the Audit Committee, is of the opinion that the Group has adequate and effective systems of internal controls (including financial, operational, compliance and information technology controls) and the risk management systems.

The Audit Committee will continually review the adequacy and effectiveness of the internal control procedures and, if necessary, outsource the internal audit function to ensure the adequacy and sufficiency of internal control procedures within the Group.

The Board of Directors notes that all internal control systems contain inherent limitations and no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities.

Audit Committee’s Opinion on the Suitability of the CFO

The Audit Committee had conducted an interview with the CFO, Mr. Lee Tiang Soon. The Audit Committee has further considered the following:

- (a) the qualifications and past working experiences of Mr. Lee Tiang Soon (as described in the section titled “Management and Corporate Governance – Executive Officers” of this Offer Document) which are compatible with his position as CFO of the Group;
- (b) Mr. Lee Tiang Soon’s past internal and external audit, and accounting related experiences;
- (c) Mr. Lee Tiang Soon’s demonstration of the requisite competency in finance-related matters in connection with the preparation for the Listing of the Company;
- (d) the absence of negative feedback on Mr. Lee Tiang Soon from the representatives of the Group’s Independent Auditors and Reporting Accountants and the Internal Auditors; and

MANAGEMENT AND CORPORATE GOVERNANCE

- (e) the absence of internal control weaknesses attributed to Mr. Lee Tiang Soon identified during the internal control review conducted,

and is of the view that Mr. Lee Tiang Soon is suitable for the position of CFO of the Group. Further, after making all reasonable enquiries, and to the best of their knowledge and belief, nothing has come to the attention of the Audit Committee members to cause them to believe that Mr. Lee Tiang Soon does not have the competence, character and integrity expected of a CFO of a listed issuer.

In addition, Mr. Lee Tiang Soon shall be subject to performance appraisal by the Audit Committee on an annual basis to ensure satisfactory performance.

Nominating Committee

The Nominating Committee comprises Dr. Ong Seh Hong, Mr. Tan Kheng Soon and Ms. Tan Yuni. The Chairman of the Nominating Committee is Dr. Ong Seh Hong. The Nominating Committee will be responsible for:

- (a) reviewing and recommending the nomination or re-nomination of the Directors having regard to each Directors' contribution and performance and ability to commit sufficient time, resources and attention to the affairs of the Group;
- (b) developing and maintaining a formal and transparent process for the selection, appointment and re-appointment of Directors (including alternate Directors, if any), taking into account the need for progressive renewal of the Board;
- (c) establish guidelines on what a reasonable and maximum number of such directorships and principal commitments for each Director (or type of Director) should be;
- (d) ensure that the Directors submit themselves for re-nomination and re-election at least once every 3 years;
- (e) determining annually, and as and when circumstances require, whether or not a director is independent, in accordance with the CG 2018;
- (f) ensuring that the Board and Board committees comprise directors who, as a group, provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate;
- (g) deciding whether or not a Director of the Company is able to and has been adequately carrying out his duties as a Director;
- (h) reviewing and approving any new employment of persons related to Directors, Executive Officers or Controlling Shareholders and the proposed terms of their employment;
- (i) reviewing of board succession plans for Directors, in particular, the Chairman;
- (j) developing a process for evaluation of the performance of the Board, its committees and Directors;
- (k) reviewing training and professional developments programs for the Board; and
- (l) appointment and re-appointment of Directors (including alternate Directors, if applicable).

MANAGEMENT AND CORPORATE GOVERNANCE

The Nominating Committee will decide how the Board's performance is to be evaluated and propose objective performance criteria, subject to the approval of the Board, which address how the Board has enhanced long-term Shareholders' value. The Board will also implement a process to be carried out by the Nominating Committee for assessing the effectiveness of the Board as a whole and for assessing the contribution of each individual Director to the effectiveness of the Board. Each member of the Nominating Committee shall abstain from voting on any resolutions in respect of the assessment of his performance or re-nomination as a Director.

The Nominating Committee will continue to monitor and determine annually whether each of the Independent and Non-executive Directors will be able to devote sufficient time and attention to the affairs of the Company and adequately carry out their respective duties as an Independent and Non-executive Director.

In addition, the Board and the Nominating Committee are of the opinion that:

- (a) Mr. Kee Boo Chye is suitable to be appointed as the Chairman, Executive Director and CEO of the Company;
- (b) Mr. Liang Shian On is suitable to be appointed as the Lead Independent Non-executive Director of the Company;
- (c) Dr. Ong Seh Hong is suitable to be appointed as the Independent Non-executive Director of the Company;
- (d) Mr. Tan Kheng Soon is suitable to be appointed as the Independent Non-executive Director of the Company; and
- (e) Ms. Tan Yuni is suitable to be appointed as the Non-executive Director of the Company. In particular, Ms Tan Yuni graduated with a Bachelor of Commerce (Accounting and Commercial Law) from the University of Auckland and is currently a senior fund accountant at Hines Singapore and has more than 7 years of experience reviewing internal controls, due diligence, financial statements and investors reports, including at a large audit firm,

in view of (i) their respective qualifications and/or working experience; (ii) the considerations set out above and in the section entitled "General Information – Information on Directors, Executive Officers and Controlling Shareholders" of this Offer Document in respect of their disclosures; (iii) (where applicable) the considerations of independence, as set out in Provision 2.1 of the CG 2018 read together with Practice Guidance 2 of the CG 2018; and (iv) the absence of any issues concerning the character and integrity of Mr. Kee Boo Chye, Mr. Liang Shian On, Dr. Ong Seh Hong, Mr. Tan Kheng Soon and Ms. Tan Yuni.

Nominating Committee's Opinion on the Appointment of Mr. Kee Boo Chye as CEO and Chairman

The Company is of the view that it is not necessary to separate the roles of the Chairman and the CEO, after taking into consideration the size, scope and the nature of the operations of the Group. Mr. Kee has been with the Group since its establishment and has played an instrumental role in developing the Group's business. He has considerable industry experience and business network and has also provided the Group with strong leadership and vision.

MANAGEMENT AND CORPORATE GOVERNANCE

In addition, there are sufficient safeguards and checks in place to ensure that management is accountable to the Board as a whole as Mr. Kee is not a member of the audit, nomination or remuneration committees. As the Chairman and CEO of the Company, Mr. Kee is in charge of the management and day-to-day operation of the Group. He is also responsible for developing the overall strategic directions of the Group, as well as the business strategies and policies of the Group.

The Nominating Committee and the Board of the Company will continually review the single leadership structure and whether it will be necessary to separate such roles in future, including where the business of the Company is scaled up.

Principle 3 of the CG 2018 provides that there should be a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making. In respect of Principle 3 of the Code, the Board is of the view that there is compliance with the said principle as the Group's compliance manual ("**Compliance Manual**"), as reviewed by the Internal Auditors, sets out the clear division of responsibilities of the Board and management, that "Every Group should be headed by an effective Board to lead and control the Group. The Board is collectively responsible for the long-term success of the Group. The Board works with Management to achieve this objective and Management remains accountable to the Board.", and further specifically mandates that "There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Group's business."

Provision 3.1 of the CG 2018, which is applicable on a comply-or-explain basis, provides that "The Chairman and the CEO are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making". In respect of Provision 3.1 of the Code, the Compliance Manual states that "The Chairman and the CEO should in principle be separate persons, where possible, except where the Board believes that vesting the roles of both chairman and CEO in the same person has the benefit of ensuring the consistent leadership within the Group and enables more effective and efficient overall strategic planning of our Group and considers that the balance of power and authority for the such arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively.". In that regard, while Mr. Kee Boo Chye is both the Chairman and the CEO in contrast with Provision 3.1 of the Code, the Board is of the view that vesting both roles in Mr. Kee Boo Chye benefits the Group by "ensuring the consistent leadership within the Group and enables more effective and efficient overall strategic planning of our Group and considers that the balance of power and authority for the such arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively." for the reasons previously given.

In respect of the above opinion on suitability, for avoidance of doubt, where appropriate, the Directors have abstained from forming an opinion on themselves.

MANAGEMENT AND CORPORATE GOVERNANCE

Remuneration Committee

The Remuneration Committee comprises Mr. Tan Kheng Soon, Mr. Liang Shian On and Ms. Tan Yuni. The Chairman of the Remuneration Committee is Mr. Tan Kheng Soon. The Remuneration Committee will be responsible for:

- (a) recommending to the Board a framework of remuneration for the Directors and key executives, and determine specific remuneration packages for the Executive Director;
- (b) reviewing the terms of performance-related remuneration scheme or incentive schemes (if any) and determining the eligibility criteria of the employees who can participate in such scheme;
- (c) ensuring the remuneration policies and systems of the Group, as approved by the Board, support the Group's objectives and strategies, and are consistently being administered and being adhered to within the Group; and
- (d) proposing, for adoption by the Board, measurable, appropriate and meaningful performance targets for assessing the performance of the key management personnel, individual directors and of the Board as a whole.

The recommendations of the Remuneration Committee shall be submitted for endorsement by the entire Board. All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, the options to be issued under a share option scheme and other benefits-in-kind shall be covered by the Remuneration Committee. The Remuneration Committee will also review the obligations arising in the event of termination of the Executive Director's and Executive Officers' contracts of service to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. Each member of the Remuneration Committee shall abstain from voting on any resolutions in respect of his remuneration package.

The remuneration of employees related to Directors, Executive Officers and Controlling Shareholders will be reviewed annually by the Remuneration Committee to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. Any bonuses, pay increases and/or promotions for these related employees will also be subject to the review and approval of the Remuneration Committee. In the event that a member of the Remuneration Committee is related to the employee under review, he will abstain from participating in the review.

Board Practices

The Directors are to be appointed by the Shareholders at a general meeting and an election of Directors is held annually. One third (or the number nearest to one third) of the Directors are required to retire from office at least once every three years. However, a retiring Director is eligible for re-election at the meeting at which he retires. Further details on the appointment and retirement of Directors can be found in Appendix C to this Offer Document.

MANAGEMENT AND CORPORATE GOVERNANCE

Corporate Social Responsibility

The Board of Directors will establish a corporate social responsibility policy which will include the review of the following areas of the Group's activities:

- (a) to review and recommend the Group's policy in respect of corporate social responsibility issues;
- (b) to review the Group's health, safety and environment policies and standards;
- (c) to review the social impact of the Group's business practices in the communities that the Group operates in;
- (d) to review and recommend policies and practices with regard to key stakeholders (suppliers, clients and employees); and
- (e) to review and recommend policies and practices with regard to regulators.

GENERAL INFORMATION

INFORMATION ON DIRECTORS, EXECUTIVE OFFICERS AND CONTROLLING SHAREHOLDERS

Save as disclosed below, none of the Directors, Executive Officers and Controlling Shareholders:

- (a) has, at any time during the last 10 years, had an application or a petition under any bankruptcy laws of any jurisdiction 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 two years from the date he ceased to be a partner;
- (b) has, at any time during the last 10 years, had an application or a petition under any law of any jurisdiction 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 two 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;
- (c) has any unsatisfied judgement against him;
- (d) 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;
- (e) 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;
- (f) has, at any time during the last 10 years, had judgement 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, nor has he 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;
- (g) has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust;
- (h) 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;
- (i) has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body permanently or temporarily enjoining him from engaging in any type of business practice or activity;

GENERAL INFORMATION

- (j) has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of affairs of:
- (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;
 - (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;
 - (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or
 - (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,
- in connection with any matter occurring or arising during the period when he was so concerned with the entity or business trust; or
- (k) has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Authority or any other regulatory authority, exchange, professional body or governmental agency, whether in Singapore or elsewhere.

In respect of Mr. Lee Tiang Soon, Mr. Lee Tiang Soon was a director of CW Group Holdings Limited (a company incorporated in the Cayman Islands), CW Group Pte. Ltd. and CW Advanced Technologies Pte. Ltd., (collectively the “**CW Entities**”) which were companies which had an application made against them for their winding up during the time he was a director of the CW Entities or within two years from the date he ceased to be a director of the CW Entities. The cause of the applications was due to the CW Entities facing difficulties in the repayment of certain facilities granted by banks and the applications were not made by a company that was related to the Company, Directors, executive officers, controlling shareholders and/or their associates. Further, during the period when Mr. Lee was director of the CW Entities, the CW Entities were involved in investigations by the relevant authorities in Singapore surrounding the misappropriation of the funds belonging to the CW Entities by a legal adviser of CW Group Holdings Limited. However, Mr. Lee only assisted in, and was not the subject of, such investigations. While no criminal charges were brought by the relevant authorities in Singapore against the CW Entities, Mr. Jeffrey Ong Su Aun, the managing partner of JLC Advisors, the legal adviser to CW Group Holdings Limited, was found guilty of criminal offences in relation to the misappropriation of certain funds held in escrow.

During the time Mr. Lee Tiang Soon was Chief Financial Officer of Zheng Li Holdings Limited, as reported in the Archive of the Company Registry of the Government of the Hong Kong Special Administrative Region, Zheng Li Holdings Limited was convicted under the Hong Kong Companies Ordinance in 2018 of 1) failure in or late filing of return of changes of company secretary, directors or authorised representatives of registered non-Hong Kong company under sections 791(2)(b) or 791(2)(c) of the Hong Kong Companies Ordinance and 2) failure in or late filing of return required for changes in the registered particulars of registered non-Hong Kong companies under section 791 except sections 791(2)(b) or 791(2)(c) of the Hong Kong Companies Ordinance.

There is no shareholding qualification for Directors under the Constitution.

No option to subscribe for shares in, or debentures of, the Company or any of the subsidiaries has been granted to, or was exercised by, any of the Directors or Executive Officers within the last FY.

GENERAL INFORMATION

Save as disclosed in the sections “Interested Person Transactions” of this Offer Document, none of the Directors is interested, directly or indirectly, in the promotion of, or in any property or assets which have, within the two years preceding the date of this Offer Document, been acquired or disposed of by or leased to, the Group or any of the subsidiaries, or are proposed to be acquired or disposed of by or leased to the Group or any of the subsidiaries.

No sum or benefit has been paid or is agreed to be paid to any Director or expert, or to any firm in which such Director or expert is a partner or any corporation in which such Director or expert holds shares or debentures, in cash or shares or otherwise, by any person to induce him to become, or to qualify him as, a Director, or otherwise for services rendered by him or by such firm or corporation in connection with the promotion or formation of the Company.

SHARE CAPITAL

As at the Latest Practicable Date, there is one class of shares in the capital of the Company. There are no founder, management or deferred shares. The rights and privileges attached to the Shares are stated in the Constitution.

Save as disclosed in the section titled “Share Capital” of this Offer Document, there are no changes in the share capital or the number and classes of shares of the Company or the subsidiaries within the last three years preceding the date of lodgement of this Offer Document.

Save as disclosed in the sections titled “Share Capital” and “Restructuring Exercise” of this Offer Document, no shares in, or debentures of, the Company or any of the subsidiaries have been issued, or are proposed to be issued, as fully or partly paid for cash or for a consideration other than cash, during the last three years preceding the date of lodgement of this Offer Document.

Save as disclosed in the section titled “Share Capital – Ownership Structure” of this Offer Document, as at the Latest Practicable Date, no person has been, or is entitled to be, given an option to subscribe for any shares in or debentures of the Company or any of the subsidiaries.

THE CONSTITUTION

The Company is registered in Singapore with the Accounting and Corporate Regulatory Authority with a registration number 202134454W.

A summary of the Constitution relating to, among others, Directors’ powers to vote on contracts in which they are interested, Directors’ remuneration, Directors’ borrowing powers, Directors’ retirement, Directors’ share qualification, rights pertaining to shares, convening of general meetings and alteration of capital are set out in Appendix C to this Offer Document. The Constitution is available for inspection at the registered office in the section “General Information – Documents Available for Inspection” of this Offer Document.

MATERIAL CONTRACTS

The following contract, not being a contract entered into in the ordinary course of business, has been entered into by the Group within the two years preceding the date of lodgement of this Offer Document and is or may be material:

- (a) The Service Agreement, details of which are set out in the section entitled “Directors, Executive Officers and Employees – Service Agreement” of this Offer Document.

GENERAL INFORMATION

- (b) The Share Sale and Purchase Agreement dated 21 March 2022 in relation to the shares of SGSAS. Please refer to the section “Restructuring Exercise” of this Offer Document for more details.
- (c) The Services Agreement dated 31 July 2023 entered into between SEPL and SGAPL for the provision and supply of offshore workers which was terminated with effect from 27 September 2023. Please refer to the section “Interested Person Transactions – Present and Ongoing Interested Person Transactions” of this Offer Document for more details.
- (d) The Share Sale and Purchase Agreement dated 1 July 2023 in relation to the shares of SGKK. Please refer to the section “Restructuring Exercise” of this Offer Document for more details.
- (e) The Business Transfer Agreement dated 31 July 2023 in relation to the transfer of the business of providing human resources services in, *inter alia*, the renewable energy industry from SEPL to SGAPL. Please refer to the section “Restructuring Exercise” of this Offer Document for more details.
- (f) The Deeds of Assignments entered into pursuant to the Reorganisation of Intercompany Receivables and Payables. Please refer to the section “Interested Person Transactions – Past Interested Person Transactions” of this Offer Document for more details.
- (g) The SGSAS SPA and the SGSAS Call Option and ROFR Deed both dated 31 July 2023 in relation to the transfer of the shares of SGSAS. Please refer to the section “Restructuring Exercise” of this Offer Document for more details.
- (h) Share subscription agreements between the Company and Pre-IPO Investors dated between 6 June 2022 and 22 September 2022.

LITIGATION

Saved as disclosed above, as at the Latest Practicable Date, neither the Group nor any of the subsidiaries is engaged in any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of the Offer Document, a material effect on the financial position or profitability of the Group.

MISCELLANEOUS

The nature of the business has been stated earlier in this Offer Document. The corporations which by virtue of Section 6 of the Companies Act are deemed to be related to the Group are set out in the section titled “Group Structure” of this Offer Document.

There has been no previous issue of shares by the Group or offer for sale of the Shares to the public within the two years preceding the date of this Offer Document.

There has not been any public take-over offer by a third party in respect of the Shares or by the Group in respect of shares of another corporation or units of a business trust which has occurred between the beginning of FY2022 and the Latest Practicable Date.

Save as disclosed in this Offer Document, no amount of cash or securities or benefit has been paid or given to any promoter within the two years preceding the Latest Practicable Date or is proposed or intended to be paid or given to any promoter at any time.

GENERAL INFORMATION

Save as disclosed in the section “Plan of Distribution – Management and Sponsorship, Underwriting and Placement Arrangements” of this Offer Document, no commission, discount or brokerage fees has been paid or other special terms granted within the two years preceding the Latest Practicable Date or is payable to any Director, promoter, expert, proposed director or any other person for purchasing and/or subscribing or agreeing to purchase and/or subscribe or procuring or agreeing to procure purchases and/or subscriptions for any shares in, or debentures of, the Company or any of the subsidiaries.

No expert employed on a contingent basis by the Company or any of the subsidiaries, has a material interest, whether direct or indirect, in the Shares of the Company or the subsidiaries, or has a material economic interest, whether direct or indirect, in the Company, including an interest in the success of the Offering.

Application monies received by the Group in respect of successful applications (including successful applications which are subsequently rejected) will be placed in a separate non-interest bearing account with the Receiving Bank. In the ordinary course of business, the Receiving Bank will deploy these monies in the inter-bank money market. All profits derived from the deployment of such monies will accrue to the Receiving Bank. Any refund of all or part of the application monies to unsuccessful or partially successful applicants will be made without any interest or any share of revenue or any other benefit arising therefrom.

Save as disclosed in this Offer Document, the Directors are not aware of any relevant material information including trading factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits and the profits of the subsidiaries.

Save as disclosed in this Offer Document, the financial condition and operations are not likely to be affected by any of the following:

- (a) known trends or demands, commitments, events or uncertainties that will result in or are reasonably likely to result in the liquidity increasing or decreasing in any material way;
- (b) material commitments for capital expenditure;
- (c) unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from operations; and
- (d) known trends or uncertainties that have had or that the Group reasonably expects will have a material favourable or unfavourable impact on revenues or operating income.

Save as disclosed in this Offer Document, the Directors are not aware of any event which has occurred since the end of FP2023 to the Latest Practicable Date which may have a material effect on the financial position and results of the Group or the financial information provided in this Offer Document.

Deloitte & Touche LLP is the current auditors. The Company currently has no intention of changing the auditors after the Listing of the Company on Catalist.

GENERAL INFORMATION

Details including the name, address and professional qualifications (including membership in a professional body) of the auditors of the Company for the Period Under Review and up to the date of lodgement of this Offer Document are as follows:

| Name and address of Auditors | Partner-in-charge/Professional Qualification |
|---|--|
| Deloitte & Touche LLP 6 Shenton Way #33-00, OUE Downtown Singapore 068809 | Ms. Mao Meijiao/member of the Institute of Singapore Chartered Accountants |

CONSENTS

The Independent Auditors and Reporting Accountants, Deloitte & Touche LLP, have given and have not withdrawn their written consent to the issue of this Offer Document with the inclusion herein of and all references to, its name, its report titled the “Independent Auditor’s Report on The Audited Combined Financial Statements For The Years Ended 30 June 2020, 2021 And 2022 And Nine Months Period Ended 31 March 2023” as set out in Appendix A and the “Independent Auditor’s Assurance Report on the Compilation of Unaudited Pro Forma Financial Information of Sheffield Green Ltd and its Subsidiaries for the Financial Year Ended 30 June 2022 And Nine Months Financial Period Ended 31 March 2023” as set out in Appendix B of this Offer Document which were prepared for the purpose of incorporation in this Offer Document, and its name and references thereto in the form and context in which they appear in this Offer Document and to act in such capacities in relation to this Offer Document.

The Sponsor, Issue Manager and Joint Placement Agent has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of, and all references to, its name and certain statements attributable to it in the sections entitled “Offer Document Summary – Business Strategies and Future Plans – (b) Expanding into complementary offerings, new product lines and other technical services (“Complementary Offerings”)” and “Management’s Discussion and Analysis of Financial Position and Results of Operations – Liquidity and Capital Resources” of this Offer Document which were prepared for the purpose of incorporation in this Offer Document, in the form and context in which they are included in this Offer Document and to act in such capacity in relation to this Offer Document.

The Underwriter and Joint Placement Agent has given and has not withdrawn its written consents to the issue of this Offer Document with the inclusion herein of its name and references thereto in the form and context in which they appear in this Offer Document and to act in such capacities in relation to this Offer Document.

Crowe Horwath First Trust Risk Advisory Pte. Ltd., internal auditors to the Company, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of, and all references to, its name and certain statements attributable to it in the section titled “Management and Corporate Governance – Audit Committee Corporate Governance – Audit Committee” which was prepared for the purpose of incorporation in this Offer Document, in the form and context in which they are included in this Offer Document and to act in such capacity in relation to this Offer Document.

Loo & Partners LLP, solicitor to the Offering and legal adviser to the Company as to Singapore law, has given and has not withdrawn its written consents to the issue of this Offer Document with the inclusion herein of its name and references thereto in the form and context in which they appear in this Offer Document and to act in such capacities in relation to this Offer Document.

GENERAL INFORMATION

Dentons Rodyk & Davidson LLP, solicitor to the Sponsor, Issue Manager and Joint Placement Agent, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and references thereto in the form and context in which they appear in this Offer Document and to act in such capacities in relation to this Offer Document.

Thanlwin Legal, legal adviser to the Company as to Taiwan law, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and references thereto in the form and context in which they appear in this Offer Document and to act in such capacities in relation to this Offer Document.

City-Yuwa Partners, legal adviser to the Company as to Japan law, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and references thereto in the form and context in which they appear in this Offer Document and to act in such capacities in relation to this Offer Document.

Orrick, Herrington & Sutcliffe (Europe) LLP, legal adviser to the Company as to France law, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of, and all references to, its name and certain statements attributable to it in the section titled “Risk Factors – Risks Relating to the Group’s Business or the Industry in which the Group Operates – The Group is subject to laws, regulations and policies imposed by various government and regulatory authorities in the jurisdictions in which it operates” which was prepared for the purpose of incorporation in this Offer Document, in the form and context in which they are included in this Offer Document and to act in such capacity in relation to this Offer Document.

RESPONSIBILITY STATEMENT BY THE DIRECTORS

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Offer Document and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Offer Document constitutes full and true disclosure of all material facts about the Offering and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Offer Document misleading. Where information in this Offer Document has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Document in its proper form and context.

DOCUMENTS AVAILABLE FOR INSPECTION

The following documents or copies thereof may be inspected at the registered office during normal business hours for a period of six months from the date of registration of this Offer Document with the SGX-ST:

- (a) the Constitution;
- (b) Independent Auditor’s Report And The Audited Combined Financial Statements For The Years Ended 30 June 2020, 2021 And 2022 And Nine Months Period Ended 31 March 2023 set out in Appendix A to this Offer Document;
- (c) Independent Auditor’s Assurance Report and the Compilation of Unaudited Pro Forma Financial Information of Sheffield Green Ltd and its Subsidiaries for the Financial Year Ended 30 June 2022 And Nine Months Financial Period Ended 31 March 2023;

GENERAL INFORMATION

- (d) the material contracts referred to in this Offer Document;
- (e) the Deeds of Undertakings;
- (f) SGSAS Call Option and ROFR Deed;
- (g) the letters of consent referred to in this Offer Document; and
- (h) the Service Agreement.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

16 October 2023

The Board of Directors
Sheffield Green Ltd.
11 Collyer Quay
#06-01 The Arcade
Singapore 049317

Dear Sirs

Report on the Audit of the Combined Financial Statements

Opinion

We have audited the combined financial statements of Sheffield Green Ltd. (the “Company”) and its subsidiaries (the “Group”), which comprise the combined statement of financial position of the Group as at 30 June 2020, 2021, 2022 and 31 March 2023, the combined statement of profit or loss and other comprehensive income, combined statement of changes in equity and combined statement of cash flows of the Group for the years then ended 30 June 2020, 2021, 2022 and the nine months period ended 31 March 2023 (the “Relevant Periods”), and notes to the financial statements, including a summary of significant accounting policies, as set out on pages A-4 to A-75.

In our opinion, the accompanying combined financial statements of the Group are properly drawn up in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) so as to give a true and fair view of the combined financial position of the Group as at 30 June 2020, 2021, 2022 and 31 March 2023, and of the combined financial performance, combined changes in equity and combined cash flows of the Group for Relevant Periods.

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 Combined Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *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.

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

Responsibilities of Management and Directors for the Combined Financial Statements

Management is responsible for the preparation of these combined financial statements that give a true and fair view in accordance with SFRS(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 combined financial statements and to maintain accountability of assets.

In preparing the combined 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 Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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 combined financial statements.

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

- a) Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the combined 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.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

Auditor’s Responsibilities for the Audit of the Combined Financial Statements (cont’d)

- e) Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined 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 combined 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.

Other Matters

We have not carried out an audit or review in accordance with Singapore Standards on Auditing or Singapore Standards on Review Engagements on the financial information for the nine months period ended 31 March 2022 included as comparatives in the combined financial statements and, accordingly, we do not express any assurance on the comparative financial information. The financial information for the nine months period ended 31 March 2022 is the responsibility of management.

