DIGILIFE

# ANNUAL REPORT 2026

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This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

# CORPORATE PROFILE

Digilife Technologies Limited was incorporated in Singapore on 15 July 1993. The Company moved to the Catalist exchange from the Catalist Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") from the Mainboard of the SGX-ST w.e.f 26 February 2021 and trades under ticker symbol (BAI).

Pursuing a deliberate strategy of portfolio transformation, the Company has exited its legacy Information Communications and Technology ("**ICT**") distribution and managed services business in India, as well as its Telecom distribution business in Indonesia in the financial year ended 31 March 2026. This strategic realignment marks the conclusion of the Company's prior technology-focused business model and reflects the Company's commitment to repositioning towards higher-growth, asset-backed opportunities.

As part of this transformation, the Company has made a significant strategic entry into the Architecture, Engineering and Construction ("**AEC**") sector through the acquisition of 51% interest in Modi Hebel India LLP (formerly known as Brimax AAC Products LLP), an Autoclaved Aerated Concrete ("**AAC**") manufacturing plant based in India. AAC is a lightweight, energy-efficient and sustainable building material that is witnessing growing demand across India's rapidly expanding construction and infrastructure landscape.

This acquisition provides the Company with an operational platform in the building materials sector and supports its diversification into the manufacturing and distribution of construction materials. The AAC business forms part of India's construction ecosystem and serves the growing demand for modern and efficient building materials. The acquisition broadens the Company's business portfolio and strengthens its presence in the AEC sector.

The Board and Management remain committed to enhancing shareholder value through disciplined capital allocation, operational excellence, and the pursuit of new-age business opportunities aligned with India's growth trajectory.

# CHAIRMAN'S MESSAGE

## DEAR SHAREHOLDERS,

I am pleased to present the Annual Report of Digilife Technologies Limited ("**Company**") and its subsidiaries (collectively, the "**Group**") for the financial period from 1 January 2025 to 31 March 2026 ("**FP2026**").

FP2026 was a significant period for the Group as it completed the disposal of its Telecom distribution business in Indonesia and its ICT distribution and managed services business in India. These transactions marked the conclusion of the Group's legacy operating businesses and formed part of its ongoing strategic realignment.

During the period, the Group also acquired 51% interest in Modi Hebel India LLP (formerly Brimax AAC Products LLP), an Autoclaved Aerated Concrete ("**AAC**") manufacturing facility in Vadodara, India, establishing the Group's presence in the Architecture, Engineering and Construction ("**AEC**") sector. The acquisition forms part of the Group's strategic realignment following the disposal of its Telecom and ICT businesses, which were considered non-strategic and sunset businesses. It supports the Group's strategy to provide shareholders with diversified returns and long-term growth by enabling the Group to control and manage an operational facility producing modern construction technologies with strong growth potential in the construction industry. AAC is a lightweight and energy-efficient building material that is increasingly used in residential, commercial and infrastructure projects.

In terms of financial performance, for continuing operations, the Group recorded revenue of S$0.46 million for FP2026. As the Group's continuing operations comprise the AEC business acquired during FP2026, the financial performance of the continuing operations is not directly comparable with the prior year. The Group recorded a loss before taxation from continuing operations of S$5.24 million for FP2026, compared to a loss before taxation of S$0.92 million

# CHAIRMAN'S MESSAGE

in FY2024. The Group recorded total revenue of S$27.21million for FP2026, compared to S$181.48 million in FY2024. The Group recorded a loss before taxation of S$20.33 million and a loss after taxation attributable to shareholders of S$20.37 million for FP2026, compared to a loss before taxation of S$3.27 million and a loss after taxation attributable to shareholders of S$3.50 million in FY2024, including of discontinuing operations relating to the Telecom and ICT businesses.

The results for FP2026 were impacted by losses and accounting adjustments arising from the disposal of the Telecom and ICT businesses, as well as costs associated with the Group's business restructuring and strategic realignment initiatives.

The Group remains focused on the development of its AAC business. Manufacturing operations at Modi Hebel India LLP have been temporarily suspended to facilitate the installation and commissioning of upgraded machinery, with operations expected to resume around October 2026, barring any unforeseen circumstances.

On behalf of the Board, I would like to thank our shareholders, business partners, customers and employees for their continued support during the year.

Thank you

**Ms. Chada Anitha Reddy**
**Non-Executive Director and Chairperson**
**Digilife Technologies Limited**

# OPERATIONAL & FINANCIAL REVIEW

## OPERATIONAL REVIEW

Digilife Technologies Limited ("**Digilife**", and together with its subsidiaries, collectively the "**Group**" or the "**Company**") underwent a significant business transformation during the financial period from 1 January 2025 to 31 March 2026 ("**FP2026**").

During the FP2026 the Group completed the disposal of its Indonesian Telecom distribution business through the disposal of Modi Indonesia 2020 Pte. Ltd. Following the completion of Tranche 2 on 30 June 2025, the Group transferred the remaining 40% shareholding in Modi Indonesia 2020 Pte. Ltd. and fully completed the disposal of the business. The total consideration for the disposal amounted to S$7.6 million. In connection with the disposal, the Group recognised an impairment loss on the remeasurement of S$2.3 million.

The Group also completed the disposal of its Information, Communications and Technology ("**ICT**") distribution and managed services business in India through the disposal of Bharat IT Services Limited. Following the completion of Tranche 2 on 21 January 2026, the disposal was fully completed. The total consideration for the disposal amounted to S$2.23 million, and the Group recognised an impairment loss on the remeasurement of S$1.94 million.

These disposals marked the Group's exit from its legacy Telecom and ICT business segments and formed part of its ongoing strategic realignment.

The Group completed the acquisition of 51% interest in Modi Hebel India LLP (formerly known as Brimax AAC Products LLP) on 20 November 2025, establishing its presence in the Architecture, Engineering and Construction ("**AEC**") sector through an Autoclaved Aerated Concrete ("**AAC**") manufacturing facility in Vadodara, India.

AAC is a lightweight and energy-efficient building material used in residential, commercial and infrastructure projects. The acquisition broadens the Group's business portfolio following the disposal of its former operating businesses. The Group continues to evaluate opportunities within the AEC sector while reviewing the operational requirements of the AAC manufacturing business.

As announced by the Company on 13 May 2026, manufacturing operations at its subsidiary, Modi Hebel India LLP (formerly known as Brimax AAC Products LLP), have been temporarily suspended, tentatively until October 2026, to facilitate the installation and commissioning of upgraded machinery at its manufacturing facility. The Group is in the process of procuring additional machinery to upgrade the facility with panel manufacturing capabilities, which is expected to enhance production efficiency, improve margins and contribute to higher future revenues. The Company has sufficient cash resources to continue operating the existing plant. For the proposed plant upgrade and expansion plans, the Company is actively exploring strategic partnerships and other funding opportunities.

The Group remains focused on managing its existing assets and businesses prudently while assessing opportunities that are aligned with its overall business objectives and long-term sustainability.

# FINANCIAL REVIEW

## FINANCIAL REVIEW

During the period 1 January 2025 to 31 March 2026, the Company completed the disposal of its Telecom distribution business in Indonesia and its ICT distribution and managed services business in India. These transactions marked the conclusion of the Group's legacy operating businesses and formed an important part of its strategic transformation.

On 20 November 2025, the Group completed the acquisition of manufacturing plant for AAC (Autoclaved Aerated Concrete) products in Vadodara, India. The acquisition marked the Company's entry into the AEC manufacturing business and establishes it as the Group's sole operating segment, and is expected to contribute to future revenue growth.

For continuing operations, the Group recorded a turnover of S$0.46 million for the financial period 1 January 2025 to 31 March 2026 ("**FP2026**"). As the Group's continuing operations comprise the AEC business acquired during FP2026, the financial performance of the continuing operations is not directly comparable with financial period from 1 January 2024 to 31 December 2024 ("**FY2024**").

The Group recorded a turnover of S$27.21 million in FP2026 against S$181.48 million for FY2024. The Group incurred loss before tax of S$20.33 million in FP2026 as against loss before tax of S$3.27 million in FY2024, including the discontinued operations of telecom & ICT business.

For continuing operations, the Group incurred an operating loss (before exchange gain/loss, interest, depreciation, amortisation and taxation) of S$4.53 million during FP2026 against operating loss of S$0.98 million for FY2024.

The Group recorded a net loss after tax of S$20.37 million for FP2026, compared to a net loss after tax of S$3.50 million for FY2024. This includes results from continuing and discontinued operations. For continuing operations, the Group incurred a net loss after tax of S$5.24 million in FP2026, compared to a net loss after tax of S$0.92 million in FY2024. Meanwhile, for discontinued operations, the Group recorded a net loss after tax of S$15.13 million for FP2026, down from a net loss after tax of S$2.58 million in FY2024.

For FP2026, the Group's net cash used in operating activities of S$8 million, primarily driven by the re-measurement of an impairment loss on the disposal group as well as cost associated with business restructuring and strategic realignment initiatives. The net cash used in investing activities of S$0.39 million was mainly due to the disposal of the Telecom & ICT business during the year, offset by acquisition of subsidiary and capital expenditure incurred in FP2026. The net cash generated from financing activities of S$2.85 million, primarily resulting from the withdrawal of cash and pledged bank deposits amounting to S$4.72 million, which were used for the repayment of loan and bank borrowings and other operating activities.