Restriction on Distribution and Use

This report is made solely to you as a body for the inclusion in the Offer Document of the Company to be issued in relation to the proposed offering of the shares of the Company in connection with the Company’s listing on Catalist Board of the Singapore Exchange Securities Trading Limited and for no other purpose.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

Mao Meijiao
Partner

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2020, 2021, 2022 AND 31 MARCH 2023**

| | Note | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|-------------------------------------|------|-------------------------|-------------------------|-------------------------|--------------------------|
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 6 | 55,180 | 217,438 | 774,333 | 2,027,030 |
| Pledged deposits | 6 | – | – | – | 109,039 |
| Trade and other receivables | 7 | 899,785 | 1,099,894 | 2,900,761 | 7,995,430 |
| Amount due from related companies | 5A | 419,633 | 231,168 | 167,373 | – |
| Total current assets | | 1,374,598 | 1,548,500 | 3,842,467 | 10,131,499 |
| Non-current assets | | | | | |
| Equipment | 8 | 5,180 | 26,204 | 23,625 | 44,297 |
| Intangible assets | 9 | 402 | 4,655 | 5,414 | 6,053 |
| Right-of-use assets | 10 | – | 73,488 | 19,810 | 121,329 |
| Pledged deposits | 6 | – | 107,481 | 201,607 | – |
| Total non-current assets | | 5,582 | 211,828 | 250,456 | 171,679 |
| Total assets | | 1,380,180 | 1,760,328 | 4,092,923 | 10,303,178 |
| LIABILITIES AND EQUITY | | | | | |
| Current liabilities | | | | | |
| Trade and other payables | 11 | 763,756 | 469,236 | 1,720,736 | 4,163,200 |
| Amount due to related companies | 5A | 851,602 | 969,143 | 1,092,162 | 558,558 |
| Lease liabilities | 12 | – | 52,473 | 17,866 | 66,530 |
| Borrowings | 13 | – | – | – | 689,636 |
| Income tax payable | | 2,184 | 105,240 | 138,309 | 867,271 |
| Total current liabilities | | 1,617,542 | 1,596,092 | 2,969,073 | 6,345,195 |
| Non-current liability | | | | | |
| Lease liabilities | 12 | – | 22,093 | – | 56,350 |
| Capital and reserves | | | | | |
| Share capital | 14 | 33,925 | 219,925 | 1,278,302 | 2,067,562 |
| Merger reserves | 15 | – | – | 33,921 | 33,921 |
| Translation reserve | | (2,575) | (13,628) | 27,645 | 5,623 |
| Accumulated (losses) profit | | (268,712) | (64,154) | (216,018) | 1,794,527 |
| Total equity | | (237,362) | 142,143 | 1,123,850 | 3,901,633 |
| Total liabilities and equity | | 1,380,180 | 1,760,328 | 4,092,923 | 10,303,178 |

See accompanying notes to combined financial statements

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**COMBINED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

| | | Year ended | | | Nine months period ended | |
|---|------|-------------------------|-------------------------|-------------------------|--------------------------|---|
| | Note | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ | 31 March 2022 US\$ (Unaudited) |
| Revenue | 16 | 2,533,298 | 3,931,122 | 7,769,810 | 19,044,696 | 4,695,229 |
| Cost of sales | | (2,307,835) | (3,007,510) | (6,538,520) | (13,782,080) | (3,800,011) |
| Gross profit | | 225,463 | 923,612 | 1,231,290 | 5,262,616 | 895,218 |
| Administrative expenses | | (550,382) | (673,161) | (1,199,645) | (1,818,295) | (756,869) |
| Finance costs | 17 | – | (434) | (715) | (6,788) | (623) |
| Other gains (losses) | 18 | 32,032 | 61,481 | (131,833) | (113,918) | (49,295) |
| (Loss) Profit before income tax | | (292,887) | 311,498 | (100,903) | 3,323,615 | 88,431 |
| Income tax benefits (expense) | 19 | 24,657 | (106,940) | (50,961) | (862,690) | (89,406) |
| (Loss) Profit for the year/ period | 20 | (268,230) | 204,558 | (151,864) | 2,460,925 | (975) |
| Other comprehensive (loss) income: | | | | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | | | | |
| Exchange differences on translation of foreign operations | | (2,768) | (11,053) | 41,273 | (22,022) | 14,998 |
| Total comprehensive (loss) income for the year/period | | (270,998) | 193,505 | (110,591) | 2,438,903 | 14,023 |
| Earnings per share | | | | | | |
| Basic and diluted (cents) | 21 | (0.17) | 0.13 | (0.09) | 1.52 | * |

* Not meaningful as earnings per share is less than 0.01.

See accompanying notes to combined financial statements.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**COMBINED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

| | Share capital | Merger reserves | Translation reserve | Accumulated (losses)/profit | Total equity |
|---|---------------|--------------------|------------------------|--------------------------------|--------------|
| | US\$ | US\$ | US\$ | US\$ | US\$ |
| Balance at 1 July 2019 | 33,925 | – | 193 | (482) | 33,636 |
| <i>Total comprehensive income for the year:</i> | | | | | |
| Loss for the year | – | – | – | (268,230) | (268,230) |
| Other comprehensive loss for the year | – | – | (2,768) | – | (2,768) |
| Total | – | – | (2,768) | (268,230) | (270,998) |
| Balance at 30 June 2020 | 33,925 | – | (2,575) | (268,712) | (237,362) |
| <i>Total comprehensive income for the year:</i> | | | | | |
| Profit for the year | – | – | – | 204,558 | 204,558 |
| Other comprehensive loss for the year | – | – | (11,053) | – | (11,053) |
| Total | – | – | (11,053) | 204,558 | 193,505 |
| <i>Transactions with owners, recognised directly in equity:</i> | | | | | |
| Issue of share capital (Note 14) | 186,000 | – | – | – | 186,000 |
| Balance at 30 June 2021 | 219,925 | – | (13,628) | (64,154) | 142,143 |
| <i>Total comprehensive income for the year:</i> | | | | | |
| Loss for the year | – | – | – | (151,864) | (151,864) |
| Other comprehensive income for the year | – | – | 41,273 | – | 41,273 |
| Total | – | – | 41,273 | (151,864) | (110,591) |
| <i>Transactions with owners, recognised directly in equity:</i> | | | | | |
| Issue of share capital (Note 14) | 1,092,302 | – | – | – | 1,092,302 |
| Arising from group restructuring (Note 1) | (33,925) | 33,921 | – | – | (4) |
| Total | 1,058,377 | 33,921 | – | – | 1,092,298 |
| Balance at 30 June 2022 | 1,278,302 | 33,921 | 27,645 | (216,018) | 1,123,850 |

See accompanying notes to combined financial statements.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**COMBINED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

| | Share capital | Merger reserves | Translation reserve | Accumulated (losses)/profit | Total equity |
|---|----------------------|----------------------------|--------------------------------|--|---------------------|
| | US\$ | US\$ | US\$ | US\$ | US\$ |
| Balance at 1 July 2022 | 1,278,302 | 33,921 | 27,645 | (216,018) | 1,123,850 |
| <i>Total comprehensive income for the period:</i> | | | | | |
| Profit for the period | – | – | – | 2,460,925 | 2,460,925 |
| Other comprehensive loss for the period | – | – | (22,022) | – | (22,022) |
| Total | – | – | (22,022) | 2,460,925 | 2,438,903 |
| <i>Transactions with owners, recognised directly in equity:</i> | | | | | |
| Issue of share capital (Note 14) | 338,880 | – | – | – | 338,880 |
| Arising from group restructuring (Note 1 and 14) | 450,380 | – | – | (450,380) | – |
| Total | 789,260 | – | – | (450,380) | 338,880 |
| Balance at 31 March 2023 | 2,067,562 | 33,921 | 5,623 | 1,794,527 | 3,901,633 |
| Balance at 1 July 2021 | 219,925 | – | (13,628) | (64,154) | 142,143 |
| <i>Total comprehensive income for the period:</i> | | | | | |
| Loss for the period | – | – | – | (975) | (975) |
| Other comprehensive income for the period | – | – | 14,998 | – | 14,998 |
| Total | – | – | 14,998 | (975) | 14,023 |
| <i>Transactions with owners, recognised directly in equity:</i> | | | | | |
| Issue of share capital (Note 14) | 1 | – | – | – | 1 |
| Arising from group restructuring (Note 1) | (33,925) | 33,921 | – | – | (4) |
| Total | (33,924) | 33,921 | – | – | (3) |
| Balance at 31 March 2022 (Unaudited) | 186,001 | 33,921 | 1,370 | (65,129) | 156,163 |

See accompanying notes to combined financial statements.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

| | 30 June 2020 US\$ | Year ended 30 June 2021 US\$ | 30 June 2022 US\$ | Nine months period ended 31 March 2023 US\$ | 31 March 2022 US\$ (Unaudited) |
|--|-------------------------|---------------------------------------|-------------------------|---|---|
| Operating activities | | | | | |
| (Loss)/Profit before income tax | (292,887) | 311,498 | (100,903) | 3,323,615 | 88,431 |
| Adjustments for: | | | | | |
| Depreciation of equipment | 2,392 | 4,261 | 7,603 | 8,110 | 5,493 |
| Amortisation of intangible assets | 149 | 961 | 2,080 | 2,212 | 1,431 |
| Finance cost | – | 434 | 715 | 6,788 | 623 |
| Unrealised foreign exchange (gain)/loss | (14,184) | (12,557) | 78,695 | (42,244) | 36,451 |
| Depreciation of right-of-use assets | – | 16,950 | 46,970 | 55,959 | 36,192 |
| Operating cash flows before movements in working capital | (304,530) | 321,547 | 35,160 | 3,354,440 | 168,621 |
| Trade and other receivables | (686,507) | (200,109) | (1,800,867) | (7,850,530) | (583,448) |
| Trade and other payables | 739,575 | (291,838) | 1,249,752 | 4,414,018 | 726,454 |
| Amount due from related companies | (143,817) | 188,465 | 63,795 | 281,558 | (427,280) |
| Amount due to related companies | (72,019) | (38,764) | (89,347) | (103,161) | 124,787 |
| Cash (used in)/generated from operations | (467,298) | (20,699) | (541,507) | 96,325 | 9,134 |
| Income tax paid | (10,185) | (38,566) | (20,013) | (1,310) | (20,013) |
| Net cash (used in)/from operating activities | (477,483) | (59,265) | (561,520) | 95,015 | (10,879) |
| Investing activities | | | | | |
| Placement of pledged deposits | – | (107,481) | (94,126) | (10,530) | – |
| Purchase of equipment | (6,723) | (25,213) | (6,411) | (29,186) | (3,091) |
| Purchase of intangibles | (556) | (5,217) | (3,015) | (2,970) | (2,951) |
| Acquisition of business under common control | – | – | (4) | – | (4) |
| Net cash used in investing activities | (7,279) | (137,911) | (103,556) | (42,686) | (6,046) |

See accompanying notes to combined financial statements.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

| | 30 June 2020 US\$ | Year ended 30 June 2021 US\$ | 30 June 2022 US\$ | Nine months period ended 31 March 2023 US\$ | 31 March 2022 US\$ (Unaudited) |
|---|-------------------------|---------------------------------------|-------------------------|---|---|
| Financing activities | | | | | |
| Proceeds from borrowings | – | – | – | 765,119 | – |
| Issue of shares | – | 186,000 | 1,092,302 | 338,880 | 1 |
| Advances from related companies | 118,754 | 188,305 | 399,235 | 210,359 | 368,101 |
| Repayment of advances from related company | – | – | (183,000) | – | (183,000) |
| Repayment of lease liabilities | – | (15,830) | (50,308) | (52,486) | (38,692) |
| Interest on lease liabilities | – | (434) | (715) | (3,573) | (623) |
| Repayment of borrowings | – | – | – | (79,047) | – |
| Interest on borrowings | – | – | – | (3,215) | – |
| Net cash from financing activities | 118,754 | 358,041 | 1,257,514 | 1,176,037 | 145,787 |
| Net (decrease)/increase in cash and cash equivalents | (366,008) | 160,865 | 592,438 | 1,228,366 | 128,862 |
| Cash and cash equivalents at beginning of year | 409,749 | 55,180 | 217,438 | 774,333 | 217,438 |
| Effect of exchange rate changes on the balance of cash held in foreign currencies | 11,439 | 1,393 | (35,543) | 24,331 | (17,789) |
| Cash and cash equivalents at the end of the year/period (Note 6) | 55,180 | 217,438 | 774,333 | 2,027,030 | 328,511 |

See accompanying notes to combined financial statements.

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

1 GENERAL

Sheffield Green Ltd. (the “Company”) (Registration No. 202134454W) was incorporated in Singapore with its principal place of business and registered office at 11 Collyer Quay #06-01 The Arcade Singapore 049317. The financial statements are expressed in United States dollars (“US\$”), which is also the functional currency of the Company.

The combined financial statements have been prepared solely in connection with the proposed listing of the Company on Catalist, the sponsor-supervised listing platform of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activities of the Company is that of investment holding company. The principal activities of the subsidiaries are disclosed below.

Pursuant to the group restructuring exercise (“Restructuring Exercise”) to rationalise the structure of the Company and its subsidiaries in preparation for the proposed listing of the Company on the SGX-ST, the Company underwent the Restructuring Exercise involving the following:

1. Incorporation of the Company

On 4 October 2021, the Company was incorporated in Singapore with an issued and paid-up share capital of US\$1 (S\$2) comprising 2 ordinary shares held by Sheffield Energies Pte. Ltd. (“the Holdco”) at the time of incorporation.

2. Incorporation of Sheffield Green (Asia) Pte. Ltd. (“SGAPL”)

On 18 November 2021, SGAPL was incorporated in Singapore with an issued and paid-up share capital of US\$1 (S\$2) comprising 2 ordinary shares held by the Company. On 22 March 2022, Sheffield Green (Asia) Pte. Ltd. Taiwan Branch (“SGAPL (Taiwan Branch)”) was registered in Taiwan as a foreign branch of SGAPL.

3. Transfer of Sheffield Energy SAS from Sheffield Energy Pte. Ltd. (“SEPL”) to the Company

On 21 March 2022, SEPL, a wholly owned subsidiary of the Holdco, entered into a share sale and purchase agreement with the Company pursuant to which SEPL transferred its entire shareholding interest in Sheffield Energy SAS to the Company for a nominal consideration of US\$4 (S\$5). On 11 April 2022, the name of Sheffield Energy SAS was changed to Sheffield Green SAS (“SGSAS”).

4. Allotment of new shares in the Company to the Holdco

On 23 May 2022, the Company passed a directors’ resolutions in writing and the Company’s shareholder passed a member’s resolution in writing for the approval of the Holdco to acquire 8,698 ordinary shares in the Company (representing 100% shareholding interests in the Company) from the allotment of new share capital for a total consideration of US\$223,617 (S\$304,430). The shares were issued and allotted to the Holdco on 2 June 2022.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

1 GENERAL (cont’d)

5. Allotment of new shares to 17 individual investors

From 6 June 2022 to 21 December 2022, the Company allotted and issued 1,700 ordinary shares in the Company to 17 individual investors, resulting in the current issued and paid-up share capital of the Company to be US\$1,431,182 (S\$2,004,432) comprising 10,400 ordinary shares.

6. Transfer of Sheffield Energy K.K. (“SEKK”) to the Company

On 1 July 2023, SEPL entered into a share sale and purchase agreement with the Company pursuant to which SEPL transferred its entire shareholding interest in SEKK to the Company for a nominal consideration of US\$1. On 20 September 2023, the name of SEKK was changed to Sheffield Green K.K..

7. Transfer of the renewable energy business from SEPL to SGAPL

On 31 July 2023, SEPL entered into a business transfer agreement with SGAPL in relation to the transfer of the business of providing human resources services and ancillary services in, inter alia, the renewable energy (“Renewable Energy Business”) industry from SEPL to SGAPL which was deemed to take effect on 1 July 2022 for a consideration of US\$450,380 (“BTA Consideration”). The BTA Consideration was based on the net asset value of the Renewable Energy Business.

As part of the business reorganisation under the BTA, the Group also underwent a restructuring of certain intercompany receivables and payables as follows (“Reorganisation of Intercompany Receivables and Payables”):

- (1) Pursuant to two separate deeds of assignment dated 31 July 2023, the payables and receivables in respect of the BTA Consideration were assigned as follows:
 - a. the debts, obligations and liabilities in respect of the payables of the BTA Consideration to SEPL was assigned by SGAPL to SGPL; and
 - b. the rights, title, interests and benefits in respect of the receivables of the BTA Consideration from SGPL was assigned by SEPL to the Holdco.

As a result of the above assignments, an amount is payable by the Company to the Holdco in relation to the BTA Consideration and the Holdco agreed to the settlement of the BTA Consideration by way of capitalising such sum by the Company and increasing the Company’s share capital in Singapore Dollars as represented by issuance of one new share in the capital of the Company to the Holdco. Accordingly, the share capital of the Company increased by US\$450,380 as a result of the capitalisation.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

1 GENERAL (cont’d)

7. Transfer of the renewable energy business from SEPL to SGAPL (cont’d)

- (2) Pursuant to three separate deeds of assignment dated 31 July 2023, the rights, title, interests and benefits in respect of the respective receivables from SGAPL was assigned by the following parties to SEPL as follows:
- a. the receivables from SGAPL in the sum of US\$128,035 was assigned by PT Sheffield Energy Indonesia to SEPL;
 - b. the receivables from SGAPL in the sum of US\$2,293 was assigned by Sheffield Energy Limited (“SEL”) to SEPL; and
 - c. the receivables from SGAPL in the sum of US\$5,505 was assigned by Sheffield Energy Sdn Bhd to SEPL.
- (3) Pursuant to five separate deeds of assignment dated 31 July 2023, the debts, obligations and liabilities in respect of the respective payables and the rights, title, interests and benefits in respect of the respective receivables were assigned as follows:
- a. the payables to SEL in the sum of TWD 21,663,687 (US\$727,924) was assigned by SGAPL (Taiwan Branch) to SGAPL and, in turn, such receivables from SGAPL was assigned by SEL to SEPL;
 - b. the payables to Sheffield Technical Recruitment Limited (“STRL”) in the sum of TWD 460,647 (US\$15,478) was assigned by SGAPL (Taiwan Branch) to SGAPL and, in turn, such receivables from SGAPL was assigned by STRL to SEPL; and
 - c. the payables to SEPL in the sum of TWD 4,353,574 (US\$146,285) was assigned by SGAPL (Taiwan Branch) to SGAPL.
- (4) Pursuant to four separate deeds of assignment dated 31 July 2023, the debts, obligations and liabilities in respect of the respective payables and the rights, title, interests and benefits in respect of the respective receivables were assigned as follows:
- a. the payables to SGAPL (Taiwan Branch) in the sum of TWD 35,841,073 was assigned by Sheffield Energy Pte. Ltd. (Taiwan Branch) (“SEPL (Taiwan Branch)”) to SEPL and, in turn, such receivables from SEPL was assigned by SGAPL (Taiwan Branch) to SGAPL; and
 - b. the payables to SEPL (Taiwan Branch) in the sum of TWD 32,490,139 was assigned by SGAPL (Taiwan Branch) to SGAPL and, in turn, such receivables from SGAPL was assigned by SEPL (Taiwan Branch) to SEPL.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

1 GENERAL (cont’d)

7. Transfer of the renewable energy business from SEPL to SGAPL (cont’d)

A total balance of US\$858,348 due to SEPL as at 1 July 2022 arose as a result of the above deed of assignments. This balance was settled against the monetary assets and liabilities transferred to SGAPL from SEPL under the BTA amounting to US\$836,211. Accordingly, the balance due to SEPL as at 1 July 2022 under the BTA arrangement was US\$22,137.

During the financial year ended 30 June 2020, 2021 and 2022, the financial information in relation to the Renewable Energy Business has been prepared on a “carve-out basis” from SEPL and merger accounting for business combination involving entities under common control has been applied in this combined financial statements. Management has identified assets, liabilities, revenues, expenses and cash flows associated with Renewable Energy Business in preparing the financial information. Administrative expenses that were related to the larger business of SEPL were allocated to the Renewable Energy Business based on the most relevant allocation method of either relative percentage of projects or headcounts undertaken by Renewable Energy Business relative to the whole of SEPL. The following reflects the consequential effects from the carve-out as described above.

Cash and cash equivalent

Treasury function within SEPL was managed centrally as a single entity and not based on business units within the entity. As there was no standalone bank account which was allocated to Renewable Energy Business, no cash and cash equivalent was carved out from SEPL as Renewable Energy Business does not have legal rights to deposit or withdraw funds autonomously. Instead, cash collections and payments are all recorded as balances receivable from or payable to SEPL on the basis that treasury function is managed by SEPL.

Income taxes

Income taxes is determined based on Renewable Energy Business financial information which has been carved out from SEPL. As the Renewable Energy Business was not a separately taxable entity from SEPL, current tax liabilities are subsumed within amount due to related company where SEPL had made tax payments as a taxable entity. Taxable losses arising from Renewable Energy Business had been utilised by SEPL during the financial years ended 30 June 2020, 2021 and 2022 and hence, no deferred tax asset was recognised and instead a receivable from SEPL was recorded along with the income tax benefit recorded by the Group.

Intra-group balances and transactions

Certain intra-group balances and transactions within the businesses of SEPL which were eliminated within SEPL have been presented and disclosed as related company balances and transactions within the combined financial statements.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

1 GENERAL (cont’d)

7. Transfer of the renewable energy business from SEPL to SGAPL (cont’d)

Management believes the basis of preparation described above reflects the assets, liabilities revenues, expenses and cash flows associated with the Renewable Energy Business that would have been necessary to operate the business independently.

8. Transfer of SGSAS from the Company to SEPL and entry into the SGSAS Call Option and ROFR Deed

On 31 July 2023, the Company entered into a share sale and purchase agreement with SEPL (“SGSAS SPA”) pursuant to which the Company agreed to transfer its entire shareholding interest in SGSAS to SEPL for a nominal consideration of US\$4 (S\$5) which was determined on a willing buyer and willing seller basis and also in consideration that the Company may purchase the SGSAS shares at a nominal consideration of S\$1 under a deed of call option and right of first refusal dated 31 July 2023 (“SGSAS Call Option and ROFR Deed”). The SGSAS SPA provides that SEPL shall not, without the prior written consent of the Company, dispose or encumber their shares in SGSAS. SEPL also indemnifies the Company for any losses in relation to any claims brought against the Company arising out of or in connection with any legal and regulatory compliance issues, including any issue pertaining the use of ‘portage’ companies by SGSAS.

SGSAS was transferred by the Company to SEPL in view that there may be legal and regulatory compliance issues in relation to the business of SGSAS in France which may need to be regularised.

In order to allow the Group’s to have future access and exposure to opportunities in relation to the renewable energy business in France as and when it requires, SEPL, the Company and SGSAS had entered into the SGSAS Call Option and ROFR Deed, whereby the Company is granted an irrevocable assignable call option (“Call Option”) by SEPL for the Company to purchase the entire shareholding interest of SGSAS at S\$1 and a right of first refusal in respect of the shares in SGSAS held by SEPL.

The Call Option may only be exercised on the date after the SGSAS Call Option and ROFR Deed takes effect and for such indefinite period until termination the SGSAS Call Option and ROFR Deed.

There is no obligation on the Company to exercise the Call Option.

Please see Note 25 for further details in relation to the disposal of SGSAS.

9. Incorporation of Wind Asia Training Pte. Ltd. (“WATPL”)

On 21 August 2023, WATPL was incorporated in Singapore with an issued and paid-up share capital of US\$1 (S\$2) comprising 2 ordinary share held by the Company.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

1 GENERAL (cont’d)

10. Share Split

On 19 September 2023, the Company undertook a sub-division of every one (1) Share into 15,600 Shares, pursuant to which 10,401 Shares were sub-divided into 162,255,600 Shares.

Basis of preparation of the combined financial statements

For the purpose of preparing the combined financial statements for the years ended 30 June 2020, 2021 and 2022, and nine months period ended 31 March 2023 (“Relevant Periods”) and as a result of the Restructuring Exercise, the Group’s combined financial statements comprises of the Company, SGAPL together with its Taiwan branch office and the transferred Renewable Energy Business, SGSAS and SEKK held by or taken over by the Company, under common control of Mr. Kee Boo Chye.

| Name of subsidiary | Country of incorporation and operation | Principal activity | Proportion of ownership interest and voting power held | | | |
|---|--|--|--|--------------|--------------|---------------|
| | | | 30 June 2020 | 30 June 2021 | 30 June 2022 | 31 March 2023 |
| | | | % | % | % | % |
| Sheffield Green (Asia) Pte. Ltd. ⁽ⁱ⁾⁽ⁱⁱ⁾ | Singapore | Provision of human resources and services in the renewable energy industry | – | – | 100 | 100 |
| Sheffield Green SAS ^{(i)(v)} | France | Provision of human resources and services in the renewable energy industry | 100 | 100 | 100 | 100 |
| Sheffield Green K.K. ⁽ⁱ⁾⁽ⁱⁱⁱ⁾ | Japan | Handling workers dispatching undertaking business, fee-charging employment placement business and various technical and engineering services | – | 100 | 100 | 100 |
| <u>Held by subsidiary</u> | | | | | | |
| Sheffield Green (Asia) Pte. Ltd., Taiwan Branch ^{(ii)(iv)} | Taiwan | Provision of human resources and services in the renewable energy industry | – | – | 100 | 100 |

⁽ⁱ⁾ Audited by Deloitte & Touche LLP, Singapore for group consolidation purpose.

⁽ⁱⁱ⁾ Incorporated in financial year ended 30 June 2022.

⁽ⁱⁱⁱ⁾ Incorporated in financial year ended 30 June 2021.

^(iv) Audited by overseas practices of Deloitte Touche Tohmatsu Limited for group consolidation purpose.

^(v) SGSAS has been disposed by the Company subsequent to the Relevant Periods as disclosed within item 8 of Restructuring Exercise and Note 25.

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

1 GENERAL (cont’d)

Basis of preparation of the combined financial statements (cont’d)

The combined financial statements for the Relevant Periods have been accounted for using the principles of merger accounting, prepared on a combined basis and include entities and business under common control as if the Group had been in existence throughout the Relevant Periods or from the date of entities are under common control, if later.

The Company, being incorporated on 4 October 2021, will apply SFRS(I)s with effect from its date of incorporation. The combined financial statements of the Group for the Relevant Periods are drawn up in accordance with SFRS(I)s.

The combined financial statements of the Group for the Relevant Periods were authorised for issue by the Board of Directors on 16 October 2023.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING – The combined financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”).

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

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

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Adoption of new and revised standards

On 1 July 2019, the Group adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements does not result in changes to the Group’s accounting policies and has no material effect on the disclosures or on the amounts reported for the Relevant Periods, except as discussed below.

SFRS(I) 16 Leases

Impact of initial application of SFRS(I) 16 Leases

On 1 July 2019, the Group has applied SFRS(I) 16 Leases that is effective for annual periods that begins on or after 1 January 2019.

SFRS(I) 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets when such recognition exemptions are adopted. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details of these new requirements are described within this Note. The impact of the adoption of SFRS(I) 16 on the Group’s combined financial statements is described below.

The date of initial application of SFRS(I) 16 for the Group is 1 July 2019.

The Group has applied SFRS(I) 16 using the cumulative catch-up approach, which:

- Requires the Group to recognise the cumulative effect of initially applying SFRS(I) 16 as an adjustment to the opening balance of accumulated profits at the date of initial application; and
- Does not permit restatement of comparatives, which continue to be presented under SFRS(I) 1-17 *Leases* and SFRS(I) INT 4 *Determining whether an Arrangement Contains a Lease*.

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

Adoption of new and revised standards (cont’d)

SFRS(I) 16 Leases (cont’d)

Impact of initial application of SFRS(I) 16 Leases (cont’d)

Upon the adoption of SFRS(I) 16, the Group assessed those leases undertaken to be short term leases. Accordingly, no right-of-use assets and lease liabilities were recognised on 1 July 2019.

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

Effective for annual periods beginning on or after 1 January 2023

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*
- Amendments to SFRS(I) 1-8: *Definition of Accounting Estimates*
- Amendments to SFRS(I) 1-12: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

Effective date is deferred indefinitely

- Amendments to SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1-28 Investments in Associates and Joint Ventures: *Sale or Contribution of Assets between Investor and its Associate or Joint Venture.*

Management anticipates that the adoption of the new or revised SFRS(I)s and amendments to SFRS(I) in future periods will not have a material impact on the combined financial statements in the period of their initial adoption.

BASIS OF CONSOLIDATION – The combined financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Group:

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

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

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

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

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

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

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

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

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

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

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

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree’s share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 *Share-based Payment* at the acquisition date; and
- Assets (or disposal Groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

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

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

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

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

MERGER ACCOUNTING FOR BUSINESS COMBINATION INVOLVING ENTITIES UNDER COMMON CONTROL – The combined financial statements incorporates the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities of business came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party’s perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination, to the extent of the continuation of the controlling party’s interest.

The combined statement of profit or loss and other comprehensive income include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

All significant intercompany transactions and balances between the entities in the Group are eliminated on combination.

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

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

Financial assets

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

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

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

Financial assets (cont’d)

Classification of financial assets

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

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

Amortised cost and effective interest method

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

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

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

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

Foreign exchange gains and losses

The carrying amount of financial assets and liabilities that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. Specifically, for financial assets and liabilities measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the “other gains/(losses)” line item.

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

Financial assets (cont’d)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (“ECL”) on trade and other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated based on the Group’s historical credit loss experience or external credit rating to the debtors (where applicable), adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

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

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

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- an actual or expected significant deterioration in the financial instrument’s external (if available) or internal credit rating;

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

Financial assets (cont’d)

Significant increase in credit risk (cont’d)

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor’s ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor’s ability to meet its debt obligations.

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

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

Definition of default

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

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

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

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

Financial assets (cont’d)

Credit-impaired financial assets

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

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

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group’s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets’ gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

Financial assets (cont’d)

Measurement and recognition of expected credit losses (cont’d)

The Group recognises an impairment in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Other financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant periods. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

Financial liabilities and equity instruments (cont’d)

Derecognition of financial liabilities

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

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the combined statement of financial position when the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

LEASES

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an administrative expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

LEASES (cont’d)

The Group as a lessee (cont’d)

- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate; or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

LEASES (cont’d)

The Group as a lessee (cont’d)

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss in accordance with the Group’s accounting policy for impairment of assets (see below).

EQUIPMENT – Equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

| | | |
|------------------|---|---------|
| Office equipment | – | 3 years |
|------------------|---|---------|

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Fully depreciated assets still in use are retained in the combined financial statements.

The gain or loss arising on disposal or retirement of an item of equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

INTANGIBLE ASSETS – Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised on a straight-line basis over their estimated useful lives on the following bases:

| | | |
|-------------------|---|---------|
| Computer software | – | 3 years |
|-------------------|---|---------|

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

IMPAIRMENT OF NON-FINANCIAL ASSETS – At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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

GOVERNMENT GRANTS – Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

REVENUE RECOGNITION – The company recognises revenue from the provision of human resource and services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when control of the promised services is transferred to the customer. The company has generally concluded that it is the principal in its revenue arrangements and records revenue on a gross basis because it typically controls the promised services before transferring them to the customer.

The average credit period for the rendering of services is 30 to 60 days. Management does not assess whether a contract has a significant financing component if the expectation at contract inception is that the period between payment by the customer and the transfer of the services to the customer will be less than one year. The company does not have any significant financing components or extended payment terms.