## OUTLOOK

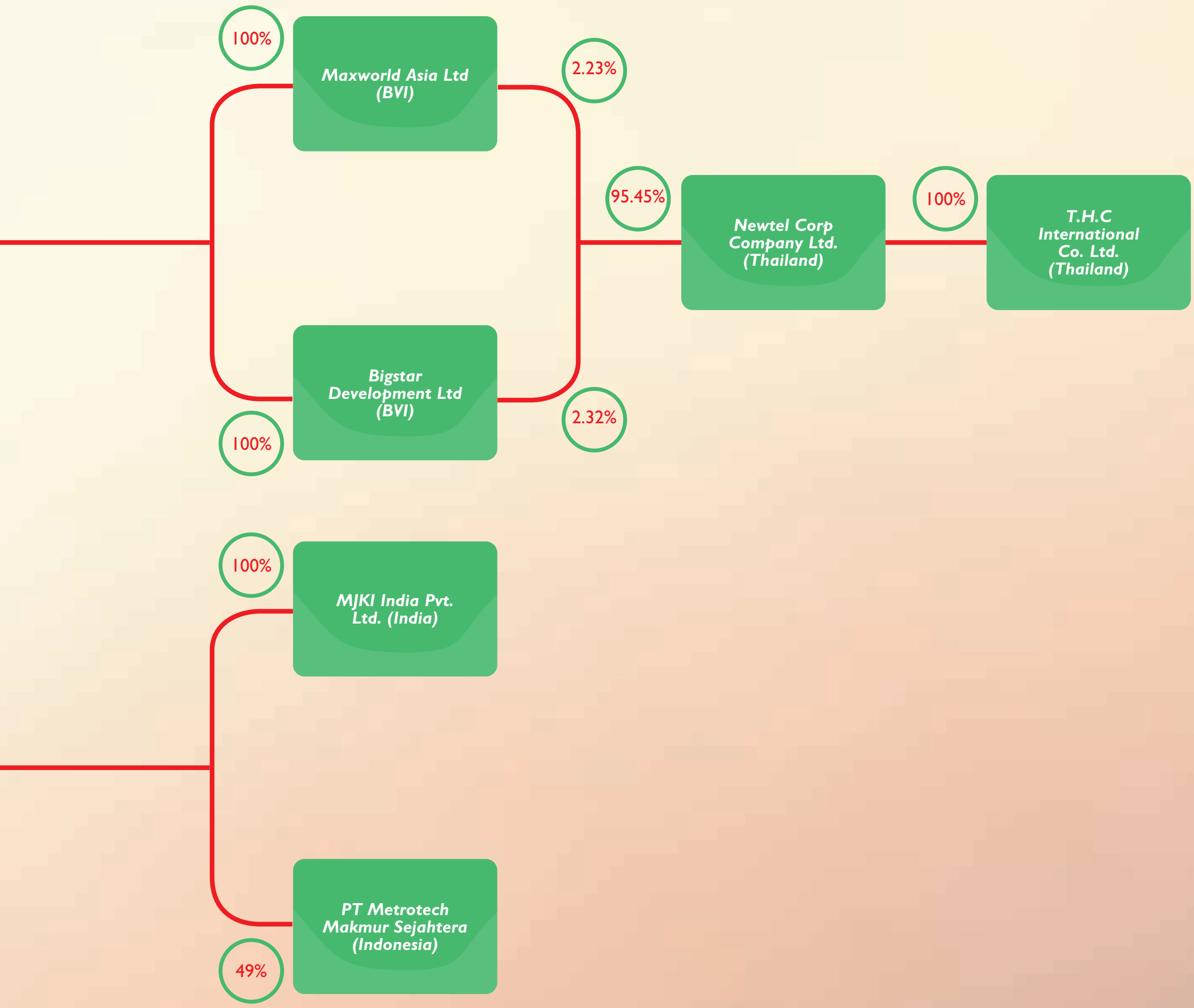
The Group remains focused on developing and strengthening its AEC business in India. The Group will continue to enhance its operational capabilities, improve business efficiencies and expand its market presence to support the long-term growth of its AEC business. Going forward, the Group will continue to evaluate opportunities to grow its AEC business, strengthen customer relationships and create long-term value for its stakeholders.

# CORPORATE STRUCTURE

**Digilife Technologies Limited**
(Formerly known as Sevak Limited)
**Technology**

- 100% — *SEV Projects Pte Limited (Singapore)*
- 51% — *Modi Hebel India LLP (India)*
- 100% — *Spice-CSL Pte. Ltd. (Singapore)*
- 100% — *Peremex Pte Ltd (Singapore)*
  - 100% — *Modi Aircrete Pvt. Ltd. (India)*
- 100% — *Mediaring Europe*
- 100% — *PT Metrotech Jaya Komunika Indonesia (Indonesia)*
- 100% — *Spice International (Malaysia)*
- 51% — *Mobile Service International Co. Ltd (China)*
- 100% — *Mediaring.com Shanghai Limited (China)*
- 50.8% — *CSL Communication (Shenzhen) Co. Ltd (China)*

# CORPORATE STRUCTURE



# OUR DISTRIBUTION STRENGTH IN MAJOR OPERATIONS


**Manufacturing Facility**
(AEC Business)

**Location**
(Modi Hebel India LLP
(formerly Brimax AAC Products LLP)
Vadodara, Gujarat, India

- AEC Business by **Modi Hebel India LLP** (formerly Brimax AAC Products LLP)
- Manufacturing Facility located at **Vadodara, Gujarat, India**

**Our AEC Business is operated through Modi Hebel India LLP (formerly Brimax AAC Products LLP) at Vadodara, Gujarat, India.**

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Ms. Chada Anitha Reddy, Non-Executive Director and Chairperson
Mr. Sudip Bandyopadhyay, Lead Independent Director
Mr. Rajesh Pahwa, Non-Executive Independent Director
Mr. Tay Wee Meng, Non-Executive Independent Director

## COMPANY SECRETARY

Ms. Ngiam May Ling

## AUDIT COMMITTEE

Mr. Sudip Bandyopadhyay, Chairman
Mr. Rajesh Pahwa
Mr. Tay Wee Meng

## NOMINATING COMMITTEE

Mr. Sudip Bandyopadhyay, Chairman
Mr. Rajesh Pahwa
Mr. Tay Wee Meng

## REMUNERATION COMMITTEE

Mr. Sudip Bandyopadhyay, Chairman
Mr. Rajesh Pahwa
Mr. Tay Wee Meng

## REGISTERED OFFICE

1 North Bridge Road,
#19-08, High Street Centre
Singapore 179094
Tel: (+65) 6371-3850
http://www.digilifelimited.com

## SHARE REGISTRAR

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

## STATUTORY AUDITORS

Moore Stephens LLP
10 Anson Road
#29-15 International Plaza
Singapore 079903
Date of appointment of Auditors: 25 August 2014
Partner-in-charge: Ms. Chong Jia Yun, Michelle
Date of appointment of Partner-in-charge: 30 April 2021

## INTERNAL AUDITORS

BDO Advisory Pte Ltd.
600 North Bridge Road
#23-01 Parkview Square
Singapore 188778

## CATALIST SPONSOR

PrimePartners Corporate Finance Pte. Ltd.
16 Collyer Quay #10-00 Collyer Quay Centre
Singapore 049318

# BOARD OF DIRECTORS

**MS. CHADA ANITHA REDDY**
*Non-Executive Director and Chairperson*

Ms. Chada Anitha Reddy ("**Ms. Anitha**") was appointed as a director of the Company on June 23, 2022. She served as Executive Chairperson of the Board from June 23, 2023 and was redesignated as Non-Executive Director and Chairperson with effect from September 1, 2025.

With over 27 years of managerial experience, she has a robust background in leading the Human Resources Department and other key business areas. Throughout her career, Ms. Anitha has held various senior management positions where she demonstrated leadership in Corporate Administration, Corporate Image & International Business Relationships, Events Management, Personnel/Human Resource Development, Communication, and Public Relations.

Her expertise includes providing matrix leadership for teams across Finance, Human Resources, Policy Development, and Administration. She has successfully led various initiatives during significant periods of organizational change, including initial acquisitions, operational restructuring, and new spinoffs in Singapore, Thailand, Malaysia, and Indonesia. Her contributions have been pivotal to corporate success and the strategic closure of sunset businesses within the company.

Beyond her corporate responsibilities, Ms. Anitha is deeply committed to community development and service. She actively coordinates and conducts charity and community events, holding several positions in community centers and cultural associations in Singapore. In recognition of her dedicated voluntary service, she received a long service award from the community centers in Singapore.

Ms. Anitha holds a Master of Business Administration degree, which complements her extensive professional experience and commitment to leadership and community engagement.

# BOARD OF DIRECTORS

## MR. SUDIP BANDYOPADHYAY
*Lead Independent Director*

Mr. Sudip Bandyopadhyay ("**Mr. Sudip**") was appointed as Independent Non-Executive Director with effect from 16 August 2022 subsequently with effect from 9 November 2022, he has been redesignated as Lead Independent Director. He is also a Chairman of Audit Committee, Remuneration Committee and Nominating Committee of the board with effect from 9 November 2022. His area of expertise includes lending, capital markets, commodity and currency markets, wealth management, asset management, insurance, investment banking, remittance, forex and distribution of financial products. Sudip acquired control of Inditrade Group from Barings India Private Equity Fund in 2015. Inditrade has significant presence in Agri Commodity Financing, MSME Lending and Micro Finance business.

Mr. Sudip sits on the Boards of a number of listed and unlisted Indian companies. He has been guiding many large listed and unlisted Companies as Independent Director and Audit Committee Chairman (VST Industries Limited). Mr. Sudip is also an investor in many Fintech and other Technology related ventures.

During Mr. Sudip's 16 years stint with ITC as Head of Treasury and Strategic Investments, he managed investments in excess of $1.5 billion. He managed all the treasury operations including capital, currency and money markets for ITC. Mr. Sudip was also responsible for the acquisition of strategic stakes in EIH, VST and several other companies, by ITC.

Post ITC, he was the Managing Director of Reliance Securities (Reliance Money) and also on the Board of several Reliance ADA Group companies. He was instrumental in leading Reliance Anil Dhirubhai Ambani Group's foray, amongst others, into Equity and Commodity Broking, Financial Products Distribution, Commodity Exchanges, Gold Coin Retailing, Money Changing and Money Transfer. Under his leadership, Reliance Money had aggressively expanded its footprint in India and across the globe. Sudip was also responsible for the acquisition of AMP Sanmar through which Reliance launched its Life Insurance business.

Afterwards Mr. Sudip was the Managing Director and CEO of Destimoney, a full-service financial organization, promoted by New Silk Route – an Asia focused growth capital private equity firm with over $1.4 billion under management. Mr. Sudip has significant presence in business media through his regular interaction on leading business channels, business newspapers and magazines. Mr. Sudip is a gold medalist from University of Calcutta and is also a qualified Chartered Accountant and a Cost Accountant with over 35 years of rich and diverse experience in various areas of finance and financial services.

## MR. RAJESH PAHWA
*Independent Director*

Mr. Rajesh Pahwa ("**Mr. Pahwa**") is an Independent Non-Executive Director appointed on the Board of the Company with effect from 11 May 2023. Rajesh Pahwa, a Singaporean national, resides in Singapore and holds a significant role as a director. Mr. Pahwa embodies stability and commitment. His professional endeavors are likely to reflect these traits, making him a reliable and trusted figure in his field.

Mr. Pahwa academic journey began with a Bachelor of Commerce (Honours) from the University of Delhi, India, in 1985, laying a solid foundation for his subsequent professional endeavors. Mr. Pahwa continued to pursue excellence by obtaining the prestigious Chartered Accountant designation from the Institute of Chartered Accountants of India in 1989. This rigorous qualification reflects his expertise in accounting principles and financial management, establishing him as a trusted authority in the field. Collectively, these educational and professional achievements underscore Pahwa's dedication to continuous learning and mastery of his craft, contributing significantly to his successful career trajectory.

Mr. Pahwa's educational and professional qualifications are impressive and diverse, reflecting his commitment to excellence in the fields of finance and management. He obtained his Master of Business Administration (MBA) with a specialization in Banking and Finance from the Nanyang Business School at Nanyang Technology University, Singapore, in 2004. This advanced degree equipped him with comprehensive knowledge and skills relevant to the financial industry. In 1998, Pahwa also earned certification as a SAP Certified Consultant from Sapient College, Singapore, further enhancing his proficiency in technology-driven financial systems.

Rajesh Pahwa boasts a distinguished career marked by extensive expertise across various industries. Transitioning to roles in taxation and corporate law at SITA World Travels Ltd and N S Kang Advocates & Solicitors, respectively, he honed his financial and legal acumen, contributing significantly to the operational efficiency of both organizations.

In 1999, Mr. Pahwa assumed the pivotal role of Financial Controller at the National Parks Board, where he oversaw comprehensive financial management and strategy initiatives. His adept leadership and strategic planning abilities ensured robust budgeting, cost reduction, and investment strategies, driving the board's financial stability and operational excellence. Since 2010, as the Managing Partner at Finedge Capital Pte Ltd, Mr. Pahwa continues to leverage his vast expertise to advise clients on corporate strategy, mergers and acquisitions, capital-raising, and organizational development, solidifying his reputation as a trusted advisor and leader in the finance and management sphere.

# BOARD OF DIRECTORS

## MR. TAY WEE MENG
*Independent Director*

Mr. Tay Wee Meng ("**Professor Edward**") is an Independent Non-Executive Director appointed on the Board of the Company with effect from 28 July 2023. Professor Edward is a Head of CET & Executive Education in the Asian Institute of Digital Finance in the National University of Singapore and serves in NUS ICT Academy and NUS CET Coordination Committee under NUS School of Continuing & Lifelong Education.

Professor Edward has taught in postgraduate courses in Carbon Market & Sustainable Finance, Wealth Management, Artificial Intelligence Governance in Capital Markets & FinTech Venture Creation in NUS.

An industry thought leader in Venture Creation, Venture Capital, Entrepreneurship & Fintech. Domain expertise includes Artificial Intelligence & Digital Transformation for Financial Institutions, Data Privacy, Governance, Regulation, and Compliance Technology, Digital Ethics, Entrepreneurship & Innovation, Technology Risk & Cyber Resilience, Fintech Innovations & Blockchain Innovations.

As a prolific industry public speaker, Professor Edward is serving currently as International Member of FinTech Advisory Committee in International Capital Market Association, Chair of Edu Tech Committee & Vice Chair of Singapore Enterprise Chapter in SG Tech, Council Member of Singapore Accreditation Council, Panel Member of Gen AI Solutions for SMEs in Infocom Media Development Authority, Adjunct Associate Professor of Oxford Blockchain Research Centre in University of Oxford, Senior Fellow of Business Fight Poverty Institute, Senior Fellow of Academy of Career Excellence in Nanyang Business School and Adjunct Faculty of SMU Academy of Singapore Management University.

As a top Venture Capitalist with 4 deep tech unicorns in Digital Economy, Artificial Intelligence and Food Tech, Professor Edward is named LinkedIn Top Voice in Venture Capital in 2024, he served as a Chair of Infracrowd Capital, a Monetary Authority of Singapore registered fund manager in the development and financing of technology & infrastructure assets to create opportunities aligned with United Nation Sustainable Development Goals.

A firm advocate for Diversity, Equity and Inclusion, Professor Edward believes in creating workplaces that celebrate differences and drive collective success.

# SENIOR MANAGEMENT

**MR. GURVINDER PAL SINGH**
*Chief Financial Officer,*
*Digilife Technologies Limited*

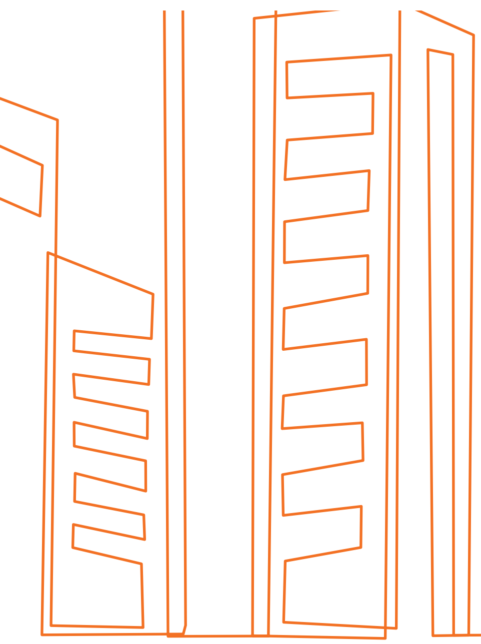
**Gurvinder Pal Singh** ("**GP**") is an experienced Chartered Accountant who has been associated with Modi Group for 29 years. Over the years, GP has played a pivotal role in helping shape the Group's strategy across its verticals and his deep expertise in finance has been vital to the Group achieving its financial objectives of wealth creation.

In his previous role as the Chief Financial Officer of Mobile Telephony Business, GP led the business and strategic planning to restructure the company. GP drove expansion of telecom network operations, while ensuring cost optimization, resulting in higher EBITDA to ensure that company was ready for public listing. GP orchestrated Spice Communication's journey to IPO.

GP was also responsible for healthcare vertical since its infancy stage. He took the company to breakeven with his two-pronged strategy of focus on revenue growth and cost optimization.

Prior to joining the Group, GP worked as Head of Accounts with Fujitsu India Telecom, a Japanese JV company manufacturing Digital Switching Systems. He has also worked as Head of Accounts & Finance with the Prestige Group, a manufacturer of wall clocks and other electronic items.

GP is a member of The Institute of Chartered Accountants of India and Bachelor of Commerce (Honours) from University of Delhi.



**MR. ASHEESH MEHROTRA**
*Chief Executive Officer (Interim),*
*Modi Hebel India LLP (formerly Brimax AAC Products LLP),*
*subsidiary of Digilife Technologies Limited*

**Asheesh Mehrotra** is a seasoned business leader with over 30 years of diverse experience across infrastructure, real estate, telecom, cement, and public sector enterprises. He possesses extensive expertise in business transformation, P&L management, strategic alliances, and PPP project structuring.

As the current interim Chief Executive Officer of Modi Hebel India LLP, Asheesh is spearheading the growth of the AAC Blocks business, driving operational excellence and sustainable profitability. His deep understanding of the construction materials industry, combined with his strong commercial acumen, enables him to identify and capitalise on emerging market opportunities.

Throughout his career, Asheesh has successfully held functional leadership positions across multiple sectors. His proven execution capabilities have consistently translated strategic vision into measurable outcomes, driving business turnarounds and value creation across organisations he has led.

His strong leadership, strategic vision, and track record in P&L management, strategic alliances, and PPP project structuring continue to contribute significantly to the Company's growth and long-term value creation.

Asheesh brings to the role a distinguished career spanning over three decades, underpinned by a consistent commitment to operational excellence, stakeholder value, and sustainable business growth.

# SENIOR MANAGEMENT

MR. HIMANSHU VERMA
*Lead Production & Operations, Modi Hebel India LLP (formerly Brimax AAC Products LLP), subsidiary of Digilife Technologies Limited*

**Himanshu Verma** is a distinguished leader in the building materials, construction, and infrastructure sectors, with over 13 years of professional experience spanning architecture, urban planning, project management, manufacturing, and business strategy. His career uniquely combines technical expertise with business leadership, enabling him to drive innovation and sustainable growth across the built environment.

He holds a Bachelor's Degree in Architecture and a Master's Degree in Town Planning, both completed with distinction. He further enhanced his leadership and execution capabilities through an Executive Program in Advanced Project Management from the Indian Institute of Technology (IIT) Delhi.

Prior to his leadership role in the manufacturing sector, Himanshu spent eight years in architectural consultancy, where he worked on a diverse portfolio of residential, commercial, mixed-use, and urban development projects. This experience provided him with a deep understanding of design, planning, project execution, and stakeholder management.

Recognised for his multidisciplinary perspective and forward-thinking approach, Himanshu continues to champion innovation, sustainability, and excellence, contributing to the transformation of India's construction and building materials industry.