Provision of human resource

Revenue from provision of human resource is recognised over time as the customer simultaneously receives and consumes the services the company provides. Billings are generally negotiated and invoiced on monthly basis as the provision of human resource services are transferred to the customers. The company has applied the practical expedient to recognise revenue for these services over the term of the agreement in proportion to the amount the company has the right to invoice the customer.

Rendering of services

Revenue from rendering of services is recognised when the services have been performed and rendered at a point in time.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

Interest income

Interest income is recognised as interest accrues using the effective interest method.

BORROWING COSTS – Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

EMPLOYEE LEAVE ENTITLEMENT – Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

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

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

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method.

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interest are only recognised to the extent that it is probable that there will be sufficient taxable profit against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity), or where they arise from the initial accounting for a business combination, included in the accounting for the business combination.

For purpose of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies SFRS(I) 1-12 *Income Taxes* requirements to right-of-use assets and lease liabilities separately. Temporary differences on initial recognition of the relevant right-of-use assets and lease liabilities are not recognised due to application of the initial recognition exemption. Temporary differences arising from subsequent revision to the carrying amounts of right-of-use assets and lease liabilities, resulting from remeasurement of lease liabilities and lease modifications, that are not subject to initial recognition exemption are recognised on the date of remeasurement or modification.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION – The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The presentation currency of the combined financial statements is United States dollar which is the functional currency of the Company.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

In preparing the financial statements of the Group entities, transactions in currencies other than the entity’s functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rate prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into to hedge certain foreign currency risks (see above under hedge accounting); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting combined financial statements, the assets and liabilities of the Group’s foreign operations (including comparatives) are expressed in United States dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, recognised in other comprehensive income and accumulated in a separate component of equity under the header of translation reserve.

CASH AND CASH EQUIVALENTS IN THE COMBINED STATEMENT OF CASH FLOWS –
Cash and cash equivalents comprise banks balances and cash on hand that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023 AND 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

SEGMENT REPORTING – An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group’s other components.

Operating segments are reported in a manner consistent with the internal reporting provided to members of management and the chief operating decision makers who are responsible for allocating resources and assessing performance of the operating segments.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY RESOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgements in applying the Group’s accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that management has made in the process of applying the Group’s accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition – agent versus principal considerations

Judgement is required in assessing whether the Group acts as an agent or as a principal in its contractual arrangements for both provision of human resources and provision of ancillary services where subcontractors were engaged. Management determined that the Group has primary responsibility to the customer in providing human resources and ancillary services and accordingly, it is appropriate to adopt principal accounting for the related revenue recognition.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

**3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY RESOURCES OF ESTIMATION
UNCERTAINTY (cont’d)**

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Estimated impairment of receivables

When measuring the ECL, the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, taking into account cash flows from integral credit enhancements. It is adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectation of future conditions. The carrying amounts of trade and other receivables are disclosed in Note 7 to the combined financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting year/period:

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|--|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| Financial assets | | | | |
| Financial assets at amortised cost (including cash and cash equivalents) | 1,325,911 | 1,568,300 | 3,994,327 | 9,887,620 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont’d)

(a) *Categories of financial instruments (cont’d)*

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|--|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| Financial liabilities | | | | |
| Financial liabilities at amortised cost | 1,607,011 | 1,401,279 | 2,715,106 | 5,304,652 |

(b) *Financial instruments subject to offsetting, enforceable master netting agreement and similar arrangements*

Other than disclosed in Note 5A, the Group does not have financial instruments that are subject to offsetting, enforceable master netting agreement and similar arrangements during the Relevant Periods.

(c) *Financial risk management policies and objectives*

Management monitors and manages the financial risk relating to operations of the Group to ensure appropriate measures are implemented in a timely and effective manner. These risks include credit risk, liquidity risk and market risk (including currency risks and interest rate risk).

The risk associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(i) Credit risk management

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

The Group’s concentration of credit risk by geographical locations is mainly in Taiwan which accounted for 65%, 82%, 67% and 85% of the total financial assets as at 30 June 2020, 2021, 2022 and 31 March 2023 respectively.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont’d)

(c) Financial risk management policies and objectives (cont’d)

(i) Credit risk management (cont’d)

The trade receivables from the top 5 customers of the Group represents 100%, 74%, 59% and 78% of the Group’s carrying amount of trade receivables as at 30 June 2020, 2021, 2022 and 31 March 2023 respectively. In order to minimise the concentration of credit risk, the management has delegated staff responsible to ensure follow-up action is taken to recover overdue debts. In this regards, management of the Group considers that the Group’s credit risk is significantly reduced.

At the end of each reporting period, the Group’s maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the statements of financial position.

Bank balances and cash are placed with banks and financial institutions which are regulated. Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its bank balances and cash have low credit risk based on the external credit ratings of the counterparties and low credit risk of the exposures. The amount of the allowance on cash and cash equivalents was negligible.

The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group uses its own trading records to rate its debtors.

The Group’s current credit risk grading framework comprises the following categories:

| Category | Description | Basis for recognising expected credit losses (ECL) |
|-----------------|--|---|
| Performing | The counterparty has a low risk of default and does not have any past-due amounts. | 12-month ECL |
| Doubtful | Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition. | Lifetime ECL – not credit-impaired |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont’d)

(c) *Financial risk management policies and objectives (cont’d)*

(i) Credit risk management (cont’d)

| Category | Description | Basis for recognising expected credit losses (ECL) |
|-----------------|---|---|
| In default | Amount is >90 days past due or there is evidence indicating the asset is credit-impaired. | Lifetime ECL – credit-impaired |
| Write-off | There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery. | Amount is written off |

The tables below detail the credit quality of the Group’s financial assets (other than cash and cash equivalents and pledged deposits) and other items:

| | Note | Category | 12-month or lifetime ECL | Gross Carrying amount US\$ | Loss allowance US\$ | Net carrying amount US\$ |
|-----------------------------------|-------------|-----------------|---------------------------------|-----------------------------------|----------------------------|---------------------------------|
| 30 June 2020 | | | | | | |
| Trade receivables | 7 | (Note i) | Lifetime ECL | 807,775 | – | 807,775 |
| Other receivables | 7 | Performing | 12-month ECL | 43,323 | – | 43,323 |
| Amount due from related companies | 5A | Performing | 12-month ECL | 419,633 | – | 419,633 |
| | | | | <u>1,270,731</u> | <u>–</u> | <u>1,270,731</u> |
| 30 June 2021 | | | | | | |
| Trade receivables | 7 | (Note i) | Lifetime ECL | 998,850 | – | 998,850 |
| Other receivables | 7 | Performing | 12-month ECL | 13,363 | – | 13,363 |
| Amount due from related companies | 5A | Performing | 12-month ECL | 231,168 | – | 231,168 |
| | | | | <u>1,243,381</u> | <u>–</u> | <u>1,243,381</u> |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont’d)

(c) *Financial risk management policies and objectives (cont’d)*

(i) Credit risk management (cont’d)

| | Note | Category | 12-month or lifetime ECL | Gross Carrying amount US\$ | Loss allowance US\$ | Net carrying amount US\$ |
|--------------------------------------|------|------------|--------------------------------|-------------------------------------|---------------------------|-----------------------------------|
| 30 June 2022 | | | | | | |
| Trade receivables | 7 | (Note i) | Lifetime ECL | 2,786,385 | – | 2,786,385 |
| Other receivables | 7 | Performing | 12-month ECL | 64,629 | – | 64,629 |
| Amount due from related companies | 5A | Performing | 12-month ECL | 167,373 | – | 167,373 |
| | | | | 3,018,387 | – | 3,018,387 |
| 31 March 2023 | | | | | | |
| Trade receivables | 7 | (Note i) | Lifetime ECL | 7,119,053 | – | 7,119,053 |
| Other receivables | 7 | Performing | 12-month ECL | 632,498 | – | 632,498 |
| | | | | 7,751,551 | – | 7,751,551 |

- (i) The Group determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

For purpose of impairment assessment, other receivable and amount due from related companies are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont’d)

(c) *Financial risk management policies and objectives (cont’d)*

(ii) Liquidity risk management

Liquidity risk is the risk that the Group will not be able to meet their financial obligations as they fall due. The Group’s exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities. The Group’s objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. To manage liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group’s operations and mitigate the effect of fluctuations in cash flows.

Liquidity and interest risk analysis

Non-derivative financial liabilities

The following table shows the cash flows of financial liabilities based on the earliest dates on which the Group is required to pay. The table includes both interest and principal cash flows. The adjustment column represents future interest which are not included in the carrying amounts of financial liabilities carried in the statements of financial position.

| | Weighted average effective interest rate % | On demand or within 1 year US\$ | Within 2 to 5 years US\$ | Adjustment US\$ | Total US\$ |
|-----------------------|---|--|---|----------------------------|-----------------------|
| 30 June 2020 | | | | | |
| Non-interest bearing | – | 1,607,011 | – | – | 1,607,011 |
| 30 June 2021 | | | | | |
| Non-interest bearing | – | 1,401,279 | – | – | 1,401,279 |
| Lease liabilities | | | | | |
| – Fixed interest rate | 1.48% | 53,219 | 22,175 | (828) | 74,566 |
| Total | | 1,454,498 | 22,175 | (828) | 1,475,845 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont’d)

(c) *Financial risk management policies and objectives (cont’d)*

(ii) Liquidity risk management (cont’d)

| | Weighted average effective interest rate % | On demand or within 1 year US\$ | Within 2 to 5 years US\$ | Adjustment US\$ | Total US\$ |
|-----------------------|---|--|---|----------------------------|-----------------------|
| 30 June 2022 | | | | | |
| Non-interest bearing | – | 2,715,106 | – | – | 2,715,106 |
| Lease liabilities | | | | | |
| – Fixed interest rate | 1.48% | 17,932 | – | (66) | 17,866 |
| Total | | 2,733,038 | – | (66) | 2,732,972 |
| 31 March 2023 | | | | | |
| Non-interest bearing | – | 4,615,016 | – | – | 4,615,016 |
| Borrowings | | | | | |
| – Fixed interest rate | 5.53% | 707,418 | – | (17,782) | 689,636 |
| Lease liabilities | | | | | |
| – Fixed interest rate | 1.48% | 70,806 | 58,480 | (6,406) | 122,880 |
| Total | | 5,393,240 | 58,480 | (24,188) | 5,427,532 |

(iii) Market risk

Currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont’d)

(c) *Financial risk management policies and objectives (cont’d)*

(iii) Market risk (cont’d)

At the reporting date, the carrying amounts of monetary assets (including intercompany receivables) and monetary liabilities (including intercompany payables) denominated in currencies other than the respective Group entities’ functional currencies are as follows:

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|----------------------|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| <u>Assets</u> | | | | |
| Euro | – | 94,241 | 725 | – |
| New Taiwan Dollar | 26,024 | 119,738 | 497,436 | 448,342 |
| Singapore Dollar | 17,569 | 28,760 | 501,004 | – |
| <u>Liabilities</u> | | | | |
| United States Dollar | 124,709 | 276,811 | 562,817 | 910,597 |
| Euro | – | – | – | 109,373 |
| New Taiwan Dollar | – | 11,919 | – | 391,904 |
| Singapore Dollar | – | – | 96,070 | 763,751 |
| Malaysian Ringgit | 2,695 | 17,468 | 6,382 | 17,474 |
| Thai Baht | 850,032 | 839,074 | 745,695 | – |
| Indonesian Rupiah | 20,724 | 217,784 | 603,694 | 156,981 |

The Group has investment in foreign subsidiaries, whose net assets are exposed to currency translation risk. The Group does not currently designate its foreign currency denominated debt as a hedging instrument for the purpose of hedging the translation of its foreign operations.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont’d)

(c) *Financial risk management policies and objectives (cont’d)*

(iii) Market risk (cont’d)

Foreign currency sensitivity

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies against the functional currency of each group entity. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower.

If the relevant foreign currency strengthens by 10% against the functional currency of the Group entities, the Group’s profit will increase/(decrease) by:

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|-------------|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| US\$ impact | (12,471) | (27,681) | (56,282) | (91,060) |
| EUR impact | – | 9,424 | 73 | (10,937) |
| NTD impact | 2,602 | 10,782 | 49,744 | 5,644 |
| SG\$ impact | 1,757 | 2,876 | 40,493 | (76,375) |
| MYR impact | (270) | (1,747) | (638) | (1,747) |
| THB impact | (85,003) | (83,907) | (74,570) | – |
| IDR impact | (2,072) | (21,778) | (60,369) | (15,698) |

If the relevant foreign currency weakens by 10% there would be an equal and opposite impact on the Group’s profit or loss shown above, on the basis that all other variables remain constant.

In management’s opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont’d)

(c) *Financial risk management policies and objectives (cont’d)*

(iii) Market risk (cont’d)

Interest rate risk management

No interest rate sensitivity was performed since the Group’s exposure to interest rate risk on their interest-bearing financial instruments is not significant.

(iv) Fair value of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities, classified as current assets and current liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

(d) *Capital management policies and objectives*

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt and equity attributable to owners of the Company, which comprises issued capital, reserves and accumulated profits.

The Group’s overall strategy remains unchanged during the Relevant Periods.

5A HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

The Company is a subsidiary of Sheffield Energies Pte Ltd, a company incorporated in Singapore, which is the ultimate holding company. The ultimate controlling party is a director of the Company, Mr. Kee Boo Chye who is the controlling shareholder of the ultimate holding company.

Related companies in these financial statements refer to members of the ultimate holding company’s group of companies.

Some of the transactions and arrangements are between members of the Group and the effect of these on the basis determined between parties is reflected in these financial statements.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

5A HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS (cont’d)

Other than those disclosed elsewhere in the combined financial statements, significant related company transactions include the following:

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ | 31 March 2022 US\$ (Unaudited) |
|--|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|---|
| Receipt on behalf by related companies | (640,817) | (476,731) | (833,545) | (1,231,245) | (815,110) |
| Payment on behalf by related companies | 312,905 | 543,314 | 602,963 | 3,329,490 | 293,792 |
| Advances from related companies | 118,754 | 188,305 | 399,235 | 210,359 | 368,101 |
| Repayment of advances from related company | – | – | (183,000) | – | (183,000) |
| (Repayment)/receipt of balances with related companies | – | (1,570) | 35,511 | (4,208,092) | 182,335 |
| Supply of workers | – | – | 160,369 | 2,284,565 | – |
| Management and service fees | 95,415 | 98,287 | 80,839 | 12,760 | 61,101 |
| Recharge of rental expenses | 24,000 | 24,000 | 24,000 | 18,000 | 18,000 |
| Tax losses arising from renewable energy business utilised by SEPL | (33,080) | (32,000) | (3,869) | – | (24,451) |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

5A HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS (cont’d)

The intercompany balances are unsecured, interest free and repayable on demand unless otherwise stated as follow:

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|--|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| <u>Amount due from related companies</u> | | | | |
| Trade receivables from related companies | 562,387 | 231,168 | 740,998 | – |
| Non-trade payables to related companies | (142,754) | – | (573,625) | – |
| | <u>419,633</u> | <u>231,168</u> | <u>167,373</u> | <u>–</u> |

For the purpose of impairment assessment, amount due from related companies are considered to have low credit risk as they are not due for payment as at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to the 12-month ECL.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

There has been no change in the estimation techniques or significant assumptions made during the Relevant Periods in assessing the loss allowance for other receivables.

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|--|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| <u>Amount due to related companies</u> | | | | |
| Trade receivables from related companies | – | 252,478 | – | 83,406 |
| Trade payables to related companies | (851,602) | (866,562) | (1,070,493) | (391,936) |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

5A HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS (cont’d)

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|---|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| Non-trade payables to related companies | – | (355,059) | (21,669) | (250,028) |
| | (851,602) | (969,143) | (1,092,162) | (558,558) |

Trade receivables from related companies comprises of receipt on behalf by related companies net with payment on behalf by the same related companies.

Trade payables to related companies comprises of payment on behalf by related companies net with receipt on behalf by the same related companies, service fee and supply of workers.

Non-trade payables to related companies advances and recharge of rental expenses from related companies.

5B RELATED PARTY TRANSACTIONS

Some of the Group’s transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these combined financial statements. The balances are unsecured, interest free, repayable on demand unless otherwise stated.

During the year, the Group entered into the following transactions with related parties:

Compensation of directors and key management personnel

The remuneration of directors and of the key management during the Relevant Periods was as follows:

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ | 31 March 2022 US\$ |
|--|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|-----------------------------------|
| Key management personnel including directors’ remuneration | 59,657 | 89,250 | 185,707 | 411,051 | 136,760 |

(Unaudited)

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

6 CASH AND CASH EQUIVALENTS

As at each reporting year/period end, cash and cash equivalents of the Group comprised of cash at banks and cash on hand.

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|--------------------------|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| Cash on hand | 762 | 6,271 | 10,583 | 21,089 |
| Cash at banks | 54,418 | 211,167 | 763,750 | 2,005,941 |
| | <u>55,180</u> | <u>217,438</u> | <u>774,333</u> | <u>2,027,030</u> |
| Pledged deposit (Note A) | – | – | – | 10,530 |
| Pledged deposit (Note B) | – | – | 100,804 | 98,509 |
| Pledged deposit (Note C) | – | 107,481 | 100,803 | – |
| | <u>–</u> | <u>107,481</u> | <u>201,607</u> | <u>109,039</u> |
| Analysed as: | | | | |
| Current | – | – | – | 109,039 |
| Non-current | – | 107,481 | 201,607 | – |
| | <u>–</u> | <u>107,481</u> | <u>201,607</u> | <u>109,039</u> |

Note A: Pledged deposit carries an interest rate of 1% per annum and matures in November 2023. The deposit is pledged as security for Group’s credit card facility.

Note B: Pledged deposits carry an interest rate of 0.79% per annum and matures in March 2024. The deposit is pledged by SGAPL as security for banker’s guarantee to be provided to the Taiwan authorities for holding local recruitment licenses. The deposit has been classified as current as at 31 March 2023.

Note C: Pledged deposits carry an interest rate of 0.04% per annum and matures in November 2023. The deposit is pledged by SEPL as security for banker’s guarantee to be provided to the Taiwan authorities for holding local recruitment licenses. Arising from the transfer of the Renewable Energy Business from SEPL to SGAPL (Note 1), the pledged deposit was settled through the Company’s receivable balance with SEPL (Note 5A) during the financial period ended 31 March 2023.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

7 TRADE AND OTHER RECEIVABLES

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|--|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| Trade receivables – third parties | 455,529 | 635,556 | 1,611,030 | 1,717,617 |
| Unbilled receivables | 352,246 | 363,294 | 1,175,355 | 5,401,436 |
| | 807,775 | 998,850 | 2,786,385 | 7,119,053 |
| Deposits | 3,154 | 5,010 | 6,512 | 203,348 |
| Prepaid expenses | 11,619 | 44,490 | 49,723 | 120,202 |
| Advances to employees | 14,387 | 5,857 | 1,848 | 384,311 |
| Grant receivables | 27,757 | 33,308 | – | – |
| Value added tax receivables | 9,311 | 9,883 | 24 | 44,318 |
| Deferred listing expenses ⁽ⁱ⁾ | – | – | – | 79,359 |
| Others ⁽ⁱⁱ⁾ | 25,782 | 2,496 | 56,269 | 44,839 |
| | 899,785 | 1,099,894 | 2,900,761 | 7,995,430 |

(i) Deferred listing expenses represent deferred professional fees incurred in connection with the proposed listing of the Company, which will be subsequently net-off against proceeds received from issuance of shares.

(ii) The balance are non-trade related, unsecured, non-interest bearing and repayable on demand.

As at 1 July 2019, trade receivables from contracts with customers amounted to US\$208,624 (net of loss allowance of US\$Nil).

The carrying values of trade receivables approximate their fair values. The Group grants credit term to customers of typically 30 to 60 days from invoice date for trade receivables to all customers during the Relevant Periods. No interest is charged on the outstanding balances.

Unbilled receivables represent the Group’s unconditional right to consideration which the Group has satisfied the performance obligation by transferring the human resources services to the customer. The customer has obtained control of the human resources services and only a passage of time is required before the Group issues the trade invoice based on the billing milestone. As at 31 March 2023, approximately US\$3.8 million of the unbilled receivables relates to a single customer which had been billed and collected subsequent to the end of the financial period.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

7 TRADE AND OTHER RECEIVABLES (cont’d)

Trade receivables

Majority of the Group’s trade receivables that are neither past due nor impaired have good credit quality with reference to respective settlement history.

The Group applied simplified approach to provide the expected credit losses prescribed by SFRS(I) 9. The impairment methodology and the credit risk assessment are set out in Notes 3 and 4(c)(i).

The ECL of trade receivables are measured using a provision matrix by reference to past default experience and current past due exposure of the debtor and an analysis of the debtor’s current financial position, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as forecast direction of conditions at the reporting date. There has been no changes in the estimation techniques or significant assumption made during the current reporting period.

The following table details the risk profile of trade receivables from contracts with customers based on the Group’s historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimate of future economic conditions. As the Group’s historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group’s different customer base.

| | Not past due S\$ | ≤ 30 days S\$ | 31 to 60 days S\$ | 61 to 90 days S\$ | 90 to 120 days S\$ | Total S\$ |
|--|------------------------|---------------------|-------------------------|-------------------------|--------------------------|--------------|
| 30 June 2020 | | | | | | |
| Estimated total gross carrying amount at default | 176,796 | 278,733 | – | – | – | 455,529 |
| 30 June 2021 | | | | | | |
| Estimated total gross carrying amount at default | 265,370 | 366,620 | 996 | 2,570 | – | 635,556 |
| 30 June 2022 | | | | | | |
| Estimated total gross carrying amount at default | 560,957 | 953,791 | 79,843 | 16,439 | – | 1,611,030 |
| 31 March 2023 | | | | | | |
| Estimated total gross carrying amount at default | 1,558,179 | 128,968 | 25,980 | 872 | 3,618 | 1,717,617 |

As at 30 June 2020, 2021, 2022 and 31 March 2023, the Group did not recognise impairment allowance as ECL was determined to be insignificant.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

7 TRADE AND OTHER RECEIVABLES (cont’d)

Trade receivables (cont’d)

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Other receivables

For the purpose of impairment assessment, other receivables are considered to have low credit risk as they are not due for payment as at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to the 12-month ECL.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

There has been no change in the estimation techniques or significant assumptions made during the Relevant Periods in assessing the loss allowance for other receivables.

8 EQUIPMENT

| | Office equipment US\$ |
|--------------------|--------------------------------------|
| <i>Cost:</i> | |
| At 1 July 2019 | 1,300 |
| Additions | 6,723 |
| | 8,023 |
| At 30 June 2020 | 8,023 |
| Additions | 25,213 |
| Exchange alignment | 158 |
| | 33,394 |
| At 30 June 2021 | 33,394 |
| Additions | 6,411 |
| Exchange alignment | (2,054) |
| | 37,751 |
| At 30 June 2022 | 37,751 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

8 EQUIPMENT (cont’d)

| | Office equipment US\$ |
|----------------------------------|--------------------------------------|
| Additions | 29,186 |
| Exchange alignment | (215) |
| | 66,722 |
| <i>Accumulated depreciation:</i> | |
| At 1 July 2019 | 433 |
| Depreciation expense | 2,392 |
| Exchange alignment | 18 |
| | 2,843 |
| At 30 June 2020 | 2,843 |
| Depreciation expense | 4,261 |
| Exchange alignment | 86 |
| | 7,190 |
| At 30 June 2021 | 7,190 |
| Depreciation expense | 7,603 |
| Exchange alignment | (667) |
| | 14,126 |
| At 30 June 2022 | 14,126 |
| Depreciation expense | 8,110 |
| Exchange alignment | 189 |
| | 22,425 |
| At 31 March 2023 | 22,425 |
| <i>Carrying amount:</i> | |
| At 30 June 2020 | 5,180 |
| At 30 June 2021 | 26,204 |
| At 30 June 2022 | 23,625 |
| At 31 March 2023 | 44,297 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

9 INTANGIBLE ASSETS

| | Computer software US\$ |
|----------------------------------|---------------------------------------|
| <i>Cost:</i> | |
| At 1 July 2019 | – |
| Additions | 556 |
| | 556 |
| At 30 June 2020 | 556 |
| Additions | 5,217 |
| Exchange alignment | 30 |
| | 5,803 |
| At 30 June 2021 | 5,803 |
| Additions | 3,015 |
| Exchange alignment | (360) |
| | 8,458 |
| At 30 June 2022 | 8,458 |
| Additions | 2,970 |
| Exchange alignment | (107) |
| | 11,321 |
| At 31 March 2023 | 11,321 |
| <i>Accumulated amortisation:</i> | |
| At 1 July 2019 | – |
| Amortisation expense | 149 |
| Exchange alignment | 5 |
| | 154 |
| At 30 June 2020 | 154 |
| Amortisation expense | 961 |
| Exchange alignment | 33 |
| | 1,148 |
| At 30 June 2021 | 1,148 |
| Amortisation expense | 2,080 |
| Exchange alignment | (184) |
| | 3,044 |
| At 30 June 2022 | 3,044 |
| Amortisation expense | 2,212 |
| Exchange alignment | 12 |
| | 5,268 |
| At 31 March 2023 | 5,268 |
| <i>Carrying amount:</i> | |
| At 30 June 2020 | 402 |
| At 30 June 2021 | 4,655 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

9 INTANGIBLE ASSETS (cont’d)

| | Computer software US\$ |
|------------------|---------------------------------------|
| At 30 June 2022 | 5,414 |
| At 31 March 2023 | 6,053 |

10 RIGHT-OF-USE ASSETS

| | Office US\$ |
|--|------------------------|
| <i>Cost:</i> | |
| At 1 July 2019 (upon adoption of SFRS(I) 16) and at 30 June 2020 | – |
| Additions | 89,819 |
| At 30 June 2021 | 89,819 |
| Exchange alignment | (17,184) |
| At 30 June 2022 | 72,635 |
| Additions | 158,191 |
| Exchange alignment | 2,111 |
| At 31 March 2023 | 232,937 |
| <i>Accumulated depreciation:</i> | |
| At 1 July 2019 (upon adoption of SFRS(I) 16) and at 30 June 2020 | – |
| Charge for the year | 16,950 |
| Exchange alignment | (619) |
| At 30 June 2021 | 16,331 |
| Charge for the year | 46,970 |
| Exchange alignment | (10,476) |
| At 30 June 2022 | 52,825 |
| Charge for the year | 55,959 |
| Exchange alignment | 2,824 |
| At 31 March 2023 | 111,608 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

10 RIGHT-OF-USE ASSETS (cont’d)

| | Office US\$ |
|-------------------------|------------------------|
| <i>Carrying amount:</i> | |
| At 30 June 2020 | – |
| At 30 June 2021 | 73,488 |
| At 30 June 2022 | 19,810 |
| At 31 March 2023 | 121,329 |

The Group leases an office with average lease term of 2 years during the Relevant Periods.

The leases have renewal rights which has been considered in the lease term and no termination options. The Group does not have the option to purchase the leased assets for a nominal amount at the end of the lease term.

New lease commenced during financial year ended 30 June 2021 and financial period ended 31 March 2023, resulting in additions to right-of-use assets of US\$89,819 and US\$158,191 in 30 June 2021 and 31 March 2023 respectively.

11 TRADE AND OTHER PAYABLES

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|--------------------------------|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| Trade payables – third parties | 373,194 | 80,885 | 292,810 | 1,261,283 |
| Accrued trade expenses | 344,046 | 260,157 | 1,055,448 | 2,239,028 |
| | 717,240 | 341,042 | 1,348,258 | 3,500,311 |
| Accrued non-trade expenses | 19,712 | 71,702 | 239,245 | 510,848 |
| Value added tax payables | 8,347 | 37,100 | 97,792 | 106,742 |
| Others | 18,457 | 19,392 | 35,441 | 45,299 |
| | 763,756 | 469,236 | 1,720,736 | 4,163,200 |

The credit period on purchases is generally 30 to 90 days for financial year ended 30 June 2020, 2021, 2022 and financial period ended 31 March 2023. No interest is charged on the outstanding balances.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

12 LEASE LIABILITIES

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|-------------------------|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| Maturity analysis: | | | | |
| Year 1 | – | 53,219 | 17,932 | 70,806 |
| Year 2 | – | 22,175 | – | 58,480 |
| Less: Unearned interest | – | (828) | (66) | (6,406) |
| | – | 74,566 | 17,866 | 122,880 |
| Analysed as: | | | | |
| Current | – | 52,473 | 17,866 | 66,530 |
| Non-current | – | 22,093 | – | 56,350 |
| | – | 74,566 | 17,866 | 122,880 |

The Group does not face a significant liquidity risk with regard to its lease liabilities.

The total cash outflow for leases amount to US\$5,878, US\$31,959, US\$89,782 and US\$73,548 for financial year ended 30 June 2020, 2021, 2022 and nine months period ended 31 March 2023 respectively (31 March 2022: US\$67,898).

As at 31 March 2023, the Group is committed to US\$14,841 for short-term leases.

13 BORROWINGS

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|---|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| <u>Unsecured borrowings at amortised cost</u> | | | | |
| Short term loan ^(a) | – | – | – | 679,007 |
| Credit card facilities ^(b) | – | – | – | 10,629 |
| | – | – | – | 689,636 |
| Analysed as: | | | | |
| Current | – | – | – | 689,636 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

13 BORROWINGS (cont’d)

- (a) An unsecured loan of NTD7,000,000 and TWD16,000,000 with maturity on February 24, 2024 carrying fixed interest rate of 5.7204% and 5.5162% per annum respectively.
- (b) An unsecured credit card facilities amounting to US\$10,629 due for repayment in 23 days from the statement period end date.

The director of the Company has provided personal guarantee for short term loan drawdown by the Group.

14 SHARE CAPITAL

| | Number of shares | Share capital US\$ |
|--|-----------------------------|-------------------------------|
| Issued and paid up share capital of the Company: | | |
| At date of incorporation | 2 | 1 |
| Shares issued during the year | 9,898 | 1,092,301 |
| At 30 June 2022 | 9,900 | 1,092,302 |
| Shares issued during the period | 500 | 338,880 |
| Arising from group restructuring (Note 1) | – | 450,380 |
| At 31 March 2023 | 10,400 | 1,881,562 |

The Company was incorporated on 4 October 2021. The share capital in the statement of financial position as at 30 June 2020 represent the Group’s share of the paid-up share capital of the subsidiary, SGSAS.

On 10 March 2021, SEKK was incorporated in Japan with an issued and paid-up share capital of US\$186,000 comprising 20,000,000 ordinary shares. The share capital in the statement of financial position as at 30 June 2021 represent the Group’s share of the paid-up share capital of the subsidiaries, SGSAS and SEKK.

On 21 March 2022, SEPL entered into a shares sales and purchase agreement with our Company pursuant to which SEPL transferred its entire shareholding interest in SGSAS (formerly known as Sheffield Energy SAS) to the Company for a nominal consideration of US\$4 (S\$5).

On 2 June 2022, 8,698 news shares amounting to US\$223,617 (S\$304,430) was allotted and issued to the Holdco.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

14 SHARE CAPITAL (cont’d)

From 6 June 2022 to 21 December 2022, the Company allotted and issued 1,700 ordinary shares in the Company to 17 individual investors, resulting in the current issued and paid-up share capital of the Company to be US\$1,431,182 (S\$2,004,432) comprising 10,400 ordinary shares, in the following manner:

- 1,200 ordinary shares amounting to US\$868,684 (S\$1,200,000) in financial year ended 30 June 2022; and
- 500 ordinary shares amounting to US\$338,880 (S\$500,000) in financial period ended 31 March 2023.

On 1 July 2022, SEPL transferred the Renewable Energy Business industry to SGAPL for a consideration of US\$450,380 based on the net asset value of the Renewable Energy Business which was settled through an increase in share capital of the Company amounting to US\$450,380 (S\$599,816).

The share capital in the statement of financial position as at 30 June 2022 and 31 March 2023 represent the aggregate amount of the paid-up share capital of the Company and the Group’s share of the paid-up share capital of the subsidiary, SEKK.

Subsequent to year end, the Company had issued one share in its capital to the Holdco as settlement of the BTA Consideration (Note 1 item 7) owed by the Company to the Holdco and undertook a sub-division of every one (1) Share into 15,600 Shares, pursuant to which 10,401 Shares were sub-divided into 162,255,600 Shares.

15 MERGER RESERVES

This represents the difference between the consideration and the aggregate nominal amount of the share capital of the entities under common control at the date when these entities were combined as part of the restructuring exercise of the Group which was completed before the beginning of the Relevant Periods.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

16 REVENUE

| | Year ended | | | Nine months period ended | |
|--------------------------------------|------------------|------------------|------------------|--------------------------|------------------|
| | 30 June | 30 June | 30 June | 31 March | 31 March |
| | 2020 | 2021 | 2022 | 2023 | 2022 |
| | US\$ | US\$ | US\$ | US\$ | US\$ |
| | | | | | (Unaudited) |
| <u>Timing of revenue recognition</u> | | | | | |
| Over time: | | | | | |
| Provision of human resource | 1,365,633 | 3,479,999 | 6,846,179 | 18,036,220 | 4,256,698 |
| At point in time: | | | | | |
| Ancillary Services | 1,167,665 | 451,123 | 923,631 | 1,008,476 | 438,531 |
| | <u>2,533,298</u> | <u>3,931,122</u> | <u>7,769,810</u> | <u>19,044,696</u> | <u>4,695,229</u> |

17 FINANCE COSTS

| | Year ended | | | Nine months period ended | |
|-------------------------------------|------------|------------|------------|--------------------------|-------------|
| | 30 June | 30 June | 30 June | 31 March | 31 March |
| | 2020 | 2021 | 2022 | 2023 | 2022 |
| | US\$ | US\$ | US\$ | US\$ | US\$ |
| | | | | | (Unaudited) |
| Interest expense on bank borrowings | – | – | – | 3,215 | – |
| Lease liabilities | – | 434 | 715 | 3,573 | 623 |
| | <u>–</u> | <u>434</u> | <u>715</u> | <u>6,788</u> | <u>623</u> |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

18 OTHER GAINS/(LOSSES)

| | Year ended | | | Nine months period ended | |
|-------------------------------------|-------------------------|-------------------------|-------------------------|--------------------------|---|
| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ | 31 March 2022 US\$ (Unaudited) |
| Interest income | 196 | 39 | 60 | 19 | 17 |
| Grant income | 27,757 | 5,551 | – | 6,040 | – |
| Net foreign exchange gain/(loss) | 7,885 | 55,773 | (131,978) | (116,810) | (49,400) |
| Others | (3,806) | 118 | 85 | (3,167) | 88 |
| | <u>32,032</u> | <u>61,481</u> | <u>(131,833)</u> | <u>(113,918)</u> | <u>(49,295)</u> |

19 INCOME TAX (BENEFIT)/EXPENSE

| | Year ended | | | Nine months Period ended | |
|--|-------------------------|-------------------------|-------------------------|--------------------------|---|
| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ | 31 March 2022 US\$ (Unaudited) |
| <u>Income tax recognised in profit or loss</u> | | | | | |
| Income tax: | | | | | |
| – Current | (20,653) | 106,940 | 50,571 | 862,690 | 89,406 |
| – (Over)/Underprovision in prior years | (4,004) | – | 390 | – | – |
| Total income tax (benefit)/ expense | <u>(24,657)</u> | <u>106,940</u> | <u>50,961</u> | <u>862,690</u> | <u>89,406</u> |

The Company and SGAPL are incorporated in Singapore.

Income tax for Singapore incorporated companies is calculated at 17% of the estimated assessable income for the year.

SGAPL Taiwan branch incorporated in Taiwan and the Company’s subsidiaries incorporated in France and Japan were subject to income tax charges calculated according to the tax laws enacted or substantially enacted in the countries where they operate and generate income.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

19 INCOME TAX (BENEFIT)/EXPENSE (cont’d)

The statutory tax rates for SGAPL’s branch in Taiwan and the Company’s subsidiaries in France and Japan were 20%, 25% and 15%, respectively.

The current tax charge for the Relevant Periods can be reconciled to the (loss)/profit before tax per the combined statement of profit or loss and other comprehensive income as follows:

| | Year ended | | | Nine months period ended | |
|---|-------------------------|-------------------------|-------------------------|--------------------------|---|
| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ | 31 March 2022 US\$ (Unaudited) |
| (Loss)/Profit before tax | (292,887) | 311,498 | (100,903) | 3,323,615 | 88,431 |
| Tax at statutory rate at 17% | (49,791) | 52,955 | (17,154) | 565,015 | 15,033 |
| Tax effect of expenses that are not deductible in determining taxable profit | 11,209 | 39,091 | 23,857 | 10,977 | 47,387 |
| Tax effect of income that are not taxable in determining taxable profit | (9,302) | (14,287) | (4,265) | – | – |
| Effects of different tax rates of subsidiaries operating in other jurisdictions | (2,677) | (8,234) | (20,721) | 128,736 | (18,530) |
| Tax exempt income, net of non-deductible expenses | – | – | (2,569) | – | – |
| Deferred tax assets not recognised | 29,908 | 37,415 | 71,423 | 157,962 | 45,516 |
| (Over)/Under provision of current year tax in prior years | (4,004) | – | 390 | – | – |
| | (24,657) | 106,940 | 50,961 | 862,690 | 89,406 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

20 (LOSS)/PROFIT FOR THE YEAR/PERIOD

(Loss)/Profit for the Relevant Periods has been arrived at after charging:

| | 30 June 2020 US\$ | Year ended 30 June 2021 US\$ | 30 June 2022 US\$ | Nine months period ended 31 March 2023 US\$ | 31 March 2022 US\$ (Unaudited) |
|---|-------------------------|---------------------------------------|-------------------------|---|---|
| Depreciation of equipment | 2,392 | 4,261 | 7,603 | 8,110 | 5,493 |
| Depreciation of right-of-use asset | – | 16,950 | 46,970 | 55,959 | 36,192 |
| Amortisation of intangible asset | 149 | 961 | 2,080 | 2,212 | 1,431 |
| Expense relating to short-term leases | 5,878 | 15,695 | 38,759 | 17,489 | 28,583 |
| Directors’ remuneration | 59,657 | 54,359 | 48,613 | 189,192 | 36,460 |
| Other staff costs: | | | | | |
| – Salaries and other benefits | 1,236,246 | 2,853,203 | 6,213,635 | 13,661,363 | 3,841,587 |
| – Cost of defined contribution plans | 60,208 | 77,765 | 112,787 | 125,468 | 83,453 |
| Total staff costs | 1,356,111 | 2,985,327 | 6,375,035 | 13,976,023 | 3,961,500 |
| Salaries and other benefits recognised as cost of sales* | 1,067,210 | 2,598,134 | 5,739,450 | 13,023,199 | 3,446,857 |
| Salaries and other benefits recognised as administrative expenses | 288,901 | 387,193 | 635,585 | 952,824 | 514,643 |
| Total staff costs | 1,356,111 | 2,985,327 | 6,375,035 | 13,976,023 | 3,961,500 |

* This includes staff costs charged by subcontractors for workers who are not directly employed by the Group.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

21 EARNINGS PER SHARE

For illustrative purpose, the basic earnings per share is calculated based on the (loss)/profit for each Relevant Periods and 162,255,600 shares after adjusting for the share split.

The fully diluted earnings per share and basic earnings per share are the same because there is no dilutive share.

22 SEGMENT INFORMATION

Reportable segment

Information reported to the Group’s chief operating decision maker (“CODM”) for the purposes of resource allocation and assessment of segment performance is specifically focused on the business of provision of human resource and the business of providing ancillary services which forms the basis of identifying the operating segments of the Group under SFRS(I) 8 *Operating Segments*.

The Group has 2 reportable segments, as described below, which offer different services, and are managed separately. For each of the reporting segment, the CODM reviews the internal management report on periodic basis.

The following describes the operations in each of the Group’s reportable segments:

| Segment | Principal activities |
|-----------------------------|--|
| Provision of human resource | Provision of human resources in the renewable energy industry |
| Ancillary services | Provision of a range of end-to-end ancillary services related to the provision of personnel and include visa and work permit application, training and deployment logistics. |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

22 SEGMENT INFORMATION (cont’d)

Reportable segment (cont’d)

Segment results

| | Provision of human resource US\$ | Ancillary services US\$ | Total US\$ |
|---------------------------------------|---|--|-----------------------|
| <u>Year ended 30 June 2020</u> | | | |
| Revenue | 1,365,633 | 1,167,665 | 2,533,298 |
| Cost of sales | (1,067,210) | (1,240,625) | (2,307,835) |
| Gross profit | 298,423 | (72,960) | 225,463 |
| Administrative expenses | | | (550,382) |
| Other losses/gains | | | 32,032 |
| Loss before tax | | | (292,887) |
| Income tax expense | | | 24,657 |
| Loss after tax | | | (268,230) |
| <u>Year ended 30 June 2021</u> | | | |
| Revenue | 3,479,999 | 451,123 | 3,931,122 |
| Cost of sales | (2,598,134) | (409,376) | (3,007,510) |
| Gross profit | 881,865 | 41,747 | 923,612 |
| Administrative expenses | | | (673,161) |
| Finance costs | | | (434) |
| Other losses/gains | | | 61,481 |
| Profit before tax | | | 311,498 |
| Income tax expense | | | (106,940) |
| Profit after tax | | | 204,558 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

22 SEGMENT INFORMATION (cont’d)

Segment results (cont’d)

| | Provision of human resource US\$ | Ancillary services US\$ | Total US\$ |
|---|---|--|-----------------------|
| <u>Year ended 30 June 2022</u> | | | |
| Revenue | 6,846,179 | 923,631 | 7,769,810 |
| Cost of sales | (5,739,450) | (799,070) | (6,538,520) |
| Gross profit | 1,106,729 | 124,561 | 1,231,290 |
| Administrative expenses | | | (1,199,645) |
| Finance costs | | | (715) |
| Other losses/gains | | | (131,833) |
| Loss before tax | | | (100,903) |
| Income tax expense | | | (50,961) |
| Loss after tax | | | (151,864) |
| <u>Nine months ended 31 March 2023</u> | | | |
| Revenue | 18,036,220 | 1,008,476 | 19,044,696 |
| Cost of sales | (13,023,199) | (758,881) | (13,782,080) |
| Gross profit | 5,013,021 | 249,595 | 5,262,616 |
| Administrative expenses | | | (1,818,295) |
| Finance costs | | | (6,788) |
| Other losses/gains | | | (113,918) |
| Profit before tax | | | 3,323,615 |
| Income tax expense | | | (862,690) |
| Profit after tax | | | 2,460,925 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

22 SEGMENT INFORMATION (cont’d)

Segment results (cont’d)

| | Provision of human resource US\$ | Ancillary services US\$ | Total US\$ |
|---|---|--|-----------------------|
| <u>Nine months ended 31 March 2022</u> | | | |
| <u>(Unaudited)</u> | | | |
| Revenue | 4,256,698 | 438,531 | 4,695,229 |
| Cost of sales | (3,446,857) | (353,154) | (3,800,011) |
| Gross profit | 809,841 | 85,377 | 895,218 |
| Administrative expenses | | | (756,869) |
| Finance costs | | | (623) |
| Other losses/gains | | | (49,295) |
| Profit before tax | | | 88,431 |
| Income tax expense | | | (89,406) |
| Loss after tax | | | (975) |

Segment assets and liabilities are not regularly reported to the board of directors of the Company and is not reported.

The accounting policies of the reportable segment are the same as the Group’s accounting policies. Segment (loss) profit represents the (loss) profit earned by each segment without allocation of administrative expenses, finance costs, other (losses) gains and income tax. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Geographical information

Geographically, management reviews the performance of the businesses in Singapore, Taiwan, France and Japan.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

22 SEGMENT INFORMATION (cont’d)

Geographical information (cont’d)

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of external customers’ operations. Non-current assets other than pledged deposits are based on the geographical location of the assets.

| | Revenue from external customers | | | | |
|--------|---------------------------------|-------------------------|-------------------------|--------------------------|--------------------------|
| | Year ended | | | Nine months period ended | |
| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ | 31 March 2022 US\$ |
| | | | | | (Unaudited) |
| Taiwan | 2,529,001 | 3,541,178 | 6,642,945 | 17,454,188 | 3,939,026 |
| France | 4,297 | 389,944 | 987,593 | 1,480,523 | 656,172 |
| Japan | – | – | 139,272 | 109,985 | 100,031 |
| | 2,533,298 | 3,931,122 | 7,769,810 | 19,044,696 | 4,695,229 |

| | Non-current assets | | | |
|--------|-------------------------|-------------------------|-------------------------|--------------------------|
| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
| | Singapore | 3,033 | 1,300 | 915 |
| Taiwan | 1,627 | 26,714 | 24,818 | 135,264 |
| France | 922 | 1,888 | 2,696 | 2,700 |
| Japan | – | 74,445 | 20,420 | 29,795 |
| | 5,582 | 104,347 | 48,849 | 171,679 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

22 SEGMENT INFORMATION (cont’d)

Information about major customers

The revenue from customer that individually contributed more than 10% of the Group’s total revenue during the Relevant Periods are as follow:

| | Year ended | | Nine months period ended | | |
|------------|-------------------------|-------------------------|--------------------------|--------------------------|--------------------------|
| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ | 31 March 2022 US\$ |
| Customer A | 727,129 | 1,930,325 | 3,168,185 | 7,173,566 | 1,844,481 |
| Customer B | 1,795,940 | * | * | * | – |
| Customer C | – | – | 795,899 | * | * |
| Customer D | – | – | * | 6,624,017 | – |

(Unaudited)

* The corresponding revenue did not contribute over 10% of the total revenue of the Group for the reporting period.

Seasonality

The Group’s operation may experience adverse seasonal weather changes during certain periods of the year. This may restrict the Group’s customers operational capabilities during these periods which may in turn adversely affect demand for the services, particularly the offshore crewing services, during these periods. Despite so, the Group did not observe any significant seasonal trends arising from the seasonal weather changes within the Relevant Periods.

23 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group’s liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group’s combined statement of cash flows as cash flows from financing activities.

| | 1 July 2020 US\$ | Financing cash flows US\$ | Non-cash changes | | 30 June 2021 US\$ |
|-----------------------------|------------------------|------------------------------------|---|-------------------------------------|-------------------------|
| | | | Foreign exchange movement US\$ | New lease liabilities US\$ | |
| Lease liabilities (Note 12) | – | (15,830) | 577 | 89,819 | 74,566 |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

23 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (cont’d)

| | 1 July 2021 US\$ | Financing cash flows US\$ | Non-cash changes Foreign exchange movement US\$ | New lease liabilities US\$ | 30 June 2022 US\$ |
|-----------------------------|---------------------------------|--|--|---|----------------------------------|
| Lease liabilities (Note 12) | 74,566 | (50,308) | (6,392) | – | 17,866 |

| | 1 July 2022 US\$ | Financing cash flows (Note i) US\$ | Non-cash changes Foreign exchange movement US\$ | New lease liabilities US\$ | 31 March 2023 US\$ |
|-----------------------------|---------------------------------|---|--|---|-----------------------------------|
| Borrowings (Note 13) | – | 686,072 | 3,564 | – | 689,636 |
| Lease liabilities (Note 12) | 17,866 | (52,486) | (691) | 158,191 | 122,880 |
| | 17,866 | 633,586 | 2,873 | 158,191 | 812,516 |

| | 1 July 2021 US\$ | Financing cash flows US\$ | Non-cash changes Foreign exchange movement US\$ | New lease liabilities US\$ | 31 March 2022 US\$ |
|-----------------------------|---------------------------------|--|--|---|-----------------------------------|
| Lease liabilities (Note 12) | 74,566 | (38,692) | (4,010) | – | 31,864 |

(i) The cash flows make up the net amount of proceeds from borrowings and repayments of borrowings in the statement of cash flows.

24 COMPARATIVE FIGURES

The Group’s figures for the nine-month period ended 31 March 2022 have not been audited nor reviewed.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

25 SUBSEQUENT EVENTS

Disposal of SGSAS

In order to supply and/or deploy personnel and manpower to its French clients, SGSAS would enter into contracts with and use the services of third-party umbrella companies, called “portage companies” (“Portage Companies”). Such deployed personnel are not kept on the payroll of SGSAS but kept on the payroll and employed by Portage Companies. Although the Group understands that such practice is not uncommon, the use of Portage Companies is governed by French labour laws and are only available to for tasks which are occasional and does not fall within the normal and permanent activity of the user company. As it is not clear how the above reference to normal and permanent activity of the user company may be applied to SGSAS, SGSAS may not be fully compliant with French labour laws.

As of the date of this report, there has been no legal and regulatory compliance issues in France resulting in any actions, including inspections and audits, by regulatory authorities in relation to the SGSAS Portage Companies Issues.

However, in order to ring-fence such potential legal risks to the Group, on 31 July 2023, the Company entered into a share sale and purchase agreement (“SGSAS SPA”) with SEPL pursuant to which the Company transferred its entire shareholding interest in SGSAS to SEPL for nominal consideration of US\$4 (S\$5) and, as a result, SGSAS became a wholly owned subsidiary of SEPL, a related company of the Group.

In addition, pursuant to the SGSAS SPA, SEPL will indemnify and save harmless the Company from and against any and all losses which the Company may at any time and from time to time sustain, incur or suffer by reason of or in relation to, including, but not limited to, the following events:

- (a) any breach of any representation, warranty, undertaking or obligation of or given by SEPL under the SGSAS SPA;
- (b) whether directly or indirectly, in relation to any claims brought against SGSAS or the Company and its officers arising out of or in connection with any legal and regulatory compliance issues, including any issue pertaining to the use of ‘portage’ companies by SGSAS;
- (c) any sums payable by SGSAS to the Company (including, but not limited to, the receivables in the sum of US\$945,047 based on the outstanding balance as at 31 March 2023 which shall be payable within a period of twelve (12) months from the date of Closing);
- (d) the failure to comply with any applicable laws in conducting the business of SGSAS; and
- (e) any tax claim against SGSAS whether arising directly or indirectly the matters set out in sub-paragraph (b) above or otherwise.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

25 SUBSEQUENT EVENTS (cont’d)

Disposal of SGSAS (cont’d)

The directors of the Company, taking into consideration of legal advice, are of the view that the disposal of SGSAS as described above would isolate the Group from any potential legal risks from the usage of Portage Companies in France and SEPL has the financial ability to provide the indemnity described above.

As a result of the above, SGSAS was transferred by the Company to SEPL in view that there may be legal and regulatory compliance issues in relation to the business of SGSAS in France which may need to be regularised.

In order to allow the Group to have future access and exposure to opportunities in relation to the renewable energy business in France as and when it requires, SEPL, the Company and SGSAS had entered into a deed of call option and right of first refusal dated 31 July 2023 (“SGSAS Call Option and ROFR Deed”) in favour of the Company, whereby the Company is granted an irrevocable assignable call option (“Call Option”) by SEPL for the Company to purchase the entire shareholding interest of SGSAS at S\$1 and a right of first refusal in respect of the shares in SGSAS held by SEPL.

The Call Option may only be exercised on the date after the SGSAS Call Option and ROFR Deed takes effect and for such indefinite period until termination the SGSAS Call Option and ROFR Deed.

There is no obligation on the Company to exercise the Call Option.

Summarised financial information in respect of SGSAS are as follow, representing amounts before intragroup eliminations:

| | 30 June 2020 US\$ | 30 June 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|--|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| Current assets | 36,089 | 133,765 | 479,458 | 886,183 |
| Non-current assets | 922 | 1,889 | 2,696 | 2,699 |
| Current liabilities | (158,552) | (388,882) | (889,498) | (1,339,016) |
| Equity attributable to owners of the company | (121,541) | (253,228) | (407,344) | (450,134) |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

25 SUBSEQUENT EVENTS (cont’d)

Disposal of SGSAS (cont’d)

The following details relate to SGSAS revenue and results by reportable segments:

| | Provision of human resource US\$ | Ancillary services US\$ | Total US\$ |
|---------------------------------------|---|--|-----------------------|
| <u>Year ended 30 June 2020</u> | | | |
| Revenue | 4,297 | – | 4,297 |
| Cost of sales | (3,871) | – | (3,871) |
| Gross profit | 426 | – | 426 |
| Administrative expenses | | | (147,958) |
| Other losses/gains | | | (2,006) |
| Loss after tax | | | <u>(149,538)</u> |
| <u>Year ended 30 June 2021</u> | | | |
| Revenue | 385,930 | 4,014 | 389,944 |
| Cost of sales | (348,511) | (5,186) | (353,697) |
| Gross profit | 37,419 | (1,172) | 36,247 |
| Administrative expenses | | | (168,437) |
| Other losses/gains | | | 8,132 |
| Loss after tax | | | <u>(124,508)</u> |
| <u>Year ended 30 June 2022</u> | | | |
| Revenue | 944,228 | 43,365 | 987,593 |
| Cost of sales | (879,567) | (42,413) | (921,980) |
| Gross profit | 64,661 | 952 | 65,613 |
| Administrative expenses | | | (207,810) |
| Other losses/gains | | | (59,326) |
| Loss after tax | | | <u>(201,523)</u> |

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

25 SUBSEQUENT EVENTS (cont’d)

Disposal of SGSAS (cont’d)

| | Provision of human resource US\$ | Ancillary services US\$ | Total US\$ |
|---|---|--|-----------------------|
| <u>Nine months ended 31 March 2023</u> | | | |
| Revenue | 1,435,808 | 44,715 | 1,480,523 |
| Cost of sales | (1,281,097) | (41,576) | (1,322,673) |
| Gross profit | 154,711 | 3,139 | 157,850 |
| Administrative expenses | | | (214,305) |
| Other losses/gains | | | 32,755 |
| Loss after tax | | | (23,700) |
| <u>Nine months ended 31 March 2022 (Unaudited)</u> | | | |
| Revenue | 621,857 | 34,315 | 656,172 |
| Cost of sales | (578,395) | (33,676) | (612,071) |
| Gross profit | 43,462 | 639 | 44,101 |
| Administrative expenses | | | (137,848) |
| Other losses/gains | | | (21,126) |
| Loss after tax | | | (114,873) |

Geographical information

Revenue from external customers and non-current assets recorded by the Group which are disclosed as arising from France in Note 22 are contributed solely by SGSAS. Major customers of the Group are not transacted under SGSAS.

Incorporation of WATPL

On 21 August 2023, WATPL was incorporated in Singapore with an issued and paid-up share capital of US\$1 (S\$2) comprising 2 ordinary share held by the Company.

Listing of the Company

On 19 September 2023, the Company was converted into a public limited company and changed its name to “Sheffield Green Ltd”.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 30 JUNE 2020, 2021, 2022 AND NINE MONTHS PERIOD ENDED
31 MARCH 2023 AND 2022**

25 SUBSEQUENT EVENTS (cont’d)

Listing of the Company (cont’d)

At an extraordinary general meeting held on 19 September 2023, the shareholders of the Company approved, among others, the following:

- (a) the conversion of the Company into public limited company and the consequential name to “Sheffield Green Ltd.”;
- (b) the adoption of a new constitution; and
- (c) the sub-division of every one (1) share to 15,600 shares, whereupon the issued and paid-up share capital shall remain at approximately US\$1,881,562 (S\$2,604,248) comprising 162,255,600 shares.

Capital Commitments

Subsequent to the end of the financial period, the Group has capital expenditures commitments for the development of training modules accredited by GWO and construction of plant and equipment as part of its plans to establish a training centre in Taiwan amounting to approximately US\$281,920 (GBP226,952) and US\$409,644 (GBP329,773) respectively.

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT AND THE AUDITED
COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE
2020, 2021 AND 2022 AND NINE MONTHS PERIOD ENDED 31 MARCH 2023**

SHEFFIELD GREEN LTD.

Statement of Directors

In the opinion of the Directors, the combined financial statements of the Group as set out on pages A-4 to A-75 are drawn up so as to give a true and fair view of the financial position of the Group as at 30 June 2020, 2021, 2022 and 31 March 2023, and of the financial performance, changes in equity and cash flows of the Group for the years ended 30 June 2020, 2021, 2022 and nine months period ended 31 March 2023 at the date of this statement, there are reasonable grounds to believe that the Group will be able to pay its debts when they fall due.

On behalf of the Board of Directors

Kee Boo Chye

Tan Yuni

16 October 2023

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

16 October 2023

The Board of Directors
Sheffield Green Ltd
11 Collyer Quay
#06-01 The Arcade
Singapore 049317

Report on the Compilation of Unaudited Pro Forma Financial Information Included in an Offer Documents

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Sheffield Green Ltd (the “Company”) and its subsidiaries (the “Group”) by management. The unaudited pro forma financial information of the Group consists of the pro forma combined statements of financial position as at 30 June 2022 and 31 March 2023, the pro forma combined statements of profit or loss and other comprehensive income and the pro forma combined statements of cash flow for the financial year ended 30 June 2022 and nine months period ended 31 March 2023 and related notes, as set out on pages B-5 to B-15. The applicable criteria on the basis of which management of the Group has compiled the unaudited pro forma financial information are described in Note 3.

The unaudited pro forma financial information of the Group has been compiled by management to illustrate the impact of the events or transactions set out in Note 2 on:

- (i) the unaudited pro forma combined financial positions of the Group as at 30 June 2022 and 31 March 2023 as if the events or transactions had occurred on 30 June 2022 and 31 March 2023 respectively;
- (ii) the unaudited pro forma combined financial performance of the Group for the financial year ended 30 June 2022 and nine months period ended 31 March 2023 as if the events or transactions had occurred on 1 July 2021; and
- (iii) the unaudited pro forma combined cash flows of the Group for the financial year ended 30 June 2022 and nine months period ended 31 March 2023 as if the events or transactions had occurred on 1 July 2021.

As part of this process, information about the Group’s financial position, profit or loss and other comprehensive income and cash flows has been extracted by management from the Group’s combined financial statements for the financial year ended 30 June 2022 and nine period ended 31 March 2023, on which an audit report has been published.

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

Management’s Responsibility for the Unaudited Pro Forma Financial Information

Management is responsible for compiling the unaudited pro forma financial information of the Group on the basis of the applicable criteria as described in Note 3.

Our Independence and Quality Management

We have complied with the independence and other ethical requirement of the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Singapore Standard on Quality Management 1 which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor’s Responsibilities

Our responsibility is to express an opinion about whether the unaudited pro forma financial information of the Group has been compiled, in all material respects, by management on the basis as described in Note 3.