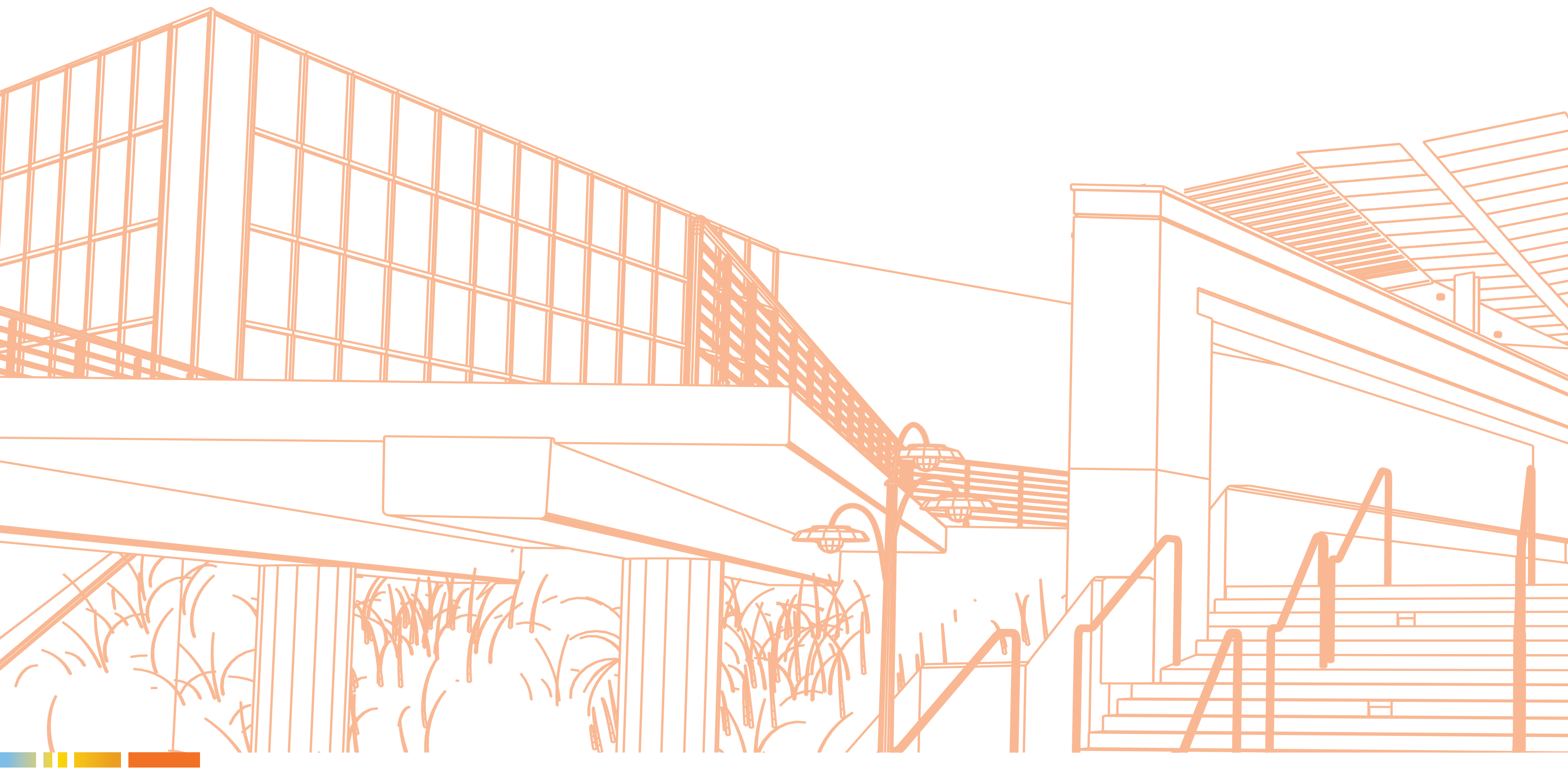
MR. SURAJ GUPTA
*Financial Controller, Modi Aircrete Private Limited, subsidiary of Digilife Technologies Limited*

**Suraj Gupta** ("**Mr. Suraj**") is a Chartered Accountant with over 8 years of experience in financial controllership, strategic finance, governance, project finance, audit, and compliance. He possesses extensive expertise in financial planning and analysis, treasury management, business structuring, ERP implementation, working capital management, and strategic decision-making.

Mr. Suraj has played a key role in establishing and strengthening finance functions, implementing robust governance frameworks, enhancing internal controls, and driving operational efficiencies across diversified sectors, including real estate, healthcare, education, hospitality, wellness, financial services, and infrastructure.

In his previous role as Chief Financial Controller, Mr. Suraj has been instrumental in overseeing financial reporting, budgeting, treasury operations, project finance, and regulatory compliance across multiple domestic and international entities. He has also contributed significantly to strategic initiatives involving business expansion, corporate restructuring, fundraising activities, and project evaluations.

Known for his strong financial acumen and leadership capabilities, Mr. Suraj has successfully led several initiatives focused on enhancing operational efficiency, optimising costs, strengthening governance practices, and supporting sustainable organisational growth.



Digilife Technologies Limited ("**the Company**") and its subsidiaries (collectively,"**the Group**") are dedicated to upholding and maintaining high standards of corporate governance. While business risks are inevitable, we believe that strong corporate governance forms the foundation of a robust organisation, aligning with the best interests of our shareholders. Considering the Group's size and stage of development, we find our current corporate governance framework to be suitable and adequate. This report outlines the Company's corporate governance practices, referencing the principles and provisions of the Code of Corporate Governance 2018 ("**the Code**"). Any deviations from the guidelines in the Code are explained within this report. The Company adheres to the spirit and requirements of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

## BOARD MATTERS

### The Board's Conduct of Affairs

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

The principal roles of the Board of Directors (the "**Board**") are to decide on matters in respect of strategic direction, performance, resources, standard of conduct, corporate planning, major investments, divestments and restructuring. The Board oversees and reviews key operational activities, sets Company values with a code of conduct and ethics in place and business strategies (including sustainability issues), annual budget, the performance of Management, adequacy of internal controls and risk management and stakeholder engagement as stakeholder perception affects the Company's reputation. The Board also approves the release of the financial results announcement on the SGX-ST, major funding and borrowings, investment proposals, and ensures effective human resources and management leadership of high quality and integrity are in place. Directors are fiduciaries who exercise reasonable due diligence and independent judgement in the best interest of the Company and the shareholders, and hold the Management accountable for performance. The Directors recuse themselves from any discussions and decisions concerning a matter in which they may be in a conflict-of-interest situation.

To assist the Board in its discharge of oversight functions, the Board has delegated specific responsibilities to various Board committees, namely the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") and these committees have their respective clear written terms of reference setting out their composition, authorities and duties, including reporting back to the Board.

The details of the AC, NC and RC can be found on pages 19 to 28 of this report.

During the financial period from 1 January 2025 to 31 March 2026 ("**FP2026**"), a total of two (2) Board meetings were held. Following the change in the Company's financial year end from 31 December to 31 March, as announced on 29 December 2025, FP2026 covers the period from 1 January 2025 to 31 March 2026. The Company's Constitution allows for participation in a meeting of the Board by means of conference, telephone or similar communications equipment. The number of meetings of the Board of Directors, shareholders, AC, RC and NC held in FP2026, as well as the attendance of each Board member at these meetings are set out in the table below:

| **Number of meetings held in FP2026** | **Board** | **AC** | **RC** | **NC** | **Annual General Meeting** | **Extra Ordinary General Meeting** |
|---|---|---|---|---|---|---|
| | **2** | **2** | **1** | **1** | **1** | **2** |
| **Name of Director** | **Number of meetings attended in FP2026** | | | | | |
| Mr. Sudip Bandyopadhyay | 2 | 2 | 1 | 1 | 1 | 2 |
| Mr. Mukesh Khetan(i) | 1 | 1* | 1* | 1* | 1 | 1 |
| Ms. Chada Anitha Reddy(ii) | 2 | 2* | 1* | 1* | 1 | 2 |
| Mr. Rajesh Pahwa | 2 | 2 | 1 | 1 | 1 | 2 |
| Mr. Tay Wee Meng | 2 | 2 | 1 | 1 | 1 | 2 |
| Ms. Shivani Srivastva Wadhwa(iii) | 1 | 1* | NA | NA | NA | 1 |

* Attended as Invitee

**Notes:**

(i) Mr. Mukesh Khetan resigned as an Executive Director and Group Chief Executive Officer with effect from 30 June 2025.

(ii) Ms. Chada Anitha Reddy was re-designated from Executive Director and Chairperson to Non-Executive Director and Chairperson with effect from 1 September 2025.

(iii) Ms. Shivani Srivastva Wadhwa was appointed as an Executive Director and Vice Chairperson with effect from 13 June 2025. She resigned as an Executive Director and Vice Chairperson with effect from 15 May 2026.

A Director with multiple directorships is expected to ensure that sufficient time and attention are given to the affairs of the Company. Prior to each Board or Board committee meeting and as well as on an ongoing basis, the Management provides the Board and the relevant Board committees with complete, adequate and timely information, relating to matters to be brought before them to make well informed decisions and to discharge their duties and responsibilities. Periodical reports providing updates on key performance indicators and financial analysis on the performance of the Group are also circulated to the Board for their information. This enables the Board and the Board committees to make well informed, sound and appropriate decisions and keep abreast of key challenges and opportunities as well as developments for the Group.

The Board has independent and direct access to Senior Management at all times. Frequent dialogues and interactions take place between Senior Management and the Board members on pertinent developments in the Group's business, changes in regulations and applicable laws, and industry-related matters so to enable them to make well-informed decisions in their roles and responsibilities. The Board also has separate and independent access to the Company Secretary who attends all Board meetings. The Company Secretary is responsible for advising the Board that the Board procedures are followed and that the applicable requirements of the Companies Act 1967 (the "**Companies Act**") and the Catalist Rules are complied with. The appointment and removal of the Company Secretary is a matter for the Board.

The Directors may take independent external advice, at the Company's expense, as and when necessary, to enable them to discharge their responsibilities effectively.

The Board oversee and communicate to the Management on the matters that require board approval. The Board has adopted a set of internal guidelines setting out management authority limits (including matters that require the Board's approval) for capital and operating expenditure, investments and divestments, bank facilities and cheque signatories.

The Company arranges a detailed induction programme for newly appointed Directors, setting out various information including their duties, obligations and responsibilities as Directors, including presentations by the Management on the Group's businesses and strategic plans and objectives. The Directors are provided with regular updates on regulatory changes and any new applicable laws and are also encouraged to attend training programmes, seminars and workshops organised by professional bodies and organisations at the Company's expense, so as to enable them to develop, maintain their skills and knowledge and properly discharge their duties as Board or board committee members. If a newly appointed director does not have prior experience as director of a listed company, the Company will arrange for such person to undertake training organised by the Singapore Institute of Directors ("**SID**") as required under Catalist Rule 406(3)(a) so to familiarise such person with the roles and responsibilities of a director of a listed company as well as the relevant rules and regulations. The Company provides funding for the training of Directors as required. During FP2026, the Directors were briefed about the regulatory updates and the new guidelines on various subjects as and when released by the regulatory bodies. The Company organised several training programmes conducted by Singapore Institute of Directors for newly appointed director i.e. Ms. Shivani Srivastva Wadhwa, where she attended these programmes including Listed Entity Director Essentials, Board Dynamics and Board Performance. The Directors are also encouraged to attend training on specific topics of interest.

**Board Composition and Guidance**

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

The Directors of the Company as at the date of this report are:

1) Ms. Chada Anitha Reddy (Non-Executive Director and Chairperson)

2) Mr. Sudip Bandyopadhyay (Lead Independent Director)

3) Mr. Rajesh Pahwa (Independent Non-Executive Director)

4) Mr. Tay Wee Meng (Independent Non-Executive Director)

The Board comprise four (4) Directors. The Independent Directors constituted majority of the Board.

Whilst the Chairman of the Board is Non-Executive, the independent directors make up a majority of the Board. Profiles of the Directors are provided on pages 10 to 14 of this Annual Report.

The NC continues to hold the view that as warranted by circumstances, the Board may form additional Board committees to look into specific areas of oversight. The Chairmen and all members of the AC, RC and NC are Independent Directors.

The NC had reviewed the size of the Board in FP2026, taking into account the nature and scope of the Group's operations. The Board members comprise competent Directors who are able to address the relevant industry and business needs of the Group. The Board consists of individuals who are respected business leaders and professionals, whose collective core competencies and experience are extensive, diverse and relevant to the principal activities of the Group. For FP2026, the NC was satisfied that the Board comprised of Directors who as a whole, provided core competencies and diversity of skills, experience, gender, age and knowledge such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge, required for the Board to be effective.

The Company has adopted a Board Diversity Policy. The Board endeavours to achieve the balance and diversity necessary to maximise its effectiveness as part of its Board Diversity Policy which endorses the principle that its Board should have the balance of skills, knowledge, experience and other aspects of diversity that support the Company in the pursuit of its strategic and business objectives, and its sustainable development. The Board Diversity Policy seeks to promote the inclusion of different perspectives, ideas and insights and ensure that the Company can benefit from all available sources of talent.

In determining the optimum composition and size of the Board and each Board committee, the Board Diversity Policy provides for the NC to consider a combination of factors such as skills, knowledge, experience, educational background, gender, age, nationalities, independence and length of service. The skills, knowledge and experience to be considered include finance, accounting, business acumen, management experience, industry knowledge, strategic planning, familiarity with regulatory requirements and knowledge of risk management, audit and internal controls.

A skills matrix is used to help identify the gaps. The skills matrix classifies the skills, knowledge and professional experience of existing Directors into several broad categories such as industry knowledge; financial markets; regulation, compliance and/or government relations; leadership; and technology; environmental, social and governance (ESG), and also where such skills, knowledge and professional experience were acquired or utilised geographically.

Suitable candidates will then be identified, including through external search firms. As required, external search firms can be engaged and can be instructed that diversity is a key criterion in the search and in particular, gender diversity. Female candidates are therefore required to be included for consideration. Selection of candidates will be based on a range of diversity perspectives. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

Following its assessment of the candidates, the NC will then interview the short-listed candidates. The NC will thereafter make its recommendations to the Board including appointments to the appropriate Board committee(s) after matching the candidates' skillset to the needs of each Board committee. The Board, taking into account the views of the NC, will consider if its Directors meet the criteria under its Board Diversity Policy and possess the necessary competencies to govern the Company effectively.

The Board recognises the importance and value of gender diversity in the composition of the Board. With the appointment of Ms. Chada Anitha Reddy as Director on 23 June 2022, there is currently one female Director on the Board.

The Board has a clear focus on achieving diversity across various dimensions, including educational background, professional skills, industry knowledge, age, ethnicity, and gender, along with relevant experience in areas such as finance and other sectors. For the Audit Committee, the Board ensures that at least one director has a professional qualification in finance, while others are financially literate and possess a strong understanding of business finance dynamics.

In terms of qualifications and competencies, the Board comprises seasoned professionals with expertise in business administration, economics, investment, finance, accounting, and legal fields. Female representation is considered important, with efforts to include women on the Board as part of a commitment to gender diversity. Proactive measures are taken to seek female candidates during recruitment, reflecting the Board's dedication to fostering inclusivity and balanced representation.

Currently, the Board consists of three men and one woman, representing 75% male and 25% female gender diversity. Among independent directors, however, female representation is absent. Despite this, the Board is pleased to report that it has successfully aligned with its diversity focus areas. The Board will not be setting targets for now as the Board views that it is sufficiently diverse as it comprises individuals with a broad range of expertise as set out in the competency table below highlighting the Board's diverse qualifications and expertise, demonstrating its ability to effectively fulfill governance responsibilities.

Notwithstanding the Board may review and enhance its diversity approach from time to time as part of its ongoing Board renewal process to ensure good governance, and maintain relevance to the changing needs of the Group and its business.

**Directors' Matrix by Skills, Competencies, Background**

| | |
|---|---|
| Audit, Accounting & Finance | 2 Directors |
| Legal or Corporate Governance | 2 Directors |
| Business Acumen | 4 Directors |
| Strategic Planning Experience | 4 Directors |
| Environment, Social and Governance | 2 Directors |

The Board believes that its members' different backgrounds, experience, age, gender, tenure of service, and skill sets provide a diversity of perspectives which contribute to the quality of its decision-making. The profiles of the Directors are on pages 10 to 14 of this Annual Report.

The Non-Executive Directors and/or the Independent Directors, led by the Lead Independent Director, meet regularly without the presence of the Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate. The Independent Non-Executive Directors constructively challenge and assist in development of proposals on strategy, assist the Board in reviewing the performance of the Management in meeting agreed goals and objectives, and monitor the reporting of performance. When necessary, the Independent Non-Executive Directors will have discussions and meet amongst themselves without the presence of the Management. For FP2026, the Non-Executive Directors and Independent Directors have met once without the presence of the Management.

**Chairman and CEO**

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

Ms. Chada Anitha Reddy serves as the Non-Executive Chairperson of the Group. Following the cessation of office of Mr. Mukesh Khetan as Group Chief Executive Officer on 30 June 2025, Ms. Shivani Srivastva Wadhwa was appointed as Executive Director and Vice Chairperson. Subsequently, Ms. Shivani resigned from her position with effect from 15 May 2026. Accordingly, as at the date of this Report, the position of Group Chief Executive Officer remains vacant. The Board intends to appoint a Chief Executive Officer or Executive Director in the next financial year or as and when it considers such appointment appropriate, taking into account the Company's operational requirements.

Consequently, the requirement under Provision 3.1 of the Code for the Chairman and CEO to be separate persons is not applicable currently. The Board continues to oversee the management and affairs of the Group and maintains appropriate governance and oversight mechanisms to ensure effective decision-making and accountability.

All strategic and major decisions relating to the businesses and management of the Group are collectively made by the Board. As such, there is a balance of power, authority and responsibility and to ensure accountability and Board independence and no one individual controls or dominates the decision-making process of the Company. All major decisions involving the Company are only executed upon approval by a majority of the Board.

The Board makes independent decisions as the majority of the Board comprises non-executive directors and independent directors. The Company has Mr. Sudip Bandyopadhyay as the Lead Independent Director, who is independently available to shareholders along with other independent directors like Mr. Rajesh Pahwa and Mr. Tay Wee Meng.

**Role of Chairperson and CEO**

The Chairperson is Ms. Chada Anitha Reddy. She plays a pivotal role in leading the Board and ensuring its effective and comprehensive deliberations on matters brought before it, including strategic issues. At Board meetings, she promotes a culture of open dialogue and constructive debate, facilitating the effective contribution of all Directors and fostering high standards of corporate governance. The Chairperson is responsible for ensuring that the Board functions effectively and that Directors receive accurate, timely and clear information to support sound decision-making. She also maintains effective communication with shareholders and other stakeholders. At shareholder meetings, the Chairperson facilitates constructive dialogue between shareholders, the Board and Management, and ensures that shareholders' views are appropriately communicated to the Board.

Following the cessation of office of Mr. Mukesh Khetan as Group Chief Executive Officer on 30 June 2025, Ms. Shivani Srivastva Wadhwa was appointed as Executive Director and Vice Chairperson. Subsequently, Ms. Shivani resigned from her position with effect from 15 May 2026. Accordingly, as at the date of this Report, the position of Group Chief Executive Officer remains vacant. The Company is actively looking for suitable candidates for this position and will make announcement once finalized.

**Board Membership**

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

<u>Nominating Committee</u>

The Company has established a NC to, among other matters, make recommendations to the Board on all board appointments and re-appointments and the process and criteria for evaluation of the performance of the Board, its Board committees and individual Directors, and oversee the Company's succession and leadership development plans.

The NC, which is guided by written terms of reference, comprises the following members as at the date of this report:

| | |
|---|---|
| Mr. Sudip Bandyopadhyay | Lead Independent Director (Chairman) |
| Mr. Rajesh Pahwa | Independent Non-Executive Director (Member) |
| Mr. Tay Wee Meng | Independent Non-Executive Director (Member) |

As at the date of this report, all the NC members including the Chairman are Independent Non-Executive Directors.

The NC's key terms of reference includes review of succession plans for the Directors, in particular the appointment and/or replacement of Chairman, the Group CEO and key management personnel, evaluation of performance of the Board, Board committees and individual Directors, identifying and selecting new Directors, review of training and professional development programmes for the Board and its directors and ensuring equitable distribution of responsibilities among Board members to optimise the effectiveness of the Board. Board renewal is an ongoing process to ensure good governance, and maintain relevance to the changing needs of the Group and its business. The search for candidates for the Board is conducted through a broad network of contacts. Candidates should have a good reputation, integrity and have expertise that complements the skill sets of the existing Board members. The candidate should also be able to devote time to the affairs of the Company and commit to duties as a Director of the Company.

The NC reviews and assesses the nominations for the selection, appointment, re-appointment or re-election of Directors before making recommendations of the same to the Board. Consideration for assessment of Board is given to diversity of experience, appropriate skills, gender, age, track record, potential contributions to the needs and goals of the Group, as well as to whether there are any conflicts of interests. The NC also ensures that the new Directors are aware of their duties and obligations and evaluates the Directors' availability to commit them to carrying out the Board's duties and activities having regard to the Director's contribution and performance (such as attendance, preparedness, participation and candour). The NC Chairman is an Independent Director and is not directly associated with, a Substantial Shareholder (with interest of 5% or more in the voting shares of the Company).

With reference to the considerations set out in Practice Guidance 4 relating to multiple board memberships, the Company currently does not set a limit to the number of directorships and principal commitments. The Board is of the view that the number of listed company directorships should be assessed on a case-by-case basis, including and not limited to the person's track record, capacity, nature of responsibilities and time commitments to be able to devote sufficient time and attention to the affairs of the Company. Each of the Directors is required to make his or her own self-assessment and assess their respective capacities to commit to devote sufficient time and attention to the Company's affairs.