We conducted our engagement in accordance with Singapore Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Unaudited Pro Forma Financial Information Included in a Prospectus* (“SSAE 3420”) issued by the Institute of Singapore Chartered Accountants. This standard requires that the auditor plan and perform procedures to obtain reasonable assurance about whether management has compiled, in all material respects, the unaudited pro forma financial information of the Group on the basis of the applicable criteria as described in Note 3.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of the unaudited pro forma financial information included in the Offer Document is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at the respective dates would have been as presented.

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

Auditor’s Responsibilities (cont’d)

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by management in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- (i) The unaudited related pro forma adjustments give appropriate effect to those criteria; and
- (ii) The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the practitioner’s judgement, having regard to the auditor’s understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information of the Group has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) The unaudited pro forma financial information has been compiled:
 - (i) in a manner consistent with the accounting policies adopted by the Group in its latest audited combined financial statements, which are in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”);
 - (ii) on the basis of the applicable criteria stated in Note 3 of the unaudited pro forma financial information of the Group; and
- (b) each material adjustment made to the information used in the preparation of the unaudited pro forma financial information is appropriate for the purpose of preparing such unaudited financial information.

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

Restriction of Use and Distribution

This report has been prepared solely to you for inclusion in the Offer Document in connection with the proposed listing of Sheffield Green Ltd on Catalist, the sponsor supervised board of the Singapore Exchange Securities Trading Limited and for no other purpose.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

Mao Meijiao
Partner

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

| | Audited combined statement of financial position US\$ | Unaudited pro forma adjustments Note 2 US\$ | Unaudited pro forma combined statement of financial position US\$ |
|-------------------------------------|--|--|--|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 774,333 | (54,609) | 719,724 |
| Trade and other receivables | 2,900,761 | (424,508) | 2,476,253 |
| Amount due from related companies | 167,373 | 603,682 | 771,055 |
| Total current assets | 3,842,467 | 124,565 | 3,967,032 |
| Non-current assets | | | |
| Equipment | 23,625 | (2,696) | 20,929 |
| Intangible assets | 5,414 | – | 5,414 |
| Right-of-use assets | 19,810 | – | 19,810 |
| Pledged deposits | 201,607 | – | 201,607 |
| Total non-current assets | 250,456 | (2,696) | 247,760 |
| Total assets | 4,092,923 | 121,869 | 4,214,792 |
| LIABILITIES AND EQUITY | | | |
| Current liabilities | | | |
| Trade and other payables | 1,720,736 | (285,479) | 1,435,257 |
| Amount due to related companies | 1,092,162 | – | 1,092,162 |
| Lease liabilities | 17,866 | – | 17,866 |
| Income tax payable | 138,309 | – | 138,309 |
| Total current liabilities | 2,969,073 | (285,479) | 2,683,594 |
| Capital and reserves | | | |
| Share capital | 1,278,302 | – | 1,278,302 |
| Merger reserves | 33,921 | (33,921) | – |
| Translation reserve | 27,645 | (37,204) | (9,559) |
| Other reserve | – | 478,473 | 478,473 |
| Accumulated losses | (216,018) | – | (216,018) |
| Total equity | 1,123,850 | 407,348 | 1,531,198 |
| Total liabilities and equity | 4,092,923 | 121,869 | 4,214,792 |

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023**

| | Audited combined statement of financial position US\$ | Unaudited pro forma adjustments Note 2 US\$ | Unaudited pro forma combined statement of financial position US\$ |
|--------------------------------------|--|--|--|
| <u>ASSETS</u> | | | |
| Current assets | | | |
| Cash and cash equivalents | 2,027,030 | (199,974) | 1,827,056 |
| Pledged deposits | 109,039 | – | 109,039 |
| Trade and other receivables | 7,995,430 | (686,205) | 7,309,225 |
| Amount due from related companies | – | 945,047 | 945,047 |
| Total current assets | 10,131,499 | 58,868 | 10,190,367 |
| Non-current assets | | | |
| Equipment | 44,297 | (2,699) | 41,598 |
| Intangible assets | 6,053 | – | 6,053 |
| Right-of-use assets | 121,329 | – | 121,329 |
| Total non-current assets | 171,679 | (2,699) | 168,980 |
| Total assets | 10,303,178 | 56,169 | 10,359,347 |
| <u>LIABILITIES AND EQUITY</u> | | | |
| Current liabilities | | | |
| Trade and other payables | 4,163,200 | (393,969) | 3,769,231 |
| Amount due to related companies | 558,558 | – | 558,558 |
| Lease liabilities | 66,530 | – | 66,530 |
| Borrowings | 689,636 | – | 689,636 |
| Income tax payable | 867,271 | – | 867,271 |
| Total current liabilities | 6,345,195 | (393,969) | 5,951,226 |
| Non-current liability | | | |
| Lease liabilities | 56,350 | – | 56,350 |
| Capital and reserves | | | |
| Share capital | 2,067,562 | – | 2,067,562 |
| Merger reserves | 33,921 | (33,921) | – |
| Translation reserve | 5,623 | (18,115) | (12,492) |
| Other reserve | – | 502,174 | 502,174 |
| Accumulated profit | 1,794,527 | – | 1,794,527 |
| Total equity | 3,901,633 | 450,138 | 4,351,771 |
| Total liabilities and equity | 10,303,178 | 56,169 | 10,359,347 |

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
YEAR ENDED 30 JUNE 2022**

| | Audited combined statement of profit or loss and other comprehensive income US\$ | Unaudited pro forma adjustments Note 2 US\$ | Unaudited pro forma combined statement of profit or loss and other comprehensive income US\$ |
|---|---|--|---|
| Revenue | 7,769,810 | (987,593) | 6,782,217 |
| Cost of sales | (6,538,520) | 921,980 | (5,616,540) |
| Gross profit | 1,231,290 | (65,613) | 1,165,677 |
| Administrative expenses | (1,199,645) | 207,810 | (991,835) |
| Finance cost | (715) | – | (715) |
| Other (losses)/gains | (131,833) | 59,326 | (72,507) |
| (Loss) Profit before income tax | (100,903) | 201,523 | 100,620 |
| Income tax expense | (50,961) | – | (50,961) |
| (Loss) Profit for the year | (151,864) | 201,523 | 49,659 |
| Other comprehensive income/(loss): | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | |
| Exchange differences on translation of foreign operations | 41,273 | (27,001) | 14,272 |
| Total comprehensive (loss) income for the year | (110,591) | 174,522 | 63,931 |
| Earnings per share | | | |
| Basic and diluted (cents) | (0.09) | 0.12 | 0.03 |

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
NINE MONTHS PERIOD ENDED 31 MARCH 2023**

| | Audited combined statement of profit or loss and other comprehensive income US\$ | Unaudited pro forma adjustments Note 2 US\$ | Unaudited pro forma combined statement of profit or loss and other comprehensive income US\$ |
|---|---|--|---|
| Revenue | 19,044,696 | (1,480,523) | 17,564,173 |
| Cost of sales | (13,782,080) | 1,322,673 | (12,459,407) |
| Gross profit | 5,262,616 | (157,850) | 5,104,766 |
| Administrative expenses | (1,818,295) | 214,305 | (1,603,990) |
| Finance cost | (6,788) | – | (6,788) |
| Other (losses)/gains | (113,918) | (32,755) | (146,673) |
| Profit before income tax | 3,323,615 | 23,700 | 3,347,315 |
| Income tax expense | (862,690) | – | (862,690) |
| Profit for the period | 2,460,925 | 23,700 | 2,484,625 |
| Other comprehensive (loss) income: | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | |
| Exchange differences on translation of foreign operations | (22,022) | 19,089 | (2,933) |
| Total comprehensive income for the period | 2,438,903 | 42,789 | 2,481,692 |
| Earnings per share | | | |
| Basic and diluted (cents) | 1.52 | 0.01 | 1.53 |

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2022**

| | Audited combined statement of cash flows US\$ | Unaudited pro forma adjustments Note 2 US\$ | Unaudited pro forma combined statement of cash flows US\$ |
|---|--|--|--|
| Operating activities | | | |
| (Loss)/Profit before income tax | (100,903) | 201,523 | 100,620 |
| Adjustments for: | | | |
| Depreciation of equipment | 7,603 | (1,218) | 6,385 |
| Amortisation of intangible assets | 2,080 | – | 2,080 |
| Finance cost | 715 | – | 715 |
| Unrealised foreign exchange loss/(gain) | 78,695 | (50,110) | 28,585 |
| Depreciation of right-of-use assets | 46,970 | – | 46,970 |
| Operating cash flows before movements in working capital | 35,160 | 150,195 | 185,355 |
| Trade and other receivables | (1,800,867) | 311,856 | (1,489,011) |
| Trade and other payables | 1,249,752 | (173,408) | 1,076,344 |
| Amount due from related companies | 63,795 | – | 63,795 |
| Amount due to related companies | (89,347) | – | (89,347) |
| Cash (used in)/generated from operations | (541,507) | 288,643 | (252,864) |
| Income tax paid | (20,013) | – | (20,013) |
| Net cash (used in)/from operating activities | (561,520) | 288,643 | (272,877) |
| Investing activities | | | |
| Placement of pledged deposits | (94,126) | – | (94,126) |
| Purchase of equipment | (6,411) | 2,155 | (4,256) |
| Purchase of intangibles | (3,015) | – | (3,015) |
| Acquisition of business under common control | (4) | – | (4) |
| Net proceeds on disposal of subsidiary | – | (21,109) | (21,109) |
| Advances to related company | – | (326,871) | (326,871) |
| Net cash used in investing activities | (103,556) | (345,825) | (449,381) |
| Financing activities | | | |
| Issue of shares | 1,092,302 | – | 1,092,302 |
| Advances from related companies | 399,235 | – | 399,235 |
| Repayment of advances | (183,000) | – | (183,000) |
| Repayment of lease liabilities | (50,308) | – | (50,308) |
| Interest on lease liabilities | (715) | – | (715) |
| Net cash from financing activities | 1,257,514 | – | 1,257,514 |
| Net increase/(decrease) in cash and cash equivalents | | | |
| Cash and cash equivalents at beginning of year | 217,438 | – | 217,438 |
| Effect of exchange rate changes on the balance of cash held in foreign currencies | (35,543) | 2,573 | (32,970) |
| Cash and cash equivalents at the end of the year | 774,333 | (54,609) | 719,724 |

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF CASH FLOWS
NINE MONTHS PERIOD ENDED 31 MARCH 2023**

| | Audited combined statement of cash flows US\$ | Unaudited pro forma adjustments Note 2 US\$ | Unaudited pro forma combined statement of cash flows US\$ |
|---|---|---|---|
| Operating activities | | | |
| Profit before income tax | 3,323,615 | 23,700 | 3,347,315 |
| Adjustments for: | | | |
| Depreciation of equipment | 8,110 | (1,002) | 7,108 |
| Amortisation of intangible assets | 2,212 | – | 2,212 |
| Finance cost | 6,788 | – | 6,788 |
| Unrealised foreign exchange (gain)/loss | (42,244) | 21,512 | (20,732) |
| Depreciation of right-of-use assets | 55,959 | – | 55,959 |
| Operating cash flows before movements in working capital | 3,354,440 | 44,210 | 3,398,650 |
| Trade and other receivables | (7,850,530) | 261,697 | (7,588,833) |
| Trade and other payables | 4,414,018 | (108,490) | 4,305,528 |
| Amount due from related companies | 281,558 | – | 281,558 |
| Amount due to related companies | (103,161) | – | (103,161) |
| Cash generated from operations | 96,325 | 197,417 | 293,742 |
| Income tax paid | (1,310) | – | (1,310) |
| Net cash from operating activities | 95,015 | 197,417 | 292,432 |
| Investing activities | | | |
| Placement of pledged deposits | (10,530) | – | (10,530) |
| Purchase of equipment | (29,186) | 948 | (28,238) |
| Purchase of intangibles | (2,970) | – | (2,970) |
| Advances to related company | – | (341,365) | (341,365) |
| Net cash used in investing activities | (42,686) | (340,417) | (383,103) |
| Financing activities | | | |
| Proceeds from borrowings | 765,119 | – | 765,119 |
| Issue of shares | 338,880 | – | 338,880 |
| Advances from related companies | 210,359 | – | 210,359 |
| Repayment of lease liabilities | (52,486) | – | (52,486) |
| Interest on lease liabilities | (3,573) | – | (3,573) |
| Repayment of borrowings | (79,047) | – | (79,047) |
| Interest on borrowings | (3,215) | – | (3,215) |
| Net cash from financing activities | 1,176,037 | – | 1,176,037 |
| Net increase/(decrease) in cash and cash equivalents | | | |
| Cash and cash equivalents at beginning of year | 1,228,366 | (143,000) | 1,085,366 |
| Effect of exchange rate changes on the balance of cash held in foreign currencies | 774,333 | (54,609) | 719,724 |
| | 24,331 | (2,365) | 21,966 |
| Cash and cash equivalents at the end of the period | 2,027,030 | (199,974) | 1,827,056 |

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

**NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION
YEAR ENDED 30 JUNE 2022 AND NINE MONTHS ENDED 31 MARCH 2023**

1 GENERAL INFORMATION

Sheffield Green Ltd. (the “Company”) (Registration No. 202134454W) was incorporated in Singapore with its principal place of business and registered office at 11 Collyer Quay #06-01 The Arcade Singapore 049317. The financial statements are expressed in United States dollars (“US\$”), which is also the functional currency of the Company.

The principal activities of the Company is that of investment holding company. The principal activities of the subsidiaries are disclosed in Note 1 to the audited combined financial statements of the Group for the financial years ended 30 June 2020, 2021 and 2022 and nine months period ended 31 March 2023 as set out in Appendix A of the Offer Document.

2 SIGNIFICANT EVENT

Save for the following significant event (the “Significant Event”) discussed below, the directors, as at the date of this report, are not aware of other significant acquisitions, disposal of assets and subsidiaries or significant changes made to the capital structure of the Group subsequent to 30 June 2022.

Disposal of Sheffield Green SAS (“SGSAS”)

In order to supply and/or deploy personnel and manpower to its French clients, SGSAS would enter into contracts with and use the services of third-party umbrella companies, called “portage companies” (“Portage Companies”). Such deployed personnel are not kept on the payroll of SGSAS but kept on the payroll and employed by Portage Companies. Although the Group understands that such practice is not uncommon, the use of Portage Companies is governed by French labour laws and are only available to for tasks which are occasional and does not fall within the normal and permanent activity of the user company. As it is not clear how the above reference to normal and permanent activity of the user company may be applied to SGSAS, SGSAS may not be fully compliant with French labour laws.

As of the date of this report, there has been no legal and regulatory compliance issues in France resulting in any actions, including inspections and audits, by regulatory authorities in relation to the SGSAS Portage Companies Issues.

However, in order to ring-fence such potential legal risks to the Group, on 31 July 2023, the Company entered into a share sale and purchase agreement (“SGSAS SPA”) with SEPL pursuant to which the Company transferred its entire shareholding interest in SGSAS to SEPL for nominal consideration of US\$4 (S\$5) and, as a result, SGSAS became a wholly owned subsidiary of SEPL, a related company of the Group.

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

**NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION
YEAR ENDED 30 JUNE 2022 AND NINE MONTHS ENDED 31 MARCH 2023**

2 SIGNIFICANT EVENT (cont’d)

Disposal of Sheffield Green SAS (“SGSAS”) (cont’d)

In addition, pursuant to the SGSAS SPA, SEPL will indemnify and save harmless the Company from and against any and all losses which the Company may at any time and from time to time sustain, incur or suffer by reason of or in relation to, including, but not limited to, the following events:

- (a) any breach of any representation, warranty, undertaking or obligation of or given by SEPL under the SGSAS SPA;
- (b) whether directly or indirectly, in relation to any claims brought against SGSAS or the Company and its officers arising out of or in connection with any legal and regulatory compliance issues, including any issue pertaining to the use of ‘portage’ companies by SGSAS;
- (c) any sums payable by SGSAS to the Company (including, but not limited to, the receivables in the sum of US\$945,047 based on the outstanding balance as at 31 March 2023 which shall be payable within a period of twelve (12) months from the date of Closing);
- (d) the failure to comply with any applicable laws in conducting the business of SGSAS; and
- (e) any tax claim against SGSAS whether arising directly or indirectly the matters set out in sub-paragraph (b) above or otherwise.

The directors of the Company, taking into consideration of the legal advice, are of the view that the disposal of SGSAS as described above would isolate the Group from any potential legal risks from the usage of Portage Companies in France and SEPL has the financial ability to provide the indemnity described above.

As a result of the above, SGSAS was transferred by the Company to SEPL in view that there may be legal and regulatory compliance issues in relation to the business of SGSAS in France which may need to be regularised.

In order to allow the Group to have future access and exposure to opportunities in relation to the renewable energy business in France as and when it requires, SEPL, the Company and SGSAS had entered into a deed of call option and right of first refusal dated 31 July 2023 (“SGSAS Call Option and ROFR Deed”) in favour of the Company, whereby the Company is granted an irrevocable assignable call option (“Call Option”) by SEPL for the Company to purchase the entire shareholding interest of SGSAS at S\$1 and a right of first refusal in respect of the shares in SGSAS held by SEPL.

The Call Option may only be exercised on the date after the SGSAS Call Option and ROFR Deed takes effect and for such indefinite period until termination the SGSAS Call Option and ROFR Deed.

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

**NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION
YEAR ENDED 30 JUNE 2022 AND NINE MONTHS ENDED 31 MARCH 2023**

2 SIGNIFICANT EVENT (cont’d)

Disposal of Sheffield Green SAS (“SGSAS”) (cont’d)

There is no obligation on the Company to exercise the Call Option.

For the purpose of the preparation of unaudited pro forma financial information, it is assumed that the Call Option is not exercised and the potential voting rights arising from the Call Option are assumed to be not substantive. The fair value of the Call Option is assumed to be negligible.

For the purpose of the preparation of unaudited pro forma combined financial position of the Group as at 30 June 2022 and 31 March 2023, the shareholding interest is assumed to be transferred on 30 June 2022 and 31 March 2023 respectively. Accordingly, the financial position of the Group has changed arising from this disposal effect.

For the purpose of the preparation of unaudited pro forma combined financial performance and cashflow for the financial year ended 30 June 2022 and nine months period 31 March 2023, the shareholding interest is assumed to be transferred on 1 July 2021. Accordingly, the financial performance and cashflow of the group has changed arising from this disposal effect.

For the purpose of unaudited pro forma financial information, the amounts recognised for the disposal of SGSAS are computed based on its net asset as at each reporting date as follow:

| | 1 July 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|-----------------------------------|---------------------------------|----------------------------------|-----------------------------------|
| Current assets | | | |
| Cash and cash equivalents | 21,113 | 54,613 | 199,978 |
| Trade and other receivables | 112,652 | 424,508 | 686,205 |
| Amount due from related companies | – | 337 | – |
| Total current assets | 133,765 | 479,458 | 886,183 |
| Non-current assets | | | |
| Equipment | 1,889 | 2,696 | 2,699 |
| Current liabilities | | | |
| Trade and other payables | 112,071 | 285,479 | 393,969 |
| Amount due to related companies | 276,811 | 604,019 | 945,047 |
| Total current liabilities | 388,882 | 889,498 | 1,339,016 |
| Net liabilities disposed off | 253,228 | 407,344 | 450,134 |

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

**NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION
YEAR ENDED 30 JUNE 2022 AND NINE MONTHS ENDED 31 MARCH 2023**

2 SIGNIFICANT EVENT (cont’d)

Disposal of Sheffield Green SAS (“SGSAS”) (cont’d)

| | 1 July 2021 US\$ | 30 June 2022 US\$ | 31 March 2023 US\$ |
|---|---------------------------------|----------------------------------|-----------------------------------|
| Consideration received: | | | |
| Cash consideration | 4 | 4 | 4 |
| Less: cash and cash equivalent disposed off | (21,113) | (54,613) | (199,978) |
| Net cash outflow | (21,109) | (54,609) | (199,974) |
| Gain on disposal: | | | |
| Cash consideration | * | 4 | 4 |
| Net liabilities derecognised | * | 407,344 | 450,134 |
| Currency translation reserve derecognised | * | 37,204 | 18,115 |
| Merger reserve derecognised | * | 33,921 | 33,921 |
| Gain on disposal (Note) | * | 478,473 | 502,174 |

Note: The gain on disposal of the subsidiary to a related company, SEPL, is recorded as “Other reserve” on the statement of changes in equity.

* Not relevant to the preparation of unaudited pro forma financial information of the Group.

3 BASIS OF PREPARATION OF THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

3.1 The unaudited pro forma financial information of the Group for the financial year ended 30 June 2022 and nine months period ended 31 March 2023 have been compiled based on the audited combined financial statements of Sheffield Green Ltd. for the financial year ended 30 June 2022 and 31 March 2023 which were prepared by management in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) and audited by Deloitte & Touche LLP, Singapore in accordance with Singapore Standards on Auditing (“SSAs”). The auditor’s report on these combined financial statements was not modified.

3.2 The unaudited pro forma financial information of the Group for the financial year ended 30 June 2022 and nine months period ended 31 March 2023 have been prepared using the same accounting policies and methods of computation in the preparation of the audited combined financial statements for the financial years ended 30 June 2020, 2021 and 2022 and nine months period 31 March 2023.

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT AND
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF SHEFFIELD GREEN LTD AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022 AND NINE MONTHS
FINANCIAL PERIOD ENDED 31 MARCH 2023**

**NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION
YEAR ENDED 30 JUNE 2022 AND NINE MONTHS ENDED 31 MARCH 2023**

**3 BASIS OF PREPARATION OF THE UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUP (cont’d)**

The unaudited pro forma financial information of the Group for the financial year ended 30 June 2022 and nine months period ended 31 March 2023 are prepared for illustrative purposes only. These are prepared based on certain assumptions and after making certain adjustments to show what:

- (a) the unaudited pro forma combined financial positions of the Group as at 30 June 2022 and 31 March 2023 would have been if the Significant Event as disclosed in Note 2 had occurred on 30 June 2022 and 31 March 2023 respectively;
- (b) the unaudited pro forma combined financial performance of the Group for the financial year ended 30 June 2022 and 31 March 2023 would have been if the Significant Event as disclosed in Note 2 had occurred on 1 July 2021; and
- (c) the unaudited pro forma combined cash flows of the Group for the financial year ended 30 June 2022 and 31 March 2023 would have been if the Significant Event as disclosed in Note 2 had occurred on 1 July 2021.

3.3 The unaudited pro forma financial information of the Group, because of its nature, is not necessarily indicative of the results of the operations, cash flows and financial position that would have been attained had the Significant Event actually occurred earlier. Save as disclosed in Note 2, the management, for the purpose of preparing this set of unaudited pro forma financial information of the Group, has not considered the effects of other events.

4 EARNINGS PER SHARE

For illustrative purpose, the basic earnings per share is calculated based on the unaudited pro forma (loss)/profit for financial year ended 30 June 2022 and nine months period ended 31 March 2023 and 162,255,600 shares after adjusting for the share split.

The fully diluted earnings per share and basic earnings per share are the same because there is no dilutive share.

APPENDIX C – SUMMARY OF SELECTED REGULATIONS OF THE CONSTITUTION OF THE COMPANY

The discussion below provides information about certain provisions of the Constitution and certain aspects of Singapore company law. This description is only a summary and is qualified by reference to the Companies Law and the Constitution. The instruments that constitute and define the Company are the Constitution.

REGISTRATION NUMBER

The Company is registered in Singapore with the Accounting and Corporate Regulatory Authority. The company registration number is 202134454W.

SUMMARY OF THE CONSTITUTION

1. Directors

(a) Ability of interested directors to vote

A Director shall not vote in respect of any contract, proposed contract or arrangement or any other proposal in which he has any personal material interest, although he may be counted in the quorum present at the meeting.

(b) Remuneration

The remuneration of a CEO (or any Director holding equivalent appointment) shall from time to time be fixed by the Directors and may subject to this Constitution be by way of salary or commission or participation in profits or by any or all these modes but he shall not under any circumstances be remunerated by a commission on or a percentage of turnover.

The remuneration in the case of a Director other than an Executive Director shall be payable by a fixed sum and shall not at any time be by commission on or percentage of the profits or turnover, and no Director whether an Executive Director or otherwise shall be remunerated by a commission on or percentage of turnover.

Any Director who is appointed to any executive office or serves on any committee or who otherwise performs or renders services which in the opinion of the Directors are outside his ordinary duties as a Director, may be paid such extra remuneration as the Directors may determine, subject however as is hereinafter provided in this Regulation.

Save as set out in paragraphs 1(a) and (b) above, there are no specific provisions in the Constitution relating to a Director's power to vote on remuneration (including pension or other benefits) for himself or for any other Director, and whether the quorum at the meeting of the Board of Directors to vote on Directors' remuneration may include the Director whose remuneration is the subject of the vote.

(c) Borrowing

The Directors may at their discretion exercise every borrowing power vested in the Company by this Constitution or permitted by law and may borrow or raise money from time to time for the purpose of the Company and secure the payment of such sums by mortgage, charge or hypothecation of or upon all or any of the property or assets of the Company including any uncalled or called but unpaid capital or by issue of debentures (whether at par or at discount or premium) or otherwise as they may think fit.

APPENDIX C – SUMMARY OF SELECTED REGULATIONS OF THE CONSTITUTION OF THE COMPANY

(d) Retirement Age Limit

There is no retirement age limit for Directors under the Constitution. Section 153 of the Companies Act however, provides that no person of or over the age of 70 years shall be appointed a director of a public company, unless he is appointed or re-appointed as a director of the Company or authorised to continue in office as a director of the Company by way of an ordinary resolution passed at an annual general meeting of the Company.

(e) Shareholding Qualification

There is no shareholding qualification for Directors in the Constitution of the Company.

2. Share rights and restrictions

The Company currently has one class of shares, namely, ordinary shares. Only persons who are registered on the register of shareholders are recognised as the Shareholders. In cases where the person so registered is CDP, the persons named as the depositors in the depository register maintained by CDP for the ordinary shares are recognised as the Shareholders.

(a) Dividends and distribution

The Directors may, with the sanction of the Company, by ordinary resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company. The Company may capitalise any sum standing to the credit of any of the Company's reserve accounts and apply it to pay dividends, if such dividends are satisfied by the issue of shares to the Shareholders. All dividends are paid pro-rata amongst the Shareholders in proportion to the amount paid up on each Shareholder's ordinary shares, unless the rights attaching to an issue of any ordinary share provide otherwise.

Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto or, if several persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person and such address as such persons may be writing direct Provided that where the Shareholder is an account holder or a Depository Agent (but does not include a sub-account holder), the payment by the Company to the CDP of any dividend payable to such Shareholder shall to the extent of the payment discharge the Company from any further liability in respect of the payment.

The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend do forfeited to the person entitled thereto prior to the forfeiture.

APPENDIX C – SUMMARY OF SELECTED REGULATIONS OF THE CONSTITUTION OF THE COMPANY

The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(b) Voting rights

A holder of the ordinary shares is entitled to attend and vote at any general meeting, in person or by proxy. Proxies need not be a Shareholder. A person who holds ordinary shares through the SGX-ST book-entry settlement system will only be entitled to vote at a general meeting as a Shareholder if his name appears on the depository register maintained by CDP at least 48 hours before the general meeting. Except as otherwise provided in the Constitution, two or more Shareholders must be present in person or by proxy to constitute a quorum at any general meeting. Under the Constitution, on a show of hands, every Shareholder present in person and by proxy shall have one vote, and on a poll, every Shareholder present in person or by proxy shall have one vote for each ordinary share which he holds or represents. A poll may be demanded in certain circumstances, including by the Chairman of the meeting or by any Shareholder present in person or by proxy and representing not less than 10% of the total voting rights of all Shareholders having the right to attend and vote at the meeting or by any two Shareholders present in person or by proxy and entitled to vote. In the case of a tie vote, whether on a show of hands or a poll, the Chairman of the meeting shall be entitled to a casting vote.

3. Change in capital

Changes in the capital structure of the Company (for example, an increase, consolidation, cancellation, sub-division or conversion of the share capital) require Shareholders to pass an ordinary resolution. General meetings at which ordinary resolutions are proposed to be passed shall be called by at least 14 days' notice in writing by advertisement in the daily press and in writing to the Exchange. The reduction of the share capital is subject to the conditions prescribed by law.

4. Variation of rights of existing shares or classes of shares

Subject to the Companies Act, whenever the share capital of the Company is divided into different classes of shares, the repayment of preference capital other than redeemable preference and the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, whether or not the Company is being wound up, only be made, varied or abrogated with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class and to every such Special Resolution the provisions of Section 184 of the Act shall, with such adaptations as are necessary, apply. To every such separate General Meeting the provisions of this Constitution relating to General Meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be two or more persons at least holding or representing by proxy or by attorney one-third of the issued shares of the class present in person or by proxy may demand a poll. Provided always that where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned within two months of the Meeting shall be as valid and effectual as a Special Resolution carried at the Meeting.

APPENDIX C – SUMMARY OF SELECTED REGULATIONS OF THE CONSTITUTION OF THE COMPANY

The relevant Article does not impose more significant conditions than the Companies Act in this regard.

5. Limitations on foreign or non-resident shareholders

There are no limitations imposed by Singapore law or by the Constitution on the rights of the Shareholders who are regarded as non-residents of Singapore, to hold or vote their shares.