# CORPORATE GOVERNANCE

The Directors bring to the Company their respective vast business and professional experience as well as their high participation rate in the meetings of the Company, accordingly the NC and the Board have determined that despite the directors' directorships in the other companies, the directors are able to adequately carry out their duties as directors of the Company. In adherence to Practice Guidance 4, the Company ensures transparency by disclosing all the directors' directorships and principal commitments in other companies, as below:

**Directorships & Principal Commitments Held by directors**

| Name of Director | Directorships in other companies & Principal Commitments |
|---|---|
| 1. Ms. Chada Anitha Reddy | • Smart Co. Holding Pte Ltd<br>• Peremex Pte Ltd<br>• Innovative Management Pte Ltd<br>• S Global Services Pte Ltd<br>• Spice Global Pte Ltd<br>• Spice Bulls Pte Ltd<br>• Digi 2020 Pte Ltd<br>• Spice Vas (Africa) Pte Ltd<br>• Spice-CSL Pte Ltd<br>• Smart Health City Pte Ltd<br>• S Global Innovation Centre Pte Ltd<br>• Spice Global Ventures Pte Ltd<br>• Global Citizen Forum Ltd<br>• Omnia Pte Ltd<br>• Dr. M Pte Ltd<br>• SEV Projects Pte Limited<br>• Digiwell Pte Ltd<br>• PT. Metrotech Jaya Komunika Indonesia<br>• Spice Digital Bangladesh Ltd.<br>• Digispice Nepal Pvt. Ltd.<br>• Fast Track IT Solutions Ltd.<br>• PT Spice Digital Indonesia<br>• Digispice Ghana Ltd.<br>• Smart Health FZ LLC<br>• Well 2020 DMCC<br>• Beyond 100 INC<br>• Digiwell INC<br>• Beyond 100 New York INC<br>• Beyond 100 Holding NIC<br>• Saket City Residencies Pvt Ltd<br>• Saket Mediciti Pvt Ltd<br>• Saket City Medical Office Building Pvt Ltd<br>• Bigstar Development Limited BVI<br>• Maxworld Asia Limited<br>• Mediaring Europe Limited<br>• Mediaring.com (Shanghai) Limited<br>• Newtel Corporation Co.Ltd<br>• T H C International Co Ltd<br>• Modi Fountain DMCC |

| Name of Director | Directorships in other companies & Principal Commitments |
|---|---|
| 2. Mr. Sudip Bandyopadhyay | • VST Industries Limited<br>• Inditrade Capital Limited<br>• Inditrade Fincorp Limited<br>• Inditrade Rural Marketing Limited<br>• Inditrade Scalerator limited<br>• Totalstart Entrepreneurship Ecosystem Developers |
| 3. Mr. Rajesh Pahwa | • Datagrid Pte. Ltd.<br>• Elevate Connections Pte Ltd.<br>• Finedge Capital Pte. Ltd.<br>• Itnity Pte. Ltd.<br>• Lambourne Projects Pte. Ltd.<br>• Lion Design Projects Pte. Ltd.<br>• Mayfive Consultants Pte. Ltd.<br>• Neume Health Pte. Ltd.<br>• OCG Technologies Pte. Ltd.<br>• One Global Visa Pte. Ltd.<br>• One Incorp Corporate Services Pte. Ltd.<br>• Qlikpay Pte. Ltd.<br>• Quantum Leap Advisors Pte. Ltd.<br>• Softmining Pte. Ltd<br>• Nectiq Solutions Pte. Ltd.<br>• Black Stone Advisory Pte Ltd |
| 4. Mr. Tay Wee Meng | • Infracrowd Capital Pte. Ltd.<br>• Blue Ocean Image Sdn. Bhd. (Dormant)<br>• Athena Coffee Malaysia Sdn. Bhd. |

***Note:*** *For completeness, the above list includes all directorships and principal commitments held by the Director, including executive and non-executive directorships in both listed and non-listed entities, to provide a comprehensive overview of the Director's commitments.*

In accordance with Regulation 89 of the Company's Constitution, at least one-third of the Directors (or, if the number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation at every Annual General Meeting ("**AGM**") and each Director is subject to retirement at least once in every three years. All re-appointments of Directors are subject to recommendation of the NC. The NC meets at least once a year. Additional meetings are scheduled when the Chairman of the NC deems necessary. Newly appointed Directors are required to submit themselves for re-election at the next AGM following their appointments.

At the forthcoming AGM, Ms. Chada Anitha Reddy and Mr. Tay Wee Meng will be retiring from office pursuant to Regulation 89 of the Company's Constitution. Being eligible for re-election, the abovementioned directors have offered themselves for re-election. The NC has recommended, and the Board has agreed, for Ms. Chada Anitha Reddy and Mr. Tay Wee Meng to be put forward for re-election at the forthcoming AGM.

Ms. Chada Anitha Reddy and Mr. Tay Wee Meng had abstained from participating in the discussion and recommendation on their nomination. In making the recommendation of Ms. Chada Anitha and Mr. Tay Wee Meng, the NC had considered, their respective experience, competency, commitment and overall contribution to the Board (in conjunction with their Director Profile set out in pages 10 to 14 of this Annual Report, their respective additional information is set out in Appendix 7F of the Catalist Rules as disclosed in pages 151 to 158 of this Annual Report).

The Board noted that Provision 2.2 of the Code requires the Independent Directors to make up a majority of the Board, when the Chairman is not independent. There is a majority of Independent Directors on the Board. The Board further notes that the majority of the members of the AC, NC and RC should be independent. All the members in our AC, NC and RC are independent non-executive directors. Rule 406(3)(c) of the Catalist Rules requires Independent Directors to make up at least one-third of the Board and the listing applicant should endeavour to fill the vacancy within two months, but in any case, not later than three months. Rule 704(7) of the Catalist Rules requires that, in the event of any retirement or resignation which renders the AC unable to meet the minimum number (not less than three) the issuer should endeavour to fill the vacancy within two months, but in any case, not later than three months.

The NC had reviewed the independence of the Independent Directors who were present on the Board in FP2026 and found them to be independent. Currently, none of the Independent Directors have served on the Board for more than nine years from their respective date of their respective first appointments.

The NC assesses the Board size and composition and each Independent Director's independence annually. The NC reviews the "independence" status of the Directors annually having regard to the circumstances set forth in Provision 2.1 in the Code, its Practice Guidance, taking into consideration whether a Director falls under the circumstances set out in Rule 406(3)(d) of the Catalist Rules. The Independent Directors are required to submit their confirmation of independence annually for the NC's reviews. Mr. Sudip Bandyopadhyay, Mr. Rajesh Pahwa and Mr. Tay Wee Meng have declared that they are independent. The NC has reviewed the independence of the Board and is satisfied that Mr. Sudip Bandyopadhyay, Mr. Rajesh Pahwa and Mr. Tay Wee Meng are considered to be independent. The Board concurred with the NC's review assessment. Each Independent Director had recused himself in the determination of his own independence in the review.

None of the Directors has an alternate Director. As a Director is expected to be able to commit time to the affairs of the Company, the NC will generally not support the appointment of an alternate Director.

Key information of the Directors is set out on the following pages of this Annual Report: academic, professional qualifications, directorships and principal commitments are set out on pages 10 to 14 of this Annual Report; age, date of first appointment as well as last re-election are set out in the table below.

| Name | Age | Position | Date of Initial Appointment | Date of Last Re-election |
|---|---|---|---|---|
| Ms. Chada Anitha Reddy | 54 | Non-Executive Director and Chairperson | 23 June 2022 | 29 April 2024 |
| Mr. Sudip Bandyopadhyay | 62 | Lead Independent Director | 16 August 2022 | 29 April 2025 |
| Mr. Rajesh Pahwa | 62 | Independent Non-Executive Director | 11 May 2023 | 29 April 2025 |
| Mr. Tay Wee Meng | 52 | Independent Non-Executive Director | 28 July 2023 | 29 April 2024 |

Information on the shareholdings in the Company of each Director is set out on page 52 of the Directors' Statement.

**Board Performance**

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

The Company believes that Board performance is ultimately reflected in the performance of the Group. The Board, through the delegation of its authority to the NC, ensures that Directors appointed to the Board possess the background, experience, industry knowledge and skills critical to the Group's business so as to enable the Board to make sound and well-considered decisions.

During FP2026, the NC assessed the performance of the Board as a whole, Board committees and individual Directors. The assessment of the Board and the Board committees is done via a confidential questionnaire, covering areas such as Board composition, Board processes, managing the Group's performance and the effectiveness of the Board in its monitoring role and the effectiveness of the board committees. The assessment of the individual Directors is done through peer assessments through a confidential questionnaire completed by each Director. The assessment parameters include attendance and contributions during Board and Board committee meetings as well as commitment to their role as Directors. The evaluation questionnaires were circulated and the results were aggregated by the Company Secretary and reported to the Chairman of the NC to ensure objectivity and transparency in the process. No external facilitator was used in the evaluation process.

Each Director is required to complete the evaluation questionnaires for the Board, Board committees and individual Directors. The results of the evaluation are prepared and consolidated for the Board and the findings of the performance evaluation exercises are discussed by the NC with recommendations to the Board if any improvements need to be made.

The Chairman, on the recommendation of the NC, would act on the results of the performance evaluation exercises, with the view of strengthening the Board as a whole, its committees and individual Directors to enhance its effectiveness and performance. Throughout the FP2026, the Board has maintained open lines of communication directly with Senior Management on matters within their purview, over and above their attendance at convened meetings. The Board has also constructively challenged and assisted in developing proposals on strategy and reviewed the Management's performance in meeting set goals and objectives. The Board has also provided valuable inputs, knowledge and raised insightful issues at Board and Board committee meetings.

For FP2026, based on the completed assessment forms submitted by all Directors, the Board, in concurrence with NC, is of the view that the Board, Board committees and individual Directors have fared well against the performance criteria and is satisfied with the performance of the Board, Board committees and individual Directors and that each director is contributing to the overall effectiveness of the Board.

## REMUNERATION MATTERS

### Procedures for developing remuneration policies

***Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnels. No director is involved in deciding his or her own remuneration. No remuneration consultants have been engaged by the Company during the financial year.***

### Level and mix of remuneration

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

Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the issuer and key management personnel to successfully manage the issuer for the long term. The compensation is linked to the achievement of the organisation and individual performance objectives and that it is benchmarked against comparative compensation in the market.

A significant and appropriate proportion of executive directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the issuer. The remuneration of non-executive directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.

**Disclosure on remuneration**

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

All recommendations made by the RC on remuneration of Directors and key management personnel will be submitted for endorsement by the Board. No member of the RC is involved in setting his own remuneration package. As and when deemed appropriate by the RC, independent expert advice is sought at the Company's expense. The RC shall ensure that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. There was no external remuneration consultant appointed in FP2026 to assist in the review of remuneration packages.

Remuneration Committee

The RC comprises the following members as at the date of this report:

| | |
|---|---|
| Mr. Sudip Bandyopadhyay | Lead Independent Director (Chairman) |
| Mr. Rajesh Pahwa | Independent Non-Executive Director (Member) |
| Mr. Tay Wee Meng | Independent Non-Executive Director (Member) |

As at the date of this report, all the members of the RC including the Chairman are Independent Non-Executive Directors.

The main responsibilities of the RC which are guided by its written terms of reference, include:

(i) reviewing policy on executive remuneration and for determining the remuneration packages of individual Directors and Key Management personnel; and

(ii) reviewing and making recommendation to the Board for endorsement of a framework for remuneration which covers all aspects of remuneration including Directors' fees, salaries, allowance, bonuses, options and benefits in kind, the specific remuneration packages and termination terms for each Director.

In setting an appropriate remuneration structure and level, the RC takes into consideration industry practices and norms in compensation as well as the Group's relative performance. The compensation structure is designed to enable the Company to stay competitive and relevant.

There is no remuneration criteria for the Independent Directors, however the framework for their remuneration is based on separate fixed fees which is line with the market practice for holding a chairman position and being a member, as well as serving on Board committees. The Independent Directors receive their fees in accordance with their level of contributions, taking into account factors such as their responsibilities, effort and time spent for serving on the Board and the Board committees. The framework is as follows:

| **Fees of Independent Directors for FP2026** | **Chairman (S$ per annum)** | **Member (S$ per annum)** |
|---|---|---|
| Board | – | 20,000 |
| Audit Committee | 11,000 | 5,000 |
| Nominating Committee | 7,500 | 4,000 |
| Remuneration Committee | 7,500 | 4,000 |

Share awards are granted from time to time as decided by the RC. Directors' fees are subject to the shareholders' approval at the forthcoming AGM. No Director is involved in the decision concerning his own fee.

The RC has recommended to the Board a total amount of S$140,000 as Directors' fees for FP2026. This recommendation has been endorsed by the Board and will be tabled at the forthcoming AGM for shareholders' approval.

The level and mix of each of the Directors' and the Group CEO's remuneration for FP2026 are set out below:

| Name | Designation | Fees % | Salary % | Bonus % | Share-based payment % | Salary |
|---|---|---|---|---|---|---|
| Ms. Chada Anitha Reddy* | Non-Executive Director and Chairperson | – | 100 | – | – | S$126,372 |
| Mr. Mukesh Khetan** | Executive Director and Group CEO | – | 20.50 | 79.50 | – | S$377,378.74 |
| Ms. Shivani Srivastva Wadhwa*** | Executive Director and Vice Chairperson | – | – | 100 | – | S$72,774.90 |
| Mr. Sudip Bandyopadhyay | Non-Executive Director | 100 | – | – | – | S$57,500 |
| Mr. Rajesh Pahwa | Non-Executive Director | 100 | – | – | – | S$41,250 |
| Mr. Tay Wee Meng | Non-Executive Director | 100 | – | – | – | S$41,250 |

* Ms. Chada Anitha Reddy's was redesignated from Executive Director and Chairperson to Non-Executive Director and Chairperson with effect from 1 September 2025.

** Mr. Mukesh Khetan resigned as an Executive Director and Group CEO with effect from 30 June 2025. The remuneration disclosed pertains to the period up to the cessation of his employment with the Company. An Exit Bonus amounting to S$300,000 was paid as a one-off ex gratia payment in recognition of his contributions to the Group.

*** Ms. Shivani Srivastva Wadhwa was appointed as an Executive Director and Vice Chairperson with effect from 13 June 2025. She resigned as an Executive Director and Vice Chairperson with effect from 15 May 2026.

The Company has adopted a long-term incentive scheme, namely The Digilife Technologies Performance Share Plan 2021 ("**PSP**") that reward Directors and employees who contribute to the Group and are valuable to retain, using vesting schedules.

Information on the Group's PSP is set out in the Directors' Statement on page 53 of this Annual Report.

The level and mix of the key management personnel of the Company (who are not directors or the CEO) for FP2026 are set out below:

| No. | Name | Designation | Basic % | Variable Pay % | Total % | Salary Range in S$ |
|---|---|---|---|---|---|---|
| 1 | Ms. Divya Dutta | Chief Investor Relation Officer, Modi Aircrete Private Limited (Subsidiary of Digilife) | 100 | – | 100 | 0-200,000 |
| 2 | Mr. Himanshu Verma | Lead Productions & Operations, Modi Hebel India LLP (Subsidiary of Digilife) | 100 | – | 100 | |
| 3 | *Mr. Gurvinder Pal Singh | Chief Financial Officer, Digilife | – | – | – | |
| 4 | **Mr. Sandip Rai | Chief Financial Controller, Digilife | 100 | – | 100 | |

* *As on the date of this report, Mr. Gurvinder Pal Singh is serving as the Chief Financial Officer of the Company in a non-remunerated capacity and does not receive any remuneration or other benefits from the Company.*

** *Mr. Sandip Rai has resigned from the Company w.e.f. 15 June 2026.*

The aggregate remuneration (excluding statutory taxes and share awards) paid to the above key management personnel in FP2026 was S$239,991. The Company has not fully disclosed the remuneration of the key management personnel (who are not Directors or the Group CEO) in accordance with Provision 8.1(b) of the Code as the Board is of the view that it is not in the best interests of the Company and the employees of the Group to disclose such details due to the sensitive nature of such information as it may lead to the poaching of executives within a highly competitive industry.

There is no termination, retirement and post-employment benefits granted to the Directors, the Group CEO or the key management personnel apart from the applicable laws. There is no contractual provision in the terms of employment of the Group CEO, Executive Directors and the key management personnel to reclaim incentive components of their remuneration in exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Company. The RC is of the view that such clawback provisions are not necessary because the variable components of their remuneration packages are moderate.

The RC will review the Company's obligations under the service contracts entered into with the Executive Chairman, Executive Director, CEO and key management personnel that would arise in the event of termination of these service contracts. This is to ensure that such service contracts contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

There is no family relationship between any of our Directors and/or key management personnel, and there is no employee who is an immediate family member of a Director, the Group CEO or substantial shareholder whose remuneration exceeds S$100,000 in the Group's employment for FP2026.

## ACCOUNTABILITY AND AUDIT

### Risk Management and Internal Controls

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

The Group does not have a separate Risk Management Committee. However, the Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. The Management also reviews all significant policies and procedures and will highlight all significant matters to the AC and the Board.

The AC is delegated the full responsibility to review, together with the Company's auditors, at least once a year, the effectiveness and adequacy of the Group's system of internal accounting controls, operational, compliance and information technology controls and risk management policies.

The AC also monitors the Management's responses to audit findings and actions taken to correct any noted deficiencies. The key internal controls covered under such a review include:

(i) identification of risks and implementation of risk management policies and measures;

(ii) establishment of policies and approval limits for key financial and operational matters, and the rules relating to the delegation of authorities;

(iii) documentation of key processes and procedures;

(iv) ensuring the integrity, confidentiality and availability of critical information;

(v) maintenance of proper accounting records;

(vi) ensuring the effectiveness and efficiency of operations;

(vii) safeguarding of the Group's assets; and

(viii) ensuring compliance with applicable laws and regulations.

The Company's internal control system ensures that assets are safeguarded, proper accounting records are maintained, and that financial information used within the business and for publication is reliable. The Group has also put in place policies on proper employee behaviour and conduct which includes the observance of confidentiality obligations on information relating to the Group and customers, and the safeguarding of system integrity.

The internal audit function assists the AC and the Board in evaluating internal controls, financial and accounting matters, compliance, financial risk management, operational and information technology controls.

In the absence of Chief Executive Officer and Executive Director, the Board has received assurance from (i) the Non-Executive Director and Chairperson and the former Chief Financial Controller ("**CFC**") that the financial records have been properly maintained and the financial statements for FP2026 give a true and fair view of the Group's operations and finances; and (ii) regarding the adequacy and effectiveness of the Group's risk management and internal control systems, addressing the financial, operational, compliance and information technology risks.

Based on the internal controls and risk management systems established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by the Board, Board committees and Management, the AC concurs and the Board is of the opinion that Group's internal controls and risk management systems, addressing financial, operational, compliance and information technology risks, are adequate and effective.

The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group would not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

**Audit Committee**

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

Audit Committee

The AC comprises the following members as at the date of this report:

| | |
|---|---|
| Mr. Sudip Bandyopadhyay | Lead Independent Director (Chairman) |
| Mr. Rajesh Pahwa | Independent Non-Executive Director (Member) |
| Mr. Tay Wee Meng | Independent Non-Executive Director (Member) |

As at the date of this report, all members of the AC including the Chairman are Independent Non-Executive Directors. Two members of the Audit Committee, including the Audit Committee Chairman, possess recent and relevant accounting and related financial management expertise and experience, in compliance with Provision 10.2 of the Code of Corporate Governance 2018. None of the AC members was a former partner of the Company's existing external auditor, Moore Stephens LLP, within the two years of his or her ceasing to be a partner or has any financial interest in the firm. There was no change in the composition of the AC during FP2026.

The AC has express authority to conduct or authorise investigation into any matter within its terms of reference. It has full access to and co-operation by the Management and full discretion to invite any Director or executive officer to attend its meetings and reasonable resources to discharge its functions properly.

The AC held two meetings in FP2026. The number of the Directors' participation and attendance at the AC meetings held during the FP2026 can be found on page 15 of this Annual Report.

The roles of the AC are documented in the terms of reference approved by the Board. The duties of the AC include:

(i) maintaining adequate accounting records;

(ii) reviewing the scope and results of the internal audit reports as well as Management's responses to the findings of the internal audit reports;

(iii) reviewing the half yearly and full-year financial statements and the integrity of financial reporting of the Company;

(iv) reviewing at least annually the adequacy and effectiveness of the Company's internal controls and risk management system, addressing financial, operational, compliance and information technology risks;

(v) reviewing the interested party transactions;

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

(vii) reviewing findings of internal investigations into matters where there is suspected fraud, irregularity, failure of internal controls or violation of any law likely to have a material impact on the financial reporting or other matters;

(viii) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;

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

(x) reviewing the assurance from the CEO and CFO on the financial records and financial statements;

(xi) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit functions; and

(xii) having oversight responsibilities for the Company's sustainability vision, mission, strategy, policies, practices and initiatives.

The AC members take measures to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements through updates from the external auditors and the Management from time to time.

During FP2026, the AC reviewed the half-yearly and annual financial statements; the results of the audits performed by the internal and external auditors and reviewed the register of interested person transactions.

The AC noted that there were no non-audit services provided by Moore Stephens LLP.