APPENDIX D – DESCRIPTION OF THE SHARES

The following statements are brief summaries of the capital structure and the more important rights and privileges of the Shareholders as conferred by the laws of Singapore and the Memorandum and Constitution. These statements summarise the material provisions of the Constitution but are qualified in entirety by reference to the Constitution and the laws of the Singapore. A copy of the Constitution will be available for inspection at the offices during normal business hours for a period of six months from the date of the registration of this Offer Document with the SGX-ST.

Shares

The Constitution provides that the Company may issue shares of a different class with preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit and may issue preference shares which are, or at the option are, redeemable, subject to certain limitations. The Constitution provides that the Company may issue shares of a different class with preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit and may issue preference shares which are, or at the option are, redeemable, subject to certain limitations. The Shares do not have a par value.

As at the Latest Practicable Date, the issued ordinary share capital is S\$2,604,248 consisting of 162,255,600 Shares.

As at the date of this Offer Document, all the Shares have been issued and fully paid. All of the Shares are in registered form. The Company may, subject to the provisions of the Companies Act and the listing rules of the SGX-ST, purchase the own Shares. However, the Company may not, except in circumstances permitted by the Companies Act, grant any financial assistance for the acquisition or proposed acquisition of the Shares.

Shareholders

Only persons who are registered on the register of shareholders and, in cases in which the person so registered is CDP, the persons named as the depositors in the depository register maintained by CDP for the Shares, are recognised as the Shareholders. The Company will not, except as required by law, recognise any equitable, contingent, future or partial interest in any share or other rights for any share other than the absolute right thereto of the registered holder of that share or of the person whose name is entered in the depository register for that share. The Company may close the register of members for any time or times if the Company provides the Accounting and Corporate Regulatory Authority of Singapore with at least 14 days' notice and the SGX-ST at least 10 clear Market Days' notice. However, the register may not be closed for more than 30 days in aggregate in any calendar year. The Company typically closes the register to determine the Shareholders' entitlement to receive dividends and other distributions.

Transfer of Shares

There is no restriction on the transfer of fully paid shares except where required by law or the listing rules or the rules or by-laws of the SGX-ST. The Directors may, in their discretion, decline to register any transfer of shares which are not fully paid or shares on which the Group has a lien. Shares may be transferred by a duly signed instrument of transfer in a form approved by the SGX-ST. The Directors may also decline to register any instrument of transfer unless, among other things, it has been duly stamped and is presented for registration together with the share certificate and such other evidence of title as they may require. The Company will replace lost or

APPENDIX D – DESCRIPTION OF THE SHARES

destroyed certificates for shares if the Company is properly notified and the applicant pays a fee which will not exceed S\$2.00 and furnishes any evidence and indemnity that the Directors may require.

General Meetings of Shareholders

The Company is required to hold an annual general meeting every year. The Directors may convene an extraordinary general meeting whenever they think fit and must do so if the Shareholders representing not less than 10.0% of the total voting rights of all the Shareholders, request in writing that such a meeting be held. In addition, two or more of the Shareholders holding not less than 10.0% of the issued share capital may call a meeting. Unless otherwise required by law or by the Constitution, voting at general meetings is by ordinary resolution, requiring an affirmative vote of a simple majority of the votes cast at that meeting. An ordinary resolution suffices, for example, for the appointment of Directors. A special resolution, requiring the affirmative vote of at least 75.0% of the votes cast at the meeting, is necessary for certain matters under Singapore law, including voluntary winding up, amendments to the Constitution, a change of the corporate name and a reduction in the share capital or capital redemption reserve fund. The Company must give at least 21 days' notice in writing for every general meeting convened for the purpose of passing a special resolution. Ordinary resolutions generally require at least 14 days' notice in writing. The notice must be given to each of the Shareholders who have supplied the Company with an address in Singapore for the giving of notices and must set forth the place, the day and the hour of the meeting and, in the case of special business, the general nature of that business.

Voting Rights

A holder of the Shares is entitled to attend, speak and vote at any general meeting, in person or by proxy. A proxy does not need to be a Shareholder. A person who holds Shares through the SGX-ST book-entry settlement system will only be entitled to vote at a general meeting as a Shareholder if his name appears on the depository register maintained by CDP 48 hours before the general meeting. Except as otherwise provided in the Constitution, two or more Shareholders must be present in person or by proxy to constitute a quorum at any general meeting. Under the Constitution, on a show of hands, every Shareholder present in person and by proxy shall have one vote (provided that in the case of a Shareholder who is represented by two proxies, only one of the two proxies as determined by that Shareholder or, failing such determination, by the Chairman of the meeting at his sole discretion shall be entitled to vote on a show of hands), and on a poll, every Shareholder present in person or by proxy shall have one vote for each Share which he holds or represents. A poll may be demanded in certain circumstances, including by the Chairman of the meeting or by any Shareholder present in person or by proxy and representing not less than 10.0% of the total voting rights of all Shareholders having the right to attend and vote at the meeting or by any two Shareholders present in person or by proxy and entitled to vote. In the case of a tie vote, whether on a show of hands or a poll, the Chairman of the meeting shall be entitled to a casting vote.

Dividends

The Company may, by ordinary resolution of the Shareholders, declare dividends at a general meeting, but the Company may not pay dividends in excess of the amount recommended by the Board. The Company must pay all dividends out of the profits. The Company may satisfy dividends by the issue of Shares to the Shareholders. See the section “– Bonus and Rights Issue” below. All dividends are paid *pro-rata* amongst the Shareholders in proportion to the amount paid-up on each Shareholder's shares, unless the rights attaching to an issue of any Share provide

APPENDIX D – DESCRIPTION OF THE SHARES

otherwise. Unless otherwise directed, dividends are paid by cheque or warrant sent through the post to each Shareholder at his registered address. Notwithstanding the foregoing, the payment by the Company to CDP of any dividend payable to a Shareholder whose name is entered in the depository register shall, to the extent of payment made to CDP, discharge the Company from any liability to that Shareholder in respect of that payment.

Bonus and Rights Issue

The Board may, with the approval of the Shareholders at a general meeting, capitalise any reserves or profits (including profits or monies carried and standing to any reserve) and distribute the same as bonus shares credited as paid-up to the Shareholders in proportion to their shareholdings. The Board may also issue rights to take up additional Shares to other Shareholders in proportion to their shareholdings. Such rights are subject to any conditions attached to such issue and the regulations of any stock exchange on which the Company is listed.

Take-overs

Under the Singapore Code on Take-overs and Mergers (the “**Take-over Code**”) issued by the Authority pursuant to Section 321 of the SFA, any person acquiring an interest, either on his own or together with persons acting in concert with him, in 30.0% or more of the voting shares must extend a take-over offer for the remaining voting shares in accordance with the provisions of the Take-over Code. In addition, a mandatory takeover offer is also required to be made if a person holding, either on his own or together with persons acting or presumed to be acting in concert with him, between 30.0% and 50.0% of the voting shares acquires additional voting shares representing more than 1.0% of the voting shares in any six-month period.

Liquidation or Other Return of Capital

If the Group is liquidated or in the event of any other return of capital, holders of the Shares will be entitled to participate in any surplus assets in proportion to their shareholdings, subject to any special rights attaching to any other class of shares.

Indemnity

As permitted by Singapore law, the Constitution provide that, subject to the Companies Act, the Board and officers shall be entitled to be indemnified by the Company against any liability incurred in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to have been done as an officer, director or employee and in which judgement is given in their favour or in which they are acquitted or in connection with any application under any statute for relief from liability in respect thereof in which relief is granted by the court. The Company may not indemnify the Directors and officers against any liability which by law would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in relation to the Company.

Limitations on Rights to Hold or Vote Shares

Except as described in “– Voting Rights” and “– Take-overs” above, there are no limitations imposed by Singapore law or by the Constitution on the rights of non-resident Shareholders to hold or vote ordinary Shares.

APPENDIX D – DESCRIPTION OF THE SHARES

Minority Rights

The rights of minority shareholders of Singapore-incorporated companies are protected under Section 216 of the Companies Act, which gives the Singapore courts a general power to make any order, upon application by any of the Shareholders, as they think fit to remedy any of the following situations where:

- (a) the affairs are being conducted or the powers of the Directors are being exercised in a manner oppressive to, or in disregard of the interests of, one or more of the Shareholders; or
- (b) the Company takes an action, or threaten to take an action, or the Shareholders pass a resolution, or propose to pass a resolution, which unfairly discriminates against, or is otherwise prejudicial to, one or more of the Shareholders, including the applicant.

Singapore courts have a wide discretion as to the relief they may grant and such relief is in no way limited to those listed in the Companies Act itself. Without prejudice to the foregoing, the Singapore courts may:

- (a) direct or prohibit any act or cancel or vary any transaction or resolution;
- (b) regulate the conduct of the affairs in the future;
- (c) authorise civil proceedings to be brought in the name, or on the behalf, by a person or persons and on such terms as the court may direct;
- (d) provide for the purchase of a minority shareholder's shares by the other shareholders or by the Company and, in the case of a purchase of shares by the Company, a corresponding reduction of the share capital;
- (e) in the case of a purchase of shares by the Company, provide for a reduction accordingly of the Company's capital; or
- (f) provide that the Company be wound up.

Treasury Shares

The Constitution expressly permits the Company to purchase or acquire shares or stocks of the Company and to hold such shares or stocks (or any of them) as treasury shares in accordance with requirements of Section 76 of the Companies Act. The Company may make a purchase or acquisition of the own shares (i) on a securities exchange if the purchase or acquisition has been authorised in advance by the Company in general meeting; or (ii) otherwise than on a securities exchange if the purchase or acquisition is made in accordance with an equal access scheme authorised in advance by the Company in general meeting. The aggregate number of Shares held as treasury shares shall not at any time exceed 10.0% of the total number of Shares of the Company at that time. Any excess shares shall be disposed or cancelled before the end of a period of six months beginning with the day on which that contravention of limit occurs, or such further period as the Registrar may allow. Where shares or stocks are held as treasury shares by the Company through purchase or acquisition by the Company, the Company shall be entered in the register as the member holding those shares or stocks.

APPENDIX D – DESCRIPTION OF THE SHARES

The Company shall not exercise any right in respect of the treasury shares and any purported exercise of such a right is void. Such rights include any right to attend or vote at meetings and the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made, to the Company in respect of the treasury shares. However, this would not prevent an allotment of shares as fully paid bonus shares in respect of the treasury shares or the subdivision or consolidation of any treasury share into treasury share of a smaller amount, if the total value of the treasury shares after the subdivision or consolidation is the same as the total value of the treasury share before the subdivision or consolidation, as the case may be.

Where Shares are held as treasury shares, the Company may at any time (i) sell the Shares (or any of them) for cash; (ii) transfer the Shares (or any of them) for the purposes of or pursuant to an employees' share scheme; (iii) transfer the Shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person; or (iv) cancel the Shares (or any of them).

APPENDIX E – TAXATION

Singapore Taxation

The following is a discussion of certain tax matters arising under the current tax laws in Singapore on the tax consequences in relation to the purchase, ownership and disposal of the shares. The discussion is based on current tax laws in Singapore and is not intended to be and does not constitute legal or tax advice.

While this discussion is considered to be a correct interpretation of existing laws in force as at the date of this Offer Document, no assurance can be given that the courts or fiscal authorities responsible for the administration of such laws will agree with this interpretation or that changes in such laws, which may be retrospective, will not occur. The discussion is limited to a general description of certain tax consequences in Singapore with respect to ownership of the Shares by Shareholders, and does not purport to be a comprehensive or exhaustive description of all of the tax considerations that may be relevant to a Shareholder's decision with regard to the Offering.

Shareholders should consult their own tax advisors regarding Singapore income tax and other consequences of owning and disposing of the Shares. It is emphasised that neither the Group, the Directors nor any other persons involved in this Offering accepts responsibility for any tax effects or liabilities resulting from the subscription, purchase, holding or disposal of the Shares.

Singapore income tax

Corporate income tax

A Singapore tax resident corporate taxpayer is subject to Singapore income tax on:

- income accrued in or derived from Singapore; and
- foreign sourced income received or deemed received in Singapore, unless otherwise exempted.

Foreign income in the form of branch profits, dividends and service fee income (the "**specified foreign income**") received or deemed received in Singapore by a Singapore tax resident corporate taxpayer are exempted from Singapore tax subject to meeting the qualifying conditions.

A non-Singapore tax resident corporate taxpayer, subject to certain exceptions, is subject to Singapore income tax on income accrued in or derived from Singapore, and on foreign income received or deemed received in Singapore.

A company is regarded as tax resident in Singapore if the control and management of the company's business is exercised in Singapore. Normally, control and management of the company is vested in its board of directors and the place of residence of the company is where its directors meet.

The first S\$200,000 of chargeable income is exempt from tax as follows:

- (a) 75% of up to the first S\$10,000 of chargeable income; and
- (b) 50% of up to the next S\$190,000 of chargeable income.

The remaining chargeable income (after deducting the applicable tax exemption of the first S\$200,000 of chargeable income) will be taxed at the prevailing corporate tax rate, currently 17%.

APPENDIX E – TAXATION

Individual income tax

An individual taxpayer (both resident and non-resident) is subject to Singapore income tax on income accrued in or derived from Singapore, subject to certain exceptions. Foreign-sourced income received or deemed received by a Singapore tax resident individual is generally exempt from income tax in Singapore except for such income received through a partnership in Singapore. Certain Singapore-sourced investment income received or deemed received by individuals is also exempt from tax.

Currently, a Singapore tax resident individual is subject to tax at the progressive rates, ranging from 0% to 22.0%.

The maximum tax rate will be increased to 24.0% with effect from YA 2024. Income derived by a non-Singapore tax resident individual is, subject to certain exceptions and conditions, normally taxed at the rate of 22.0%, and 24.0% with effect from YA 2024. Singapore employment income derived by a non-Singapore tax resident individual is taxed at a flat rate of 15.0% or at resident rates, whichever yields a higher tax.

An individual is regarded as a tax resident in Singapore if in the calendar year preceding the year of assessment, he was physically present in Singapore or exercised an employment in Singapore (other than as a director of a company) for 183 days or more, or if he ordinarily resides in Singapore.

Dividend distributions

Under the one-tier corporate tax system, the tax paid by a resident company is a final tax and the distributable profits of the company can be paid to shareholders as tax exempt (one-tier) dividends. Dividends paid by the Company will be exempt from tax in the hands of Shareholders, regardless of the tax residence status or the legal form of the Shareholders. However, foreign Shareholders are advised to consult their own tax advisors to take into account the tax laws of their respective countries of residence and the existence of any double taxation agreement which their country of residence may have with Singapore.

Gains on disposal of Shares

Singapore currently does not impose tax on capital gains. However, there are no specific laws or regulations which deal with the characterisation of capital gains. In general, gains or profits derived from the disposal of the Shares acquired for long-term investment purposes are considered as capital gains and not subject to Singapore tax.

On the other hand, where such gains or profits arise from activities which the Comptroller of Income Tax regards as the carrying on of a trade or business of dealing in shares in Singapore, gains or profits will ordinarily be taxed as income.

According to section 13Z of the Income Tax Act, the gains derived from the disposal of ordinary shares in an investee company during the period 1 June 2012 to 31 December 2027 (both dates inclusive) are not taxable if immediately prior to the date of the share disposal, the divesting company had held at least 20% of the ordinary shares in the investee company for a continuous period of at least 24 months. Where the exemption conditions are not met, the nature of the gain will be determined based on the badges of trade test.

APPENDIX E – TAXATION

In addition, Shareholders who adopt the tax treatment to be aligned with the Singapore Financial Reporting Standard 39 Financial Instruments – Recognition and Measurement (“FRS 39”) may be taxed on gains or losses (not being gains or losses in the nature of capital) even though no sale or disposal of the Shares is made. Shareholders who may be subject to such tax treatment should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Shares.

Stamp duty

There is no stamp duty payable on the subscription, allotment or holding of the Shares.

Stamp duty is payable on the instrument of transfer of the Shares at the rate of S\$2.00 for every S\$1,000 or any part thereof, computed on the consideration paid or market value of the Shares registered in Singapore, whichever is higher.

The purchaser is liable for stamp duty, unless there is an agreement to the contrary. No stamp duty is payable if no instrument of transfer is executed (such as in the case of scripless shares, the transfer of which does not require instruments of transfer to be executed) or if the instrument of transfer is executed outside Singapore. However, stamp duty may be payable if the instrument of transfer which is executed outside Singapore is subsequently received in Singapore.

Goods and services tax (“GST”)

GST is a tax on domestic consumption of goods and services and on the importation of goods into Singapore. The standard rate of GST is currently 8.0%.

The sale of the Shares by an investor belonging in Singapore to another person belonging in Singapore is an exempt supply not subject to GST.

Where the Shares are sold by a GST-registered investor in the course of a business to a person belonging outside Singapore, and that person is outside Singapore when the sale is executed, the sale should generally, subject to satisfaction of certain conditions, be considered a taxable supply subject to GST at zero-rate. Any input GST incurred by a GST-registered investor in the making of this supply in the course of or furtherance of a business carried on by him is recoverable from the Comptroller of GST.

Services such as brokerage, handling and clearing services rendered by a GST-registered person to an investor belonging in Singapore in connection with the investor’s purchase, sale or holding of the Shares will be subject to GST at the current rate of 8.0%. The GST rate will be increased to 9.0% from 1 January 2024. Similar services rendered to an investor belonging outside Singapore is generally subject to GST at zero-rate, provided that the investor is outside Singapore when the services are performed and the services provided do not benefit any Singapore persons.

Taiwan Taxation

The following is a discussion of certain tax matters arising under the current tax laws in Taiwan on the tax consequences in relation to the purchase, ownership and disposal of the shares. The discussion is based on current tax laws in Taiwan and is not intended to be and does not constitute legal or tax advice.

APPENDIX E – TAXATION

While this discussion is considered to be a correct interpretation of existing laws in force as at the date of this Offer Document, no assurance can be given that the courts or fiscal authorities responsible for the administration of such laws will agree with this interpretation or that changes in such laws, which may be retrospective, will not occur. The discussion is limited to a general description of certain tax consequences in Taiwan with respect to ownership of the Shares by Shareholders, and does not purport to be a comprehensive or exhaustive description of all of the tax considerations that may be relevant to a Shareholder's decision with regard to the Offering.

Shareholders should consult their own tax advisors regarding Taiwan income tax and other consequences of owning and disposing of the Shares. It is emphasised that neither the Group, the Directors nor any other persons involved in this Offering accepts responsibility for any tax effects or liabilities resulting from the subscription, purchase, holding or disposal of the Shares.

Taiwan income tax

Corporate income tax

Corporate income taxpayers are classified as follows:

Profit-seeking enterprises: This refers to enterprises operated by public, private, or joint public and private interests that have a registered business name or a place of business and are organised in the form of a sole proprietorship, partnership, company, or any other form of organisation. Profit-seeking enterprises in Taiwan are divided into two categories:

- Profit-seeking enterprises with head offices within Taiwan; and
- Profit-seeking enterprises with head offices outside Taiwan but having income derived from sources in Taiwan.

Permanent establishment (“**PE**”): For Taiwan income tax purposes, this refers to a foreign enterprise which has a fixed place of business (“**FPOB**”) or business agent (“**BA**”) in Taiwan.

Corporate tax rates:

Profit-seeking enterprises are taxed at the following:

| Taxable income | Tax rate |
|-----------------------|-----------------|
| Up to NT\$120,000 | 0% |
| NT\$120,001 and above | 20% |

In addition to regular tax calculations, Taiwan profit-seeking enterprises and foreign companies with a PE in Taiwan are subject to a separate alternative minimum tax (“**AMT**”) calculation in accordance with the Income Basic Tax Act (“**IBTA**”).

In addition, a 5% profit retention tax is imposed on any current earnings that remain undistributed by the end of the following year. Taiwan branches of foreign companies are not subject to profit retention tax.

APPENDIX E – TAXATION

Corporate tax system:

Resident enterprises are taxed on worldwide income. Non-resident enterprises are taxed on income derived from Taiwan sources.

The taxable income of a profit-seeking enterprise is calculated from net income, which is defined as gross annual revenues after the deduction of costs, expenses, losses and taxes (except for income tax). Except for certain exempt items, income from all sources (business income, rent, interest, royalties, and capital gains realised from property sales, etc.) is subject to income tax. To determine a company's taxable income, its accounting income is adjusted by taking into account non-taxable income, non-deductible expenses, allowable provisions, and losses carried forward, etc.

Certain items of income are not included in taxable income. Currently, gains from sales of Taiwanese securities and futures are exempt from regular income tax. Also, for land purchased prior to 2 January 2014, or land purchased on or after 2 January 2014 but before 1 January 2016 and held for more than two years, disposal gain is exempted from regular income tax. Nevertheless, losses and expenses attributable to aforementioned tax exempted income are accordingly not tax deductible.

However, Taiwan resident companies and foreign companies with a PE in Taiwan are required to include any tax exemption gains arising from securities and futures transactions in their AMT calculation in accordance with the provisions of IBTA.

Categories of income exempt from income tax include, but are not limited to:

- Capital gains derived from securities and futures transactions;
- Dividends received by a Taiwan company from another domestic profit-seeking enterprise;
- Certain technical service fees received by foreign entities for construction of plants, subject to government approval;
- Operating income obtained within Taiwan by a foreign enterprise engaged in international transportation, provided reciprocal treatment is granted by the home country of the foreign enterprise to a Taiwan-based transportation enterprise operating in its territory.

Individual income tax

In Taiwan, the taxation of individuals, including foreign nationals, is based on their source of income and residency status. Individual income tax is levied on Taiwan-sourced income of both resident and non-resident individuals, unless exempted under the provisions of Income Tax Act (“ITA”) and other laws.

Income received for services rendered in Taiwan is considered to be Taiwan-sourced income subject to tax, regardless of whether such income is paid by a local or an offshore employer. However, income received by a non-resident individual for services rendered in Taiwan is not considered Taiwan-sourced income if the total length of the stay in Taiwan does not exceed 90 days in a calendar year, and the compensation is paid by an offshore employer.

Currently, a Taiwan tax resident individual is subject to tax at the progressive rates, ranging from 5% to 40%.

APPENDIX E – TAXATION

Employment income is generally treated as Taiwan-sourced compensation (including base salary, bonuses, allowances, benefits, etc.), where the individual performs services while being physically located in Taiwan. Income tax is computed on gross income and collected through withholding at source if payment is made from a Taiwanese enterprise or recharged and borne by a Taiwanese enterprise. The applicable withholding tax (“**WHT**”) rates for salary income are 5% for resident individuals and 18% for non-residents.

Foreign nationals staying in Taiwan for no longer than 90 days in a calendar year are subject to WHT at a flat rate of 18% on salary income received from a Taiwanese enterprise. However, remuneration paid by a foreign employer with no recharge to a Taiwanese enterprise is exempted from Taiwan income tax.

Foreigners staying in Taiwan for more than 90 days but less than 183 days in a calendar year are also subject to a flat 18% tax on remuneration for services rendered in Taiwan, regardless of where the compensation is paid.

In addition to regular income tax calculations under the ITA, Taiwan also imposes income basic tax, at a flat rate of 20%, on individuals who are tax residents in Taiwan (including expatriates who stay in Taiwan for 183 days or more in a tax year).

Stamp duty

Stamp duty is chargeable on certain documents drawn up within the territory of Taiwan and not on transactions.

Scope of taxation:

The types of documents subject to stamp tax include:

- Receipts for monetary payments.
- Contracts or deeds for the purchase and sale of movable properties.
- Contractual agreements for the completion of specific tasks.
- Contracts for the sale, transfer and partition of real estate.

Tax rates:

- Receipts for monetary payments:
 - 0.4% of the amount received per piece, with revenue stamp to be affixed by the issuer.
 - 0.1% of the money deposited by the bidder, with revenue stamp to be affixed by the issuer.
- Contracts or deeds for the purchase and sale of movable properties: NT\$12 per piece with revenue stamp to be affixed by the contractor or issuer of the deed.

APPENDIX E – TAXATION

- Contractual agreements: 0.1% of the contract price, with revenue stamp to be affixed by the contractor or issuer of the deed.
- Contracts for the sale, transfer and partition of real estate: 0.1% of the contract price or the assessed standard price announced by the government, with revenue stamp to be affixed by the contractor or issuer of the deed.

Value Added Tax (“VAT”)

Business tax generally applies to the sale of goods and services within Taiwan, as well as the importation of goods into Taiwan. Business tax is imposed under two systems: VAT and non-VAT (also known as gross business receipts tax or GBRT).

- VAT – applicable to general industries. The tax is levied according to the value added to goods or services at each stage in the production and distribution chain. The current standard rate of VAT is 5%, except for the sale of goods or services that are zero-rated, or which qualify for VAT exemption. The general rule is that an input tax credit is only available under the VAT system. Each seller collects output VAT from the buyer at the time of sale, deducts input VAT paid on purchases from output VAT, and remits the balance to the tax office. Overpaid VAT is refundable under certain circumstances. Thus, VAT in most cases does not represent an additional cost to the enterprise; rather, the cost is passed on to the end consumer.
- Non-VAT (also known as gross business receipts tax or GBRT) – applicable to financial institutions, special vendors of beverages and food, and small-scale business enterprises. Their sales, based on gross receipts, are subject to various business tax rates.

VAT rate:

5% standard rate applies generally on all domestic sales of goods and services, and importation of goods.

Under the VAT system, each seller collects output VAT from the buyer at the time of sale, deducts input VAT paid on purchases from output VAT, and remits the balance to the tax authority.

Japanese Taxation

The below is a summary of major Japanese taxes presently imposed on SGKK, including those taxes, in respect of which actual tax due is zero.

Corporate income tax

As a Japanese resident corporation, SGKK is subject to corporate income tax on its worldwide income, where taxable income is determined by making certain adjustments to accounting profit or loss. Generally, corporate tax rate is 23.2%. For corporations with registered capital of JPY100 million or less, a reduced tax rate of 15% will be applied to the extent of JPY8 million of taxable income.

SGKK reported net operating loss (“**NOL**”) in the fiscal years ending on 30 June 2021 and 30 June 2022. The NOL may be carried forward for the succeeding ten (10) years provided that SGKK files the blue-form tax return in the fiscal year in which NOL is incurred and continues to file tax returns in succeeding years. For small and medium sized corporations, the amount of NOLs carried

APPENDIX E – TAXATION

forward can be used to offset current year taxable income without any limitation. A corporation will be treated as a small and medium sized corporation for these purposes, if neither the registered capital amount exceeds JPY100 million nor the registered capital amount of its 100% parent corporation (including the ultimate corporation) is JPY500 million or more. For a corporation other than a small and medium sized corporation and those falling under certain categories (such as companies commencing rehabilitation procedures, certain newly established companies, etc.), the utilisation of the carried forward NOLs will be limited to 50% of current year taxable income.

Local corporate tax

Local corporate tax is a national tax, of which tax base is standard corporate income tax liability and tax rate is 10.3%.

Local inhabitant tax

Corporations are obliged to pay Prefectural inhabitant tax and City inhabitant tax where the corporation has its office or place of business. Local inhabitant tax consists of an income levy component and a per capita levy component. Income levy component; tax base is corporate income tax liability and applicable tax rate is generally in the range of 7% to 10.4%, depending on the amount of registered capital, amount of corporate income tax liability and prefecture/city, town or village where the office/place of business is located.

Per capita levy component; the tax amount is generally in the range of JPY70,000 to JPY4,400,000, depending on number of employees and the total amount of capital etc. (including capital and capital reserve in principle) and prefecture/city, town or village where the office/place of business is located.

As SGKK only has an office in Tokyo with two (2) employees and its total amount of capital etc. is JPY20 million, applicable tax amount of per capita levy component is JPY180,000 for the fiscal year ending on 30 June 2022. Since SGKK reported NOL in the fiscal year ending on 30 June 2022, the income levy component was not actually imposed.

Business tax

Corporations are obliged to pay business tax to prefectures where the corporation has its office or place of business. Tax base is taxable income and applicable tax rate is generally in the range of 7% to 7.48% (reduced rate may be applicable in certain cases), depending on the amount of registered capital, amount of taxable income or gross revenue, and prefecture where the office/place of business is located.

Since SGKK reported NOL in the fiscal year ending on 30 June 2022, the business tax was not actually imposed (although SGKK still had a tax filing obligation.).

Special business tax

Special business tax is a national tax, imposed on corporations that are subject to business tax. Tax base is business tax liability and tax rate is 37%.

APPENDIX E – TAXATION

Consumption tax

Consumption tax is imposed on the transfer or lease of goods and supply of services in Japan. Certain cross border supplies of electronic services by a non-Japanese corporation to Japanese individual residents and Japanese corporations are also included in the scope of Japanese consumption taxes. Standard tax rate is 10% (including local consumption tax).

1. *The below is a summary of major Japanese taxes that are presently not imposed on SGKK because of tax exemption threshold.*

Depreciable Fixed Asset Tax

Depreciable Fixed Asset Tax is a tax imposed by city, town or village, in which the assets in question are located, and it is imposed on the owner as of 1 January of each year. Depreciable assets will be, in principle, subject to depreciable fixed asset tax if the amount of relevant depreciation is deducted in the computation of taxable income. Tax base of depreciable fixed asset tax is amount of taxable value of such assets (i.e. acquisition cost after deduction of statutory depreciation) and standard tax rate is 1.4%. Tax rate may be higher than 1.4% depending on city, town or village where the assets are located. If total taxable value of depreciable assets located in a city, town or village is less than JPY1.5 million, depreciable fixed asset tax will be exempted.

As the amount of depreciable fixed assets owned by SGKK is less than the tax-exempt threshold, SGKK did not pay depreciable fixed asset tax during the fiscal year ending on 30 June 2022 or before (although SGKK still had a tax filing obligation). However, if taxable value of depreciable fixed assets in a city, town, or village (including a special ward in Tokyo) exceeds JPY1.5 million, SGKK will be required to pay depreciable fixed asset tax.

Establishment Tax

Establishment tax is a municipal tax imposed only by the cities specified by the local tax act, and the 23 special wards in Tokyo where SGKK is located, impose establishment tax.

Establishment Tax consists of a per property levy component and a per employee levy component. Per property levy component is imposed on corporations whose total floor space of office in certain city or the 23 special wards in Tokyo exceeds 1,000 square meters. Tax rate of per property levy component is JPY600 per square meter of its office floor. Per employee levy component is imposed on corporations whose total number of employees in offices located in certain city or the 23 special wards in Tokyo exceeds 100. Tax base of per employee levy component is total amount of employees' salary and tax rate is 0.25%.

Whether the tax exemption is applied or not will be decided for each levy respectively, based on the circumstances as of the end of the fiscal year.

2. *Special Tax benefit*

SGKK does not receive any special Japanese tax benefit during the year ending on 30 June 2022 or before, such as tax credit or tax reduction applicable to enterprises in special economic zone etc.

APPENDIX E – TAXATION

3. Japanese tax on dividends

Dividends paid by SGKK to the Singapore parent corporation is subject to withholding tax at a rate of 5% on gross dividends paid to the shareholder provided that the Singapore parent, under the laws of Singapore, is a tax resident of Singapore and liable to Singapore tax by reason of place of head or main office, place of control and management or any other criterion of a similar nature.

The rate of 5% will be applicable only if the Singapore parent company owns at least 25 per cent of the voting shares of SGKK during the period of six months immediately before the end of the accounting period for which the distribution of profit takes place, and any other necessary conditions stipulated in the tax treaty between Singapore and Japan are all met. Otherwise, 15% is applied in principle.

This withholding tax should be a final tax and no Japanese tax return should be required of Singapore parent company due to the receipt of the dividend from SGKK, assuming that the Singapore parent company has no permanent establishment in Japan.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

You are invited to apply and subscribe for and/or purchase the Offering Shares at the Offering Price for each Offering Share subject to the following terms and conditions set out below and in the relevant printed application forms to be used for the purpose of this Offering and which forms part of the Offer Document (the “**Application Forms**”) or, as the case may be the Electronic Applications (as defined herein):

1. **YOUR APPLICATION MUST BE MADE IN LOTS OF 1,000 OFFERING SHARES OR INTEGRAL MULTIPLES THEREOF YOUR APPLICATION FOR ANY OTHER NUMBER OF OFFERING SHARES WILL BE REJECTED.**
2. Your application for Public Offer Shares may be made by way of printed **WHITE** Public Offer Shares Application Forms or by way of Electronic Applications through ATMs belonging to the **Participating** Bank (“**ATM Electronic Applications**”) or through Internet Banking (“**IB**”) websites of the Participating Bank (“**Internet Electronic Applications**”), or through the mobile banking (“**mBanking**”) interface of DBS Bank (“**mBanking Applications**”, which together with ATM Electronic Applications and Internet Electronic Applications, shall be referred to as “**Electronic Applications**”).

Your application for the Placement Shares may only be made by way of printed **BLUE** Placement Shares Application Forms or such other form of application as the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent may deem appropriate.

YOU MAY NOT USE CPF FUNDS TO APPLY FOR THE OFFERING SHARES.

3. **You (not being an approved nominee company) are allowed to submit only one (1) application in your own name for the Public Offer Shares or the Placement Shares. If you submit an application for Public Offer Shares by way of Public Offer Shares Application Form, you MAY NOT submit another application for Public Offer Shares by way of an Electronic Application and *vice versa*. Such separate applications shall be deemed to be multiple applications and may be rejected at the discretion of the Company, the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent.**

If you submit an application for Public Offer Shares by way of an ATM Electronic Application, you MAY NOT submit another application for Public Offer Shares by way of an Internet Electronic Application or a mBanking Application and *vice versa*. Such separate applications shall be deemed to be multiple applications and may be rejected at the discretion of the Company, the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent.

If you, being other than an approved nominee company, have submitted an application for Public Offer Shares in your own name, you should not submit any other application for Public Offer Shares, whether by way of a WHITE Public Offer Shares Application Form or by way of an Electronic Application, for any other person. Such separate applications shall be deemed to be multiple applications and may be rejected at the discretion of the Company, the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

If you have made an application for Placement Shares, and you have also made a separate application for the Public Offer Shares, either by way of a **WHITE** Public Offer Shares Application Form or by way of an Electronic Application and *vice versa*, the Company, the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent shall have the discretion to either (i) reject both of such separate applications; or (ii) accept any one or both of such separate applications.

Conversely, if you have made an application for Public Offer Shares either by way of an Electronic Application or by way of a **WHITE** Public Offer Shares Application Form, and you have also made a separate application for Placement Shares, the Company, the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and/or Joint Placement Agent shall have the discretion to either (i) reject both of such separate applications; or (ii) accept any one or both of such separate applications. Such separate applications shall be deemed to be a multiple application and may be rejected at the discretion of the Company, the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent.

Joint and multiple applications for the Offering Shares may be rejected at the discretion of the Company, the Sponsor, Issue Manager and/or Joint Placement Agent, and the Underwriter and Joint Placement Agent. If you submit or procure submissions of multiple share applications for Public Offer Shares, Placement Shares or both Public Offer Shares and Placement Shares, you may be deemed to have committed an offence under the Penal Code 1871 of Singapore and the SFA, and your applications may be referred to the relevant authorities for investigation. Multiple applications or those appearing to be or suspected of being multiple applications may be rejected at the discretion of the Company, the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent.

4. We will not accept applications from any person under the age of 18 years, undischarged bankrupts, sole-proprietorships, partnerships, or non-corporate bodies, joint Securities Account holders of CDP and from applicants whose addresses (as furnished in their Application Forms or, in the case of Electronic Applications, contained in the records of the Participating Bank, as the case may be) bear post office box numbers. No person acting or purporting to act on behalf of a deceased person is allowed to apply under the Securities Account with CDP in the name of the deceased at the time of the application.
5. We will not recognise the existence of a trust. Any application by a trustee or trustees must therefore be made in his/her/their own name(s) and without qualification or, where the application is made by way of an Application Form by a nominee, in the name(s) of an approved nominee company or companies after complying with paragraph 6 below.
6. **WE WILL NOT ACCEPT APPLICATIONS FROM NOMINEES EXCEPT THOSE MADE BY APPROVED NOMINEE COMPANIES ONLY.** Approved nominee companies are defined as banks, merchant banks, finance companies, insurance companies, licensed securities dealers in Singapore and nominee companies controlled by them. Applications made by persons acting as nominees other than approved nominee companies shall be rejected.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

7. **IF YOU ARE NOT AN APPROVED NOMINEE COMPANY, YOU MUST MAINTAIN A SECURITIES ACCOUNT WITH CDP IN YOUR OWN NAME AT THE TIME OF YOUR APPLICATION.** If you do not have an existing Securities Account with CDP in your own name at the time of your application, your application will be rejected (if you apply by way of an Application Form), or you will not be able to complete your Electronic Application (if you apply by way of an Electronic Application). If you have an existing Securities Account with CDP but fail to provide your Securities Account number or provide an incorrect Securities Account number in Section B of the Application Form or in your Electronic Application, as the case may be, your application is liable to be rejected. Subject to paragraph 8 below, your application shall be rejected if your particulars such as name, NRIC/passport number, CDP Securities Account number, nationality and permanent residence status provided in your Application Form or in the case of an Electronic Application, contained in records of the Participating Bank at the time of your Electronic Application, as the case may be, differ from those particulars in your Securities Account as maintained with CDP. If you possess more than one (1) individual direct Securities Account with CDP, your application shall be rejected.
8. **If your address as stated in the Application Form or, in the case of an Electronic Application, contained in the records of the Participating Bank, as the case may be, is different from the address registered with CDP, you must inform CDP of your updated address promptly, failing which the notification letter on successful allotment and other correspondence from CDP will be sent to your address last registered with CDP.**
9. **The Company, in consultation with the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent, reserves the right to reject any application which does not conform strictly to the instructions set out in the Application Form and in this Offer Document or which does not comply with the instructions for Electronic Applications or with the terms and conditions of this Offer Document or, in the case of an application by way of an Application Form, which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly drawn remittance or improper form of remittance or which is not honoured upon its first presentation.**

The Company further reserves the right to treat as valid any applications not completed or submitted or effected in all respects in accordance with the instructions set out in the Application Forms or the instructions for Electronic Applications or the terms and conditions of this Offer Document, and also to present for payment or other processes all remittances at any time after receipt and to have full access to all information relating to, or deriving from, such remittances or the processing thereof.

Without prejudice to the rights of the Company, the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and/or Joint Placement Agent, as agents of the Company, have been authorised to accept, for and on behalf of the Company, such other forms of application as the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent deem appropriate.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

10. The Company, in consultation with the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent, reserves the right to reject or to accept, in whole or in part, or to scale down or to ballot any application, without assigning any reason therefor, and no enquiry and/or correspondence on the decision with regards hereto will be entertained. This right applies to applications made by way of Application Forms and by way of Electronic Applications. In deciding the basis of allotment, which shall be at our discretion, due consideration will be given to the desirability of allotting the Offering Shares to a reasonable number of applicants with a view to establishing an adequate market for the Shares.
11. Share certificates will be registered in the name of CDP and will be forwarded only to CDP. It is expected that CDP will send to you, at your own risk, within 15 Market Days after the close of the Application List, and subject to the submission of valid applications and payment for the Offering Shares, a statement of account stating that your Securities Account has been credited with the number of Offering Shares allotted and/or allocated to you, if your application is successful. This will be the only acknowledgement of application monies received and is not an acknowledgement by the Company. You irrevocably authorise CDP to complete and sign on your behalf, as transferee or renounee, any instrument of transfer and/or other documents required for the issue and/or transfer of the Offering Shares allotted and/or allocated to you. This authorisation applies to applications made by way of Application Forms and by way of Electronic Applications.
- 11 A. In the event that the Company lodges a supplementary or replacement offer document (“**Relevant Document**”) pursuant to the SFA or any applicable legislation in force from time to time prior to the close of the Offering, and the Offering Shares have not been issued and/or transferred, we will (as required by law and subject to the SFA), at our sole and absolute discretion, either:
- (a) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of the lodgment of the Relevant Document, give you notice in writing of how to obtain, or arrange to receive, a copy of the same and provide you with an option to withdraw your application and take all reasonable steps to make available within a reasonable period the Relevant Document to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the Relevant Document;
 - (b) within seven (7) days of the lodgment of the Relevant Document give you a copy of the Relevant Document and provide you with an option to withdraw your application; or
 - (c) deem your application as withdrawn and cancelled and shall, within seven (7) days from the date of lodgment of the Relevant Document, return all monies paid in respect of any application, without interest or any share of revenue or benefit arising therefrom and at the applicants’ own risk, and the applicants shall not have any claim whatsoever against the Company, the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent.

Where you have notified us within 14 days from the date of lodgment of the Relevant Document of your wish to exercise your option under Paragraph 11A (a) and (b) above to withdraw your application, we shall pay to you all monies paid by you on account of your application for the Offering Shares without interest or any share of revenue or other benefit arising therefrom and at your own risk, within seven (7) days from the receipt of such notification and you will not have any claim against the Company, the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

- 11 B. In the event that at the time of the lodgment of the Relevant Document, the Offering Shares have already been issued but trading has not commenced, we will (as required by law and subject to the SFA), at our sole and absolute discretion, either:
- (a) within two (2) days (excluding Saturday, Sunday or public holiday) from the date of the lodgment of the Relevant Document, give you notice in writing of how to obtain, or arrange to receive, a copy of the same and provide you with an option to return to the Company the Offering Shares which you do not wish to retain title in and take all reasonable steps to make available within a reasonable period the Relevant Document to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the Relevant Document;
 - (b) within seven (7) days from the lodgment of the Relevant Document give you a copy of the Relevant Document and provide you with an option to return the Offering Shares which you do not wish to retain title in; or
 - (c) in the case of the Offering Shares, subject to compliance with the applicable laws and the Constitution of the Company, we shall buy back the Offering Shares at the Offering Price and cancel such Offering Shares upon repurchase, as the issue of the Offering Shares is required by the SFA to be treated as void, within seven (7) days from the date of lodgment of the supplementary or replacement offer document and you shall not have any claim against the Company, the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent.

Any applicant who wishes to exercise his option under paragraph 11 B (a) and (b) above to return the Offering Shares issued and/or transferred to him shall, within 14 days from the date of lodgment of the Relevant Document, notify us of this and return all documents, if any, purporting to be evidence of title of those Offering Shares, whereupon we shall, subject to compliance with the Companies Act and the Constitution of the Company, within seven (7) days from the receipt of such notification and documents, purchase the applicant's Offering Shares at the Offering Price and pay to him all monies paid by him for the Offering Shares without interest or any share of revenue or other benefit arising therefrom and at his own risk, and those Offering Shares shall be cancelled upon repurchase by the Company.

Additional terms and instructions applicable upon the lodgment of the Relevant Document, including instructions on how you can exercise the option to withdraw your application or return the Offering Shares allotted to you, may be found in such Relevant Document.

12. In the event of an under-subscription for Public Offer Shares as at the close of the Application List, that number of Public Offer Shares under-subscribed shall be made available to satisfy applications for the Placement Shares to the extent that there is an over-subscription for Placement Shares as at the close of the Application List.

In the event of an under-subscription for Placement Shares as at the close of the Application List, that number of Placement Shares under-subscribed shall be made available to satisfy applications for Public Offer Shares to the extent that there is an over-subscription for Public Offer Shares as at the close of the Application List.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

In the event of an over-subscription for Public Offer Shares as at the close of the Application List and Placement Shares are fully subscribed or over-subscribed as at the close of the Application List, the successful applications for Public Offer Shares will be determined by ballot or otherwise as determined by the Directors after consultation with the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent and approved by the SGX-ST.

In all the above instances, the basis of allotment of the Offering Shares as may be decided by the Directors in ensuring a reasonable spread of shareholders of the Company, shall be made public as soon as practicable via an announcement through the SGX-ST and/or through an advertisement in a generally circulating daily press.

You irrevocably authorise CDP to disclose the outcome of your application, including the number of Offering Shares allotted to you pursuant to your application, to the Company, the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent and any other parties so authorised by any of the foregoing persons. None of the Company, the Directors, the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent or the CDP shall be liable for any delays, failures, or inaccuracies in the recording, storage or transmission of delivery of data relating to Electronic Applications.

13. Any reference to “you” or the “applicant” in this section shall include an individual, a corporation, an approved nominee and trustee applying for the Public Offer Shares by way of a **WHITE** Public Offer Shares Application Form or by way of an Electronic Application and a person applying for the Placement Shares through the Sponsor, Issue Manager and Joint Placement Agent or the Underwriter and Joint Placement Agent by way of a **BLUE** Placement Shares Application Form.
14. By completing and delivering an Application Form or by making and completing an Electronic Application by (in the case of an ATM Electronic Application) pressing the “Enter” or “OK” or “Confirm” or “Yes” or any other relevant key on the ATM (as the case may be) or by (in the case of an Internet Electronic Application or mBanking Application) clicking “Submit” or “Continue” or “Yes” or “Confirm” or any other relevant button on the IB website screen of the Participating Bank or the mBanking interface of DBS Bank in accordance with the provisions of this Offer Document, you:
 - (a) irrevocably offer, agree and undertake to subscribe for the number of Offering Shares specified in your application (or such smaller number for which the application is accepted) at the Offering Price for each Offering Share and agree that you will accept such Offering Shares as may be allotted to you, in each case on the terms of, and subject to the conditions set out in this Offer Document and the Constitution of the Company;
 - (b) agree that, in the event of any inconsistency between the terms and conditions for application set out in this Offer Document and those set out in the IB websites or ATMs of the Participating Bank or the mBanking interface of DBS Bank, the terms and conditions set out in this Offer Document shall prevail;
 - (c) agree that the aggregate Offering Price for the Offering Shares applied for is due and payable to the Company upon application;

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

- (d) warrant the truth and accuracy of the information contained, and representations and declarations made, in your application, and acknowledge and agree that such information, representations and declarations will be relied on by the Company in determining whether to accept your application and/or whether to allot any Offering Shares to you;
- (e)
 - (i) issue consent to the collection, use, processing and disclosure of your name, NRIC/passport number or company registration number, address, nationality, permanent resident status, CDP Securities Account number, share application details (including share application amount), the outcome of your application (including the number of Offering Shares allotted to you pursuant to your application) and other personal data (“**Personal Data**”) by the Share Registrar and Share Transfer Office, CDP, Securities Clearing and Computer Services Pte. Ltd. (“**SCCS**”), SGX-ST, the Participating Bank, the Company, the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent and/or other authorised operators (the “**Relevant Parties**”) for the purpose of facilitating your application for the Offering Shares, and in order for the Relevant Parties to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”) and warrant that such Personal Data is true, accurate and correct;
 - (ii) warrant that where you, as an approved nominee company, disclose the Personal Data of the beneficial owner(s) to the Relevant Parties, you have obtained the prior consent of such beneficial owner(s) for the collection, use, processing and disclosure by the Relevant Parties of the Personal Data of such beneficial owner(s) for the Purposes;
 - (iii) agree that the Relevant Parties may do anything or disclose any Personal Data or matters without notice to you if the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent considers them to be required or desirable in respect of any applicable policy, law, regulation, government entity, regulatory authority or similar body; and
 - (iv) agree that you will indemnify the Relevant Parties in respect of any penalties, liabilities, claims, demands, losses and damages as a result of your breach of warranties. You also agree that the Relevant Parties shall be entitled to enforce this indemnity (collectively, the “**Personal Data Privacy Terms**”); and
- (f) agree and warrant that, if the laws of any jurisdictions outside Singapore are applicable to your application, you have complied with all such laws and none of the Company, the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent will infringe any such laws as a result of the acceptance of your application; and
- (g) agree and confirm that for the purposes of Catalist Rule 422(3), you are not connected the Sponsor, Issue Manager and Joint Placement Agent or the Underwriter and Joint Placement.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

15. Our acceptance of applications will be conditional upon, *inter alia*, the Company being satisfied that:
- (a) permission has been granted by the SGX-ST to deal in and for quotation for all the existing Shares and the Offering Shares on Catalist;
 - (b) the Management and Sponsorship Agreement, the Underwriting Agreement and the Placement Agreement referred to in the section entitled “Plan of Distribution – Management and Sponsorship, Underwriting and Placement Arrangements” of this Offer Document have become unconditional and have not been terminated or cancelled prior to such date as the Company may determine; and
 - (c) the SGX-ST, acting as agent on behalf of the Authority, has not served a stop order (“**Stop Order**”) which directs that no or no further shares to which this Offer Document relates be allotted or issued.
16. In the event that a Stop Order in respect of the Offering Shares is served by the SGX-ST, acting as agent on behalf of the Authority or other competent authority, and
- (a) in the case where the Offering Shares have not been issued, all applications shall be deemed to have been withdrawn and cancelled and the Company shall refund all monies paid on account of your application of the Offering Shares (without interest or any share of revenue or other benefit arising therefrom and at your own risk) to you within 14 days of the date of the Stop Order; or
 - (b) in the case where the Offering Shares have already been issued but trading has not commenced and the issue of the Offering Shares is required by the SFA to be deemed to be void, the Company shall, subject to compliance with the applicable laws and the Constitution of the Company, within 14 days from the date of the Stop Order, purchase your Offering Shares at the Offering Price and pay to you all monies you have paid on account of your application for the Offering Shares (without interest or any share of revenue or other benefit arising therefrom and at your own risk).

This shall not apply where only an interim Stop Order has been served.

If we are required by applicable Singapore laws to cancel issued Offering Shares and repay application monies to applicants (including instances where a Stop Order is issued), subject to compliance with the applicable laws and the Constitution of the Company, the Company will purchase the Offering Shares at the Offering Price.

17. In the event that an interim Stop Order in respect of the Offering Shares is served by the SGX-ST, acting as agent on behalf of the Authority, or other competent authority, no Offering Shares shall be issued to you during the time when the interim Stop Order is in force.
18. The SGX-ST, acting as agent on behalf of the Authority or other competent authority, is not able to serve a Stop Order in respect of the Offering Shares if the Offering Shares have been issued, listed on a securities exchange and trading in the Offering Shares has commenced. In the event of any changes in the closure of the Application List or the time period during which the Offering is open, we will publicly announce the same through a

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

SGXNET announcement to be posted on the internet at the SGX-ST website, <http://www.sgx.com> and/or through a paid advertisement in a local English newspaper.

19. The Company will not hold any application in reserve.
20. The Company will not allot Shares on the basis of this Offer Document later than six (6) months after the date of registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority.
21. Additional terms and conditions for applications by way of Application Forms are set out in the section entitled “**ADDITIONAL TERMS AND CONDITIONS FOR APPLICATIONS USING APPLICATION FORMS**” below.
22. Additional terms and conditions for applications by way of Electronic Applications are set out in the section entitled “**ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS**” below.
23. CDP shall not be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to Electronic Applications.

ADDITIONAL TERMS AND CONDITIONS FOR APPLICATIONS USING APPLICATION FORMS

Applications by way of an Application Form shall be made on, and subject to, the terms and conditions of this Offer Document including but not limited to the terms and conditions appearing below as well as those set out in the section entitled “Terms, Conditions and Procedures for Application and Acceptance” of this Offer Document, as well as the Constitution of the Company.

1. Your application for the Public Offer Shares must be made using the **WHITE** Application Forms and **WHITE** envelopes “A” and “B” for Public Offer Shares, the **BLUE** Application Forms for Placement Shares, accompanying and forming part of this Offer Document.
2. We draw your attention to the detailed instructions contained in the respective Application Forms and this Offer Document for the completion of the Application Forms which must be carefully followed. **The Company, in consultation with the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent reserves the right to reject applications which do not conform strictly to the instructions set out in the Application Forms and this Offer Document or to the terms and conditions of this Offer Document or which are illegible, incomplete, incorrectly completed or which are accompanied by improperly drawn remittances or improper form of remittance.**
3. Your Application Forms must be completed in English. Please type or write clearly in ink using **BLOCK LETTERS**.
4. All spaces in the Application Forms except those under the heading “FOR OFFICIAL USE ONLY” must be completed and the words “NOT APPLICABLE” or “N.A.” should be written in any space that is not applicable.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

5. Individuals, corporations, approved nominee companies and trustees must give their names in full. If you are an individual, you must make your application using your full names as it appears in your identity cards (if you have such an identification document) or in your passports and, in the case of a corporation, in your full name as registered with a competent authority. If you are a non-individual, you must complete the Application Form under the hand of an official who must state the name and capacity in which he signs the Application Form. If you are a corporation completing the Application Form, you are required to affix your Common Seal (if any) in accordance with your constitution or equivalent constitutive documents of the corporation. If you are a corporate applicant and your application is successful, a copy of your constitution or equivalent constitutive documents must be lodged with the Company's Share Registrar and Share Transfer Office. The Company reserves the right to require you to produce documentary proof of identification for verification purposes.
- (a) You must complete Sections A and B and sign page 1 of the Application Form.
 - (b) You are required to delete either paragraph 7(a) or 7(b) on page 1 of the Application Form. Where paragraph 7(a) is deleted, you must also complete Section C of the Application Form with particulars of the beneficial owner(s).
 - (c) If you fail to make the required declaration in paragraph 7(a) or 7(b), as the case may be, on page 1 of the Application Form, your application is liable to be rejected.
6. You (whether you are an individual or corporate applicant, whether incorporated or unincorporated and wherever incorporated or constituted) will be required to declare whether you are a citizen or permanent resident of Singapore or a corporation in which citizens or permanent residents of Singapore or any body corporate constituted under any statute of Singapore having an interest in the aggregate of more than 50.0% of the issued share capital of or interests in such corporations.

If you are an approved nominee company, you are required to declare whether the beneficial owner of the Offering Shares is a citizen or permanent resident of Singapore or a corporation, whether incorporated or unincorporated and wherever incorporated or constituted, in which citizens or permanent residents of Singapore or any body corporate whether incorporated or unincorporated and wherever incorporated or constituted under any statute of Singapore have an interest in the aggregate of more than 50.0% of the issued share capital of or interests in such corporation.

Your application must be accompanied by a remittance in Singapore currency for the full amount payable, in respect of the number of Offering Shares applied for, in the form of a BANKER'S DRAFT or CASHIER'S ORDER drawn on a bank in Singapore, made out in favour of "**SHEFFIELD GREEN SHARE ISSUE ACCOUNT**" crossed "A/C PAYEE ONLY", and with your name and address written clearly on the reverse side. **Applications not accompanied by any payment or accompanied by any other form of payment will not be accepted.** We will reject remittances bearing "NOT TRANSFERABLE" or "NON TRANSFERABLE" crossings. No acknowledgement or receipt will be issued by the Company, the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent for applications and application monies received.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

7. Monies paid in respect of unsuccessful applications are expected to be returned (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post within 24 hours of balloting of applications at your own risk. Where your application is rejected or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 days after the close of the Application List, provided that the remittance accompanying such application which has been presented for payment or other processes has been honoured and application monies have been received in the designated share issue account. In the event that the Offering does not proceed for any reason, the full amount of the application monies received will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within five (5) Market Days of the termination of the Offering. In the event that the Offering is cancelled by us following the issuance of a Stop Order by the SGX-ST, acting as agent on behalf of the Authority, the application monies received will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 days from the date of the Stop Order.
8. Capitalised terms used in the Application Forms and defined in this Offer Document shall bear the meanings assigned to them in this Offer Document.
9. You irrevocably agree and acknowledge that your application is subject to risks of fires, acts of God and other events beyond the control of the Participating Bank, the Company, the Directors, the Sponsor, Issue Manager and Joint Placement Agent, the Underwriter and Joint Placement Agent and/or any other party involved in the Offering, and if, in any such event, the Company, the Sponsor, Issue Manager and Joint Placement Agent, the Underwriter and Joint Placement Agent and/or the Participating Bank do not receive your Application Form, you shall have no claim whatsoever against the Company, the Sponsor, Issue Manager and Joint Placement Agent, the Underwriter and Joint Placement Agent, the Participating Bank and/or any other party involved in the Offering for the Offering Shares applied for or for any compensation, loss or damage.
10. By completing and delivering the Application Form, you agree that:
 - (a) in consideration of the Company having distributed the Application Form to you and agreeing to close the Application List at **12.00 noon on 26 October 2023** or such other time or date as the Company may, in consultation with the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent decide and by completing and delivering the Application Form:
 - (i) your application is irrevocable; and
 - (ii) your remittance will be honoured on first presentation and that any monies returnable may be held pending clearance of your payment without interest or any share of revenue or other benefit arising therefrom;

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

- (b) neither the Company, the Sponsor, Issue Manager and Joint Placement Agent, the Underwriter and Joint Placement Agent nor any other party involved in the Offering shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to your application to us or CDP due to breakdowns or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective controls;
- (c) all applications, acceptances and contracts resulting therefrom under the Offering shall be governed by and construed in accordance with the laws of Singapore and that you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;
- (d) in respect of the Offering Shares for which your application has been received and not rejected, acceptance of your application shall be constituted by written notification and not otherwise, notwithstanding any remittance being presented for payment by or on behalf of the Company;
- (e) you will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of your application;
- (f) in making your application, reliance is placed solely on the information contained in this Offer Document and that none of the Company, the Sponsor, Issue Manager and Joint Placement Agent, the Underwriter and Joint Placement Agent and any other person involved in the Offering shall have any liability for any information not so contained;
- (g) you accept and agree to the Personal Data Privacy Terms set out in this Offer Document;
- (h) for the purposes of facilitating your application, you consent to the collection, use, processing and disclosure, by or on behalf of the Company, of your Personal Data to the Relevant Parties in accordance with the Personal Data Privacy Terms; and
- (i) you irrevocably agree and undertake to subscribe for the number of Offering Shares applied for as stated in the Application Form or any smaller number of such Offering Shares that may be allotted to you in respect of your application. In the event that the Company decides to allot a smaller number of Offering Shares or not to allot any Offering Shares to you, you agree to accept such decision as final.

Applications for Public Offer Shares

1. Your application for Public Offer Shares **MUST** be made using the **WHITE** Public Offer Shares Application Forms and **WHITE** official envelopes “A” and “B”. **ONLY ONE (1) APPLICATION** should be enclosed in each envelope.
2. You must:
 - (a) enclose the **WHITE** Public Offer Shares Application Form, duly completed and signed, together with the correct remittance in accordance with the terms and conditions of this Offer Document in the **WHITE** envelope “A” provided;

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

- (b) in the appropriate spaces on **WHITE** envelope “A”:
 - (i) write your name and address;
 - (ii) state the number of Public Offer Shares applied for;
 - (iii) tick the relevant box to indicate the form of payment; and
 - (iv) affix adequate Singapore postage;
 - (c) seal the **WHITE** envelope “A”;
 - (d) write, in the special box provided on the larger **WHITE** envelope “B” addressed to **Sheffield Green Ltd., c/o Boardroom Corporate & Advisory Services Pte. Ltd.**, 1 Harbourfront Avenue #14-07, Keppel Bay Tower Singapore 098632, the number of Public Offer Shares for which the application is made; and
 - (e) insert **WHITE** envelope “A” into **WHITE** envelope “B”, seal **WHITE** envelope “B”, affix adequate Singapore postage on **WHITE** official envelope “B” (if despatching by ordinary post) and thereafter **DESPATCH BY ORDINARY POST OR DELIVER BY HAND** at your own risk to **Sheffield Green Ltd., c/o Boardroom Corporate & Advisory Services Pte. Ltd.**, 1 Harbourfront Avenue #14-07, Keppel Bay Tower Singapore 098632, to arrive by **12.00 noon on 26 October 2023 or such other time as the Company may, in consultation with the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent decide. Local Urgent Mail or Registered Post must NOT be used.** No acknowledgement of receipt will be issued for any application or remittance received.
3. Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or improper form of remittance or which are not honoured upon their first presentation are liable to be rejected.

Applications for Placement Shares

- 1. Your application for Placement Shares **MUST** be made using the **BLUE** Placement Shares Application Forms. **ONLY ONE (1) APPLICATION** should be enclosed in each envelope.
- 2. The completed and signed **BLUE** Placement Shares Application Form and the correct remittance in full in respect of the number of Placement Shares applied for (in accordance with the terms and conditions of this Offer Document) with your name and address written clearly on the reverse side, must be enclosed and sealed in an envelope to be provided by you. You must affix adequate Singapore postage on the envelope (if despatching by ordinary post) and thereafter the sealed envelope must be **DESPATCHED BY ORDINARY POST OR DELIVERED BY HAND** at your own risk to **Sheffield Green Ltd., c/o Boardroom Corporate & Advisory Services Pte. Ltd.**, 1 Harbourfront Avenue #14-07, Keppel Bay Tower Singapore 098632, to arrive by **12.00 noon on 26 October 2023 or such other time as the Company may, in consultation with the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent, decide. Local Urgent Mail or Registered Post must NOT be used.** No acknowledgement of receipt will be issued for any application or remittance received.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

3. Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or improper form of remittance or which are not honoured upon their first presentation are liable to be rejected.

ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS

The procedures for Electronic Applications are set out on the ATM screens (in the case of ATM Electronic Applications) and the IB website screens (in the case of Internet Electronic Applications) of the Participating Bank and the mBanking interface of DBS Bank (in the case of mBanking Applications). For illustration purposes, the procedures for Electronic Applications through ATMs and the IB website of DBS Bank are set out respectively in the “Steps for an ATM Electronic Application through ATMs of DBS (including POSB ATMs)”, the “Steps for an Internet Electronic Application through the IB website of DBS BANK” and the “Steps for mBanking Applications through the mBanking interface of DBS Bank” (collectively, the “**Steps**”) appearing in this Appendix F – “**TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE**” of this Offer Document.

The Steps set out the actions that you must take at an ATM or the IB website of DBS Bank to complete an Electronic Application. Please read carefully the terms of this Offer Document, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. Any reference to “you” or the “applicant” in this section “Additional Terms and Conditions for Electronic Applications” and the Steps shall refer to you making an application for Public Offer Shares through an ATM or the IB website of the Participating Bank.

You must have an existing bank account with and be an ATM cardholder of the Participating Bank before you can make an Electronic Application at the ATMs. An ATM card belonging to a bank other than the one issued by the Participating Bank cannot be used to apply for Public Offer Shares at an ATM belonging to a bank that is not the Participating Bank. For an Internet Electronic Application, you must have an existing bank account with an IB User Identification (“**User ID**”) and a Personal Identification Number/Password (“**PIN**”) given by the Participating Bank. The Steps set out the actions that you must take at ATMs or the IB website of DBS Bank to complete an Electronic Application. The actions that you must take at the ATMs, the IB website are set out on the ATM screens or the IB website screens of the Participating Bank or the mBanking interface of DBS Bank. Upon the completion of your ATM Electronic Application transaction, you will receive an ATM transaction slip (“**Transaction Record**”), confirming the details of your Electronic Application. Upon completion of your Internet Electronic Application through the IB website of the Participating Bank or your mBanking Application through the mBanking interface of DBS Bank, there will be an on-screen confirmation (“**Confirmation Screen**”) of the application which can be printed for your record. The Transaction Record or your printed record of the Confirmation Screen is for your retention and should not be submitted with any Application Form.

You must ensure that you enter your own Securities Account number when using the ATM card issued to you in your own name. If you fail to use your own ATM card or if you do not key in your own Securities Account number, your application will be rejected. If you operate a joint bank account with the Participating Bank, you must ensure that you enter your own Securities Account number when using the ATM card issued to you in your own name. Using your own Securities Account number with an ATM card which is not issued to you in your own name will render your ATM Electronic Application liable to be rejected.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

You must ensure, when making an Internet Electronic Application or a mBanking Application, that your mailing address for the account selected for the application is in Singapore and the application is being made in Singapore and you will be asked to declare accordingly. Otherwise your application is liable to be rejected. In connection with this, you will be asked to declare that you are in Singapore at the time when you make the application.

You shall make an Electronic Application in accordance with and subject to the terms and conditions of this Offer Document including but not limited to the terms and conditions appearing below and those set out in the section entitled “Terms, Conditions and Procedures for Application and Acceptance” of this Offer Document as well as the Constitution of the Company.

1. In connection with your Electronic Application for Public Offer Shares, you are required to confirm statements to the following effect in the course of activating your Electronic Application:
 - (a) **that you have received a copy of this Offer Document (in the case of ATM Electronic Applications only) and have read, understood and agreed to all the terms and conditions of application for Public Offer Shares and this Offer Document prior to effecting the Electronic Application and agree to be bound by the same;**
 - (b) **you accept and agree to the Personal Data Privacy Terms set out in this Offer Document;**
 - (c) **that, for the purposes of facilitating your application, you consent to the collection, use, processing and disclosure, by or on behalf of the Company, of your Personal Data from your records with the Participating Bank to the Relevant Parties in accordance with the Personal Data Privacy Terms; and**
 - (d) **that this is your only application for Public Offer Shares and it is made in your own name and at your own risk.**

Your application will not be successfully completed and cannot be recorded as a completed transaction in the ATM, on the IB website screen or the mBanking interface unless you press the “Enter” or “Confirm” or “Yes” or “OK” or any other relevant key in the ATM or click “Confirm” or “OK” or “Submit” or “Continue” or “Yes” or any other relevant button on the IB website screen of the Participating Bank or the mBanking interface of DBS Bank. By doing so, you shall be treated as signifying your confirmation of each of the above four (4) statements. In respect of statement 1(b) above, such confirmation, shall signify and shall be treated as your written permission, given in accordance with the relevant laws of Singapore including Section 47(2) of the Banking Act 1970 of Singapore to the disclosure by the Participating Bank of the Relevant Particulars to the Relevant Parties.

2. **BY MAKING AN ELECTRONIC APPLICATION, YOU CONFIRM THAT YOU ARE NOT APPLYING FOR PUBLIC OFFER SHARES AS A NOMINEE OF ANY OTHER PERSON AND THAT ANY ELECTRONIC APPLICATION THAT YOU MAKE IS THE ONLY APPLICATION MADE BY YOU AS THE BENEFICIAL OWNER.**

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

YOU SHOULD MAKE ONLY ONE (1) ELECTRONIC APPLICATION FOR PUBLIC OFFER SHARES AND SHOULD NOT MAKE ANY OTHER APPLICATION FOR PUBLIC OFFER SHARES OR PLACEMENT SHARES, WHETHER AT THE ATMS OR THE IB WEBSITE OF THE PARTICIPATING BANK OR THE MBANKING INTERFACE OF DBS BANK, AS THE CASE MAY BE, OR ON THE APPLICATION FORMS. IF YOU HAVE MADE AN APPLICATION FOR PUBLIC OFFER SHARES OR PLACEMENT SHARES ON AN APPLICATION FORM, YOU SHALL NOT MAKE AN ELECTRONIC APPLICATION FOR PUBLIC OFFER SHARES AND VICE VERSA.

3. You must have sufficient funds in your bank account with your Participating Bank at the time you make your Electronic Application at the ATM or the IB website or the mBanking interface of the Participating Bank, failing which your Electronic Application will not be completed or accepted. Any Electronic Application which does not conform strictly to the instructions set out in this Offer Document or on the screens of the ATM or the IB website of the Participating Bank or on the mBanking interface of DBS Bank through which your Electronic Application is being made shall be rejected.

You may make an ATM Electronic Application at the ATM of the Participating Bank, an Internet Electronic Application at the IB website of the Participating Bank or an mBanking Application through the mBanking interface of DBS Bank for the Public Offer Shares using only cash by authorising the Participating Bank to deduct the full amount payable from your account with the Participating Bank.

4. You irrevocably agree and undertake to subscribe for the number of Public Offer Shares applied for as stated on the Transaction Record or the Confirmation Screen or any lesser number of Public Offer Shares that may be allotted to you in respect of your Electronic Application.

In the event that the Company decides to allot any lesser number of such Public Offer Shares or not to allot any Public Offer Shares to you, you agree to accept such decision as final. If your Electronic Application is successful, your confirmation (by your action of pressing the “Enter” or “Confirm” or “Yes” or “OK” or any other relevant key on the ATM or clicking “Confirm” or “OK” or “Submit” or “Continue” or “Yes” or any other relevant button on the IB website screen of the Participating Bank or the mBanking interface of DBS Bank) of the number of Public Offer Shares applied for shall signify and shall be treated as your acceptance of the number of Public Offer Shares that may be allotted to you and your agreement to be bound by the Constitution of the Company. You also irrevocably authorise CDP to complete and sign on your behalf as transferee or renounee any instrument of transfer and/or other documents required for the transfer of the Public Offer Shares that may be allotted to you.

5. **The Company will not keep any applications in reserve.** Where your Electronic Application is unsuccessful, the full amount of the application monies will be refunded in Singapore currency (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank within 24 hours of balloting of the applications provided that the remittance in respect of such application which has been presented for payment or other processes have been honoured and the application monies have been received in the designated share issue account. **Trading on a “WHEN ISSUED” basis, if applicable, is expected to commence after such refund has been made.**

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

Where your Electronic Application is rejected or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded in Singapore currency (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank within 14 days after the close of the Application List provided that the remittance in respect of such application which has been presented for payment or other processes have been honoured and the application monies have been received in the designated share issue account.

Responsibility for timely refund of application monies arising from unsuccessful or partially successful Electronic Applications lies solely with the Participating Bank. Therefore, you are strongly advised to consult your Participating Bank as to the status of your Electronic Application and/or the refund of any monies to you from unsuccessful or partially successful Electronic Application, to determine the exact number of Public Offer Shares allotted and/or allocated to you before trading the Public Offer Shares on Catalist. You may also call CDP Phone at 6535 7511 to check the provisional results of your application by using your T-pin (issued by CDP upon your application for the service) and keying in the stock code (that will be made available together with the results of the allotment via an announcement through the SGX-ST and by advertisement in a generally circulating daily press). To sign up for the service, you may contact CDP customer service officers. Neither the SGX-ST, the CDP, the SCCS, the Participating Bank, the Company, the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent assume any responsibility for any loss that may be incurred as a result of you having to cover any net sell positions or from buy-in procedures activated by the SGX-ST.

6. If your Electronic Application is unsuccessful, no notification will be sent by the Participating Bank.

If you make Electronic Applications through the ATMs or the IB website of the Participating Bank, you may check the provisional results of your Electronic Applications as follows:

| Bank | Telephone | ATM/Internet | Operating Hours | Service Expected From |
|---|---|---|-----------------|---------------------------------|
| DBS Bank Ltd. (including POSB) ("DBS Bank") | 1 800 339 6666 (for POSB accountholders) 1 800 111 1111 (for DBS accountholders) | IB http://www.dbs.com ⁽¹⁾ | 24 hours a day | Evening of the balloting day |

Note:

- (1) Applicants who have made Internet Electronic Applications through the IB website of DBS Bank may also check the results of their applications through the same channels listed in the table above in relation to Electronic Applications made at the ATMs of DBS Bank.

7. You irrevocably agree and acknowledge that your Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God and other events beyond the control of the Participating Bank, the Company, the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent and if, in any such event, the Company, the Sponsor, Issue Manager and Joint Placement Agent, the Underwriter and Joint Placement Agent and/or the Participating

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

Bank do not receive your Electronic Application, or data relating to your Electronic Application or the tape or any other devices containing such data is lost, corrupted or not otherwise accessible, whether wholly or partially for whatever reason, you shall be deemed not to have made an Electronic Application and you shall have no claim whatsoever against the Company, the Directors, the Sponsor, Issue Manager and Joint Placement Agent, the Underwriter and Joint Placement Agent and/or the Participating Bank for Public Offer Shares applied for or for any compensation, loss or damage.

8. **Electronic Applications shall close at 12.00 noon on 26 October 2023 or such other time as the Company may, in consultation with the Sponsor, Issue Manager and Joint Placement Agent, and/or the Underwriter and Joint Placement Agent, decide.** Subject to the paragraph above, all Internet Electronic Applications and mBanking Applications are deemed to be received when it enters the designated information system of the Participating Bank, that is, when there is an on-screen confirmation of the application.
9. You are deemed to have irrevocably requested and authorised the Company to:
 - (a) register the Public Offer Shares allotted to you in the name of CDP for deposit into your Securities Account;
 - (b) send the relevant Share certificate(s) to CDP;
 - (c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the application monies, should your Electronic Application be unsuccessful, by automatically crediting your bank account with your Participating Bank with the relevant amount within 24 hours of the balloting of applications; and
 - (d) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies should your Electronic Application be accepted in part only, by automatically crediting your bank account with your Participating Bank with the relevant amount within 14 days after the close of the Application List.
10. We do not recognise the existence of a trust. Any Electronic Application by a trustee must be made in your own name and without qualification. The Company will reject any application by any person acting as nominee except those made by approved nominee companies only.
11. All your particulars in the records of your Participating Bank at the time you make your Electronic Application shall be deemed to be true and correct and your Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in your particulars after the time of the making of your Electronic Application, you shall promptly notify your Participating Bank.
12. **You should ensure that your personal particulars as recorded by both CDP and the Participating Bank are correct and identical, otherwise, your Electronic Application is liable to be rejected.** You should promptly inform CDP of any change in address, failing which the notification letter on successful allotment will be sent to your address last registered with CDP.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

13. By making and completing an Electronic Application, you are deemed to have agreed that:
- (a) in consideration of the Company making available the Electronic Application facility, through the Participating Bank as the agents of the Company, at the ATMs and IB websites of the Participating Bank and the mBanking interface of if DBS Bank (as the case may be):
 - (i) your Electronic Application is irrevocable; and
 - (ii) your Electronic Application, our acceptance and the contract resulting therefrom under the Offering shall be governed by and construed in accordance with the laws of Singapore and you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;
 - (b) neither the Company, the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent, the Participating Bank nor CDP shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to your Electronic Application to the Company or CDP due to breakdowns or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 7 above or to any cause beyond our respective controls;
 - (c) in respect of Public Offer Shares for which your Electronic Application has been successfully completed and not rejected, acceptance of your Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company;
 - (d) you will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of your application;
 - (e) in making your application, reliance is placed solely on the information contained in this Offer Document and that none of the Company, the Sponsor, Issue Manager and Joint Placement Agent, and the Underwriter and Joint Placement Agent or any other person involved in the Offering shall have any liability for any information not so contained;
 - (f) you accept and agree to the Personal Data Privacy Terms set out in this Offer Document; and
 - (g) you irrevocably agree and undertake to subscribe for the number of Public Offer Shares applied for as stated in your Electronic Application or any smaller number of such Public Offer Shares that may be allotted to you in respect of your application. In the event that the Company decides to allot a smaller number of Public Offer Shares or not to allot any Public Offer Shares to you, you agree to accept such decision as final.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

Steps for ATM Electronic Applications for Public Offer Shares through ATMs of DBS (including POSB ATMs)

Instructions for ATM Electronic Applications will appear on the ATM screens of the respective Participating Bank. For illustration purposes, the steps for making an ATM Electronic Application through a DBS Bank or POSB ATM are shown below. Certain words appearing on the screen are in abbreviated form (“A/C”, “amt”, “appln”, “&”, “I/C”, “No.”, “SGX” and “Max” refer to “Account”, “amount”, “application”, “and”, “NRIC”, “Number”, “the SGX-ST” and “Maximum”, respectively).

- Step 1: Insert your personal DBS Bank or POSB ATM Card.
- 2: Enter your Personal Identification Number.
- 3: Select “MORE SERVICES”.
- 4: Select language (for customers using multi-language card).
- 5: Select “ESA-IPO/Rights Appln/Bonds/SGS/INVESTMENTS”.
- 6: Select “ELECTRONIC SECURITIES APPLN (IPOS/BONDS/SECURITIES)”.
- 7: Read, understand and acknowledge the following statements which will appear on the screen accordingly:

WARNING

- All investments come with risks.
- You can lose money on your investment.
- Invest only if you understand and can monitor your investment.

(Press “I acknowledge, press >” to continue)

You agree that this transaction is entered in totally on your own accord and at your own risk. The availability of this application service shall not be construed as recommendation or advise from DBS/POSB to enter into this transaction. You may wish to seek prior advice from a qualified adviser as to the transaction suitability.

(Press “To continue, press >” to continue)

- 8: Select “SHEFFIELD”

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

- 9: Read, understand and acknowledge the following statements which will appear on the screen accordingly:

IMPORTANT

- Read the Offer Documents* before subscribing for the securities.
- Obtain the Offer Documents from our bank branches#, website or via the following QR Code.



<https://go.dbs.com/sg-esa>

Subject to availability

(Press “I acknowledge, press >” to continue)

RISK WARNING FOR EQUITIES

- The issuer may not always pay you dividends.
- You will likely lose money if the issuer gets into financial difficulties.
- If the issuer is wound up, shareholders will be the last to be paid off.

(Press “To continue, press >” to continue)

- 10: Check the security name, closing date and offering price displayed on the screen, and press “To continue, press >” to continue.

- 11: Read and understand the following statements which will appear on the screen:

FOR SECURITY APPLNS, PROSPECTUS/DOCUMENTS ARE AVAILABLE AT THE BRANCHES OF THE VARIOUS PARTICIPATING BANKS, WHERE AVAILABLE

(Press “To continue, press >” to continue)

For purpose of facilitating your application, you consent to the bank collecting and using your name, NRIC/passport number, address, nationality, securities a/c number, application details and personal data and disclosing the same to share registrars, CDP, SGX-ST and issuers/vendors/managers.

(Press “To continue, press >” to continue)

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

For fixed and maximum price securities application, this is your only application and is made in your own name.

The maximum price for each security is payable in full on application and subject to refund if the final price is lower.

For tender price securities application, this is your only application at the selected tender price and is made in your own name.

You are not a US Person as referred to in (where applicable) the Offer Documents.

There may be a limit on the maximum number of securities that you can apply for. Subject to availability, you may be allotted/allocated a smaller number of securities than you applied for.

(Press “To continue, press >” to continue)

12: Select your nationality

13: Select the DBS account (Autosave/Current/Savings/Savings Plus) or the POSB account (Current/Savings) from which to debit your application monies.

14: Read and understand the following statements which will appear on the screen:

WARNING

- Diversify your investments.
- Avoid investing a large portion of your money in a single issuer.

(Press “To continue, press >” to continue)

15: Enter the number of securities you wish to apply for using cash.

(Press “ENTER” to continue)

16: Enter or confirm (if your CDP Securities Account number has already been stored in DBS’ records) your own 12-digit CDP Securities Account number.

(Press “ENTER” to continue)

17: Check the details of your securities application, your CDP Securities Account number, the number of securities applied and application amount on the screen, and press the “TO CONFIRM” key to confirm your application. Do note that the application cannot be cancelled upon confirmation.

18: Remove the ATM Transaction Record for your reference and retention only.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

STEPS FOR INTERNET ELECTRONIC APPLICATION FOR PUBLIC OFFER SHARES THROUGH THE IB WEBSITE OF DBS BANK

For illustrative purposes, the steps for making an Internet Electronic Application through the DBS Bank IB website are shown below. Certain words appearing on the screen are in abbreviated form (“A/C”, “&”, “amt”, “I/C” and “No.” refer to “Account”, “and”, “Amount”, “NRIC” and “Number”, respectively).

- Step 1: Click on DBS Bank at <http://www.dbs.com>.
- 2: Login to Internet banking.
 - 3: Enter your User ID and PIN.
 - 4: Enter your DBS Bank iB Secure PIN.
 - 5: Select “Invest”, followed by “Electronic Securities Application (ESA)”.
 - 6: Click “Yes” to proceed and to warrant, among others, that you are currently in Singapore, you have observed and complied with all applicable laws and regulations and that your mailing address for DBS Internet Banking is in Singapore and that you are not a U.S. person (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended or acting for the account or benefit of a U.S. person).
 - 7: Select your country of residence and click “Next”.
 - 8: Click on “SHEFFIELD” and click “Next”.
 - 9: Read, understand and acknowledge the following statements which will appear on the screen:

Warning

All investments come with risks, including the risk that you may lose all or part of your investment. By continuing, you understand that you are responsible for your own investment decisions.

RISK WARNING FOR EQUITIES

- The issuer may not always pay you dividends.
- You will likely lose money if the issuer gets into financial difficulties.
- If the issuer is wound up, shareholders will be the last to be paid off.

(Press “I Acknowledge” to continue)

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

10: Read and understand the following statements which will appear on the screen:

Important

Read the Offer Documents before subscribing for the securities.

Click on the logo(s) to download the Offer Documents.

Before committing to an investment, please seek advice from a financial adviser regarding the suitability of the product. If you do not wish to seek financial advice, by continuing the application, you confirm that you have independently assessed that this product is suitable for you. You have not relied on any previous advice or recommendation given by DBS Bank in making your investment decision and you accept that should you wish to proceed with the transaction, you will not be able to rely on Section 27 of the Financial Advisers Act (Cap 110) to file any civil claim against DBS Bank.

By proceeding, I have read, understood, and agree to the following:

Agreement

- For the purposes of facilitating my application, consent to the Bank collecting and using my name, NRIC/passport number, address, nationality, CDP Securities Account number, CPF investment account number, application details and other personal data and disclosing the same from the Bank's records to registrars of securities of the issuer, SGX, CDP, CPF, issuer/vendor(s) and issue manager(s).
- I am not a U.S. person (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended) the "U.S. Securities Act").
- The securities mentioned herein have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, any "U.S. person" (as defined in Regulation S under the U.S. Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state security laws. There will be no public offer of the securities mentioned herein in the United States. Any failure to comply with this restriction may constitute a violation of United States securities law.
- That this application will be made in my own name and subject to the conditions on securities application.

(Press "Next" to continue)

11: Click on "U.S. person" to read the following:

"U.S. Person" means:

- any natural person resident in the United States;

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

- any partnership or corporation organised or incorporated under the laws of the United States;
- any estate of which any executor or administrator is a U.S. person;
- any trust of which any trustee is a U.S. person;
- any agency or branch of a foreign entity located in the United States;
- any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- any partnership or corporation if:
 - a. organised or incorporated under the laws of any foreign jurisdiction; and
 - b. formed by a U.S. person principally for the purpose of investing in securities not registered under the United States Securities Act of 1933, as amended unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the United States Securities Act of 1933) who are not natural persons, estates or trusts.

(Press “OK” to continue)

12: Click on “conditions on securities application” to read the following:

- For **FIXED/MAXIMUM price securities** application, this is your only application. For **TENDER** price securities application, this is your only application at the selected tender price.
- For **FOREIGN CURRENCY securities**, subject to the terms of the issue, please note the following:
 - a. The application monies will be debited from your bank account in S\$, based on the Bank’s prevailing board rates at time of application. Any refund monies will be credited in S\$ based on the Bank’s prevailing board rates at the time of refund. The different prevailing board rates at the time of application and at the time of refund of application monies may result in either a foreign exchange profit or loss. Alternatively, application monies may be debited and refunds credited in S\$ at the same exchange rate.
 - b. For **1ST-COME-1ST-SERVE securities**, the number of securities applied for may be reduced, subject to availability at the point of application.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

- 13: Check the security details, select the DBS account or POSB account from which to debit your application monies and enter the number of securities you wish to apply for using cash. Read and understand the following statements displayed on the screen:

Warning

- Diversify your investments.
 - Avoid investing a large portion of your money in a single issuer. (Press “Next” to continue)
- 14: Verify the details of your securities application and click “Confirm” to confirm your application.
- 15: You may print a copy of the IB Confirmation Screen for your reference and retention.

STEPS FOR MBANKING APPLICATIONS FOR PUBLIC OFFER SHARES THROUGH THE MBANKING INTERFACE OF DBS BANK

For illustrative purposes, the steps for making an mBanking Application are shown below. Certain words appearing on the screen are in abbreviated from (“A/C”, “&”, “amt”, “I/C”, “SGX” and “No.” refer to “Account”, “and”, “Amount”, “NRIC”, “SGX-ST” and “Number”, respectively).

- Step 1: Click on DBS Bank mBanking application and login using your User ID and PIN.
- 2: Select “Invest”.
- 3: Select “ESA”.
- 4: Select “Yes” to proceed and to warrant, among others, that you are currently in Singapore, you have observed and complied with all applicable laws and regulations, your mailing address for DBS Internet Banking is in Singapore and that you are a U.S. person (as such term is defined in Regulation S under the Securities Act of 1933, as amended).
- 5: Select your country of residence and click “Next”.
- 6: Select “SHEFFIELD” and click “Next”.
- 7: Read, understand and acknowledge the following statements which will appear on the screen:

Warning

All investments come with risk, including the risk that you may lose all or part of your investment. By continuing, you understand that you are responsible for your own investment decisions.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

RISK WARNING FOR EQUITIES

- (i) The issuer may not always pay you dividends.
- (ii) You will likely lose money if the issuer gets into financial difficulties.
- (iii) If the issuer is wound up, shareholders will be the last to be paid off.

(Press “I Acknowledge” to continue)

8: Please read and acknowledge:

IMPORTANT

Read the Offer Documents before subscribing for the securities.

Click on the respective link to view the Prospectus and Product Highlights Sheet.

Before committing to an investment, please seek advice from a financial adviser regarding the suitability of the product. If you do not wish to seek financial advice, by continuing the application, you confirm that you have independently assessed that this product is suitable for you. You have not relied on any previous advice or recommendation given by DBS Bank in making your investment decision and you accept that should you wish to proceed with the transaction, you will not be able to rely on Section 27 of the Financial Advisers Act (Cap 110) to file any civil claim against DBS Bank.

By proceeding, I have read, understood, and agree to the following:

AGREEMENT

- For the purposes of facilitating my application, consent to the Bank collecting and using my name, NRIC/passport number, address, nationality, CDP securities account number, CPF investment account number, application details and other personal data and disclosing the same from the Bank’s records to registrars of securities of the issuer, SGX, CDP, CPF, issuer/vendor(s) and issue manager(s).
- I am not a U.S. person (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended) the “U.S. Securities Act”).
- The securities mentioned herein have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, any “U.S. person” (as defined in Regulation S under the U.S. Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state security laws. There will be no public offer of the securities mentioned herein in the United States. Any failure to comply with this restriction may constitute a violation of United States securities law.
- That this application will be made in my own name and subject to the conditions on securities application.

(Press “I Agree” to continue)

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

9: Click on “U.S. person” to read the following:

“U.S. Person” means:

- any natural person resident in the United States;
 - any partnership or corporation organised or incorporated under the laws of the United States;
 - any estate of which any executor or administrator is a U.S. person;
 - any trust of which any trustee is a U.S. person;
 - any agency or branch of a foreign entity located in the United States;
 - any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
 - any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
 - any partnership or corporation if:
 - a. organised or incorporated under the laws of any foreign jurisdiction; and
 - b. formed by a U.S. person principally for the purpose of investing in securities not registered under the United States Securities Act of 1933, as amended unless it is organised or incorporated, and owned, by accredited investors
- (as defined in Rule 501(a) under the United States Securities Act of 1933) who are not natural persons, estates or trusts.

10: Click on “conditions on securities application” to read the following:

- For **FIXED/MAXIMUM price securities** application, this is your only application. For **TENDER** price securities application, this is your only application at the selected tender price.
- For **FOREIGN CURRENCY securities**, subject to the terms of the issue, please note the following:
 - a. The application monies will be debited from your bank account in S\$, based on the Bank’s prevailing board rates at time of application. Any refund monies will be credited in S\$ based on the Bank’s prevailing board rates at the time of refund. The different prevailing board rates at the time of application and at the time of refund of application monies may result in either a foreign exchange profit or loss. Alternatively, application monies may be debited and refunds credited in S\$ at the same exchange rate.
 - b. For **1ST-COME-1ST-SERVE securities**, the number of securities applied for may be reduced, subject to availability at the point of application.

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

- 11: Select your nationality, enter or confirm your CDP Securities Account number (if your CDP Securities Account number has already been stored in DBS' records) and check the security details. Select the DBS account or POSB account from which to debit your application monies and enter the number of securities you wish to apply for using cash. Read and understand the following statements displayed on the screen:

WARNING

- Diversify your investments.
- Avoid investing a large portion of your money in a single issuer.

(Press "Next" to continue)

- 12: Verify the details of your securities application and click "Confirm" to confirm your application.
- 13: Where applicable, capture Confirmation Screen (optional) for your reference and retention only.