Moore Stephens LLP confirmed that the firm and audit team members have complied with the independence requirements in the Code of Professional Conduct and Ethics of the Singapore Accountants (Public Accountants) Rules. The Company paid Audit fees to the statutory auditors amounted to S$132,000 for FP2026.

The AC also has considered the adequacy of the resources, experience and competence of Moore Stephens LLP, and has taken into account the Audit Quality Indicators relating to Moore Stephens LLP at the firm level and on the audit engagement level. Consideration is also given to the experience of the engagement partner and key team members in handling the audit team's ability to work in a co-operative manner with the Management whilst maintaining integrity and objectivity and to deliver their services professionally and within agreed timelines.

Based on the above basis, the AC is of the opinion that Moore Stephens LLP is independent for the purpose of the Group's statutory audit and is satisfied with the standard and quality of work performed by Moore Stephens LLP. The AC has recommended to the Board the nomination of Moore Stephens LLP for re-appointment as the Company's external auditor at the forthcoming AGM.

The AC had met with internal and external auditors, without the presence of Management, at least once during FP2026.

The financial statements of the Company and its key subsidiaries are audited by Moore Stephens LLP. Both the AC and the Board have reviewed the appointment of auditors and/or significant associated companies and were satisfied that the appointment of Moore Stephens LLP as the external auditors of the Group would not compromise the standard and effectiveness of the audit of the Group. Accordingly, the Company has complied with Rules 712 and 715 of the Catalist Rules. The AC, has therefore, recommended Moore Stephens LLP to be re-appointed as external auditors at the forthcoming AGM.

The Company has put in place a whistle-blowing framework ("**Whistle-blowing Policy**") endorsed by the AC where the employees of the Group or any other person may, in confidence, raise concerns about possible corporate improprieties on matters of financial reporting or other matters. A dedicated secured email address (sudip@inditrade.com) has been set up to allow whistle-blowers to contact the AC Chairman directly. In the Whistle-blowing Policy, it has designated an independent function to investigate whistle-blowing reports made in good faith and ensures that the identity of the whistle-blower is kept confidential and the Company is committed to ensure protection of the whistle-blower against reprisal, detrimental or unfair treatment. The AC is responsible for oversight and monitoring of whistle-blowing policy and processes.

Details of the Whistle-blowing Policy and arrangements have been made available to all employees of the Group. The AC and the Board will ensure that independent investigations and any appropriate follow-up actions are carried out.

During FP2026, certain allegations concerning, amongst others, the conduct of former management personnel and regulatory reporting were brought to the Company's attention. Consistent with its commitment to good corporate governance, the Company has referred the matters raised for independent review and investigation, and the review remains ongoing. The Company will carefully consider the findings and determine any appropriate follow-up actions, if required, upon completion of the investigation.

*Financial Matters:*

In review of the financial statements, the AC has discussed with the Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements. The following significant matters impacting the financial statements were discussed with the Management and the external auditors and were reviewed by the AC:

*Significant matters:*

| **Significant Matters** | **How the AC reviewed these matters and what decisions were made** |
|---|---|
| A. Valuation of trade and other receivables and loan receivable | The AC assessed the reasonableness of the recoverability of the trade and other receivables and loan receivable. The AC considered the observations and findings presented by the external auditors with reference to the Group's credit policy, the expected credit loss assessment, and the processes for identifying impairment indicators, ageing analysis and evaluating the creditworthiness of selected customers. Please refer to page 56 of this Annual Report for the audit report on the matter.<br><br>The AC reviewed the expected credit loss computations and obtained assurance from Management that the impairment assessment had been undertaken using appropriate methodologies and assumptions. The AC also discussed with the external auditors their review of the reasonableness of the assumptions used, including subsequent receipts, supporting documentation and management's assessment of the recoverability of long outstanding balances.<br><br>The AC concurred with Management's assessment of the recoverability of trade and other receivables and loan receivable and concluded that the related disclosures in the financial statements were adequate. |
| B. Disposal of subsidiaries | The AC reviewed the disposal of the Group's subsidiaries and considered the observations and findings presented by the external auditors with reference to the executed sale and purchase agreements, supporting documentation, and the accounting treatment adopted by Management. The AC assessed the appropriateness of Management's determination of the disposal date, transfer of control, measurement of the consideration received, and computation of the loss on disposal. Please refer to page 57 of this Annual Report for the audit report on the matter.<br><br>The AC discussed with Management and the external auditors the carrying amounts of the subsidiaries' net assets derecognised, the accounting treatment relating to the disposal transactions, including the recycling of cumulative foreign currency translation reserves, and the assessment of whether the disposed subsidiaries met the criteria for discontinued operations. The AC also reviewed the adequacy and completeness of the related disclosures in the financial statements.<br><br>The AC concurred with Management's accounting for the disposal of the subsidiaries, including the recognition of the loss on disposal, and concluded that the related disclosures in the financial statements were appropriate. |

| Significant Matters | How the AC reviewed these matters and what decisions were made |
|---|---|
| C. Acquisition of subsidiary | The AC reviewed the acquisition of the subsidiary and considered the observations and findings presented by the external auditors with reference to the sale and purchase agreement, related supporting documentation and the accounting treatment adopted by Management. The AC assessed whether the acquired subsidiary met the definition of a business and reviewed the methodologies and assumptions applied in the purchase price allocation, including the determination of the fair values of the identifiable assets and liabilities acquired. Please refer to page 58 of this Annual Report for the audit report on the matter.<br><br>The AC discussed with Management and the external auditors the valuation methodologies adopted, including the competence and objectivity of Management's valuation specialist, the reasonableness of the key assumptions used in determining the fair values of the identifiable assets and liabilities, and the mathematical accuracy of the purchase price allocation and goodwill recognised. The AC also reviewed the adequacy of the related disclosures in the financial statements.<br><br>The AC concurred with Management's accounting for the acquisition of the subsidiary, including the purchase price allocation and the recognition of goodwill, and concluded that the related disclosures in the financial statements were appropriate. |

*Internal Audit*

In line with the Code and Rule 719(3) of the Catalist Rules which require issuers to establish and maintain on an ongoing basis, an effective IA function that is adequately resourced and independent of the activities it audits, the Company has engaged BDO Advisory Pte Ltd. ("**BDO**") as the Company's independent internal auditors to provide an independent resource and perspective to the Board and the AC, on the processes and controls that help to mitigate major risks. BDO reports functionally and administratively to the AC.

BDO performs its work according to the Global BDO IA Methodology which is consistent with the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. BDO is given full access to documents, records, properties and personnel, including access to the AC.

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

The AC reviews the adequacy and effectiveness of the internal audit function at least once a year. The AC is satisfied that BDO is independent and effective, has the adequate resources to perform its functions and has appropriate standing within the Company, with numerous years of experience and the requisite qualification. The internal auditor reports its findings and recommendations for improvement of any internal control weakness to the AC. The AC reviews and makes recommendations to the Board to adopt the internal audit plan drawn up on an annual basis and ensures that the approved audit recommendations are adequately performed.

The AC relies on reports from the Management and external and internal auditors on any material non-compliance and internal control weaknesses. Thereafter, the AC oversees and monitors the implementations thereto.

## SHAREHOLDER RIGHTS AND ENGAGEMENT

### Shareholder rights and conduct of general meetings

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

Shareholders are entitled to participate and vote at general meetings of shareholders. The Board welcomes questions from institutional and retail shareholders who have an opportunity to raise issues either formally at or informally after the general meeting to allow shareholders to communicate their views on various matters affecting the Company. The respective Chairmen of the AC, RC and NC are expected to be available at AGMs to answer questions relating to the work of these committees.

The Company presents separate resolutions on each issue at general meetings, with voting on each resolution carried out systematically by poll, with proper recording of the votes cast and the resolutions passed. The results of the electronic poll voting on each resolution, including the total number of votes cast for or against each resolution, are also announced via SGXNet after the conclusion of general meetings. The Company tabled separate resolutions on each substantially separate issue at the previous AGM held on 30 April 2025 ("**AGM 2025**"). There were no resolutions which were bundled.

At each AGM, shareholders are encouraged to participate in the question-and-answer session. The Board of Directors, the external auditors and the Senior Management were present to respond to shareholders' questions about the conduct of audit and the preparation and content of the auditors' report. The Directors' attendance at the AGM 2025 is disclosed on page 15 of this Annual Report.

If any shareholder is unable to attend the AGM, the Company's Constitution allows a shareholder to appoint up to two proxies to attend and vote on his or her behalf at the AGM. A relevant intermediary, which has the meaning in the Companies Act, is allowed to appoint more than two proxies. The Company has not implemented absentia voting methods such as voting via mail, e-mail or fax etc. until security, integrity and other pertinent issues are satisfactorily resolved.

The Company Secretary prepares minutes of shareholders' meetings which incorporates substantial comments and responses from the Board and Management. These minutes include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Chairman, Board members and Management are available to shareholders. The Company publishes such minutes of the meetings on SGXNet and its corporate website at the link https://digilifelimited.com.

The Company does not have a dividend policy. The Board, in considering dividend payments, will take into account factors such as the Company's earning, financial condition, capital requirements, business expansion plans and cash flow. No dividend has been declared for FP2026 as the Group intends to retain funds to support the Group's operational requirements, growth plans and ongoing business development initiatives. The Group has not raised any money from shareholders after 2011, however it has paid back cash in the form of a capital reduction exercise carried out during the financial year ended 31 December 2016 and share buyback exercises. The Group continues to be conservative when it comes to borrowings.

### Engagement with Shareholders

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

The Board has adopted a formal investor relations policy ("**IR Policy**") which sets out the mechanism governing the communication channel through which its stakeholders who may contact the Company and through which the Company shall announce, among others, its financial results, general announcements, press releases and answers to its stakeholders' queries. The IR Policy allows for an ongoing exchange of views so as to actively engage, and promote regular, effective and fair communication with stakeholders. The IR Policy is available on its corporate website, http://www.digilifelimited.com/. The Company maintains the highest professional and ethical standards in dealings with its stakeholders and ensures that the best interests of the Company are served.

The Board will provide timely and fair disclosures to all stakeholders. Where there are inadvertent disclosures made to a selected group, the Company would make the same disclosure publicly to ensure fair dissemination of news as promptly as possible.

In line with the continuous disclosure obligations of the Company pursuant to the Catalist Rules, it is under the IR Policy that the shareholders are informed of all major developments that significantly affect the Group. The Management will then address the queries raised by institutional and retail investors or shareholders emails. Shareholders are welcome to send their queries to the Company at email address: investor-relations@digilifelimited.com.

The Board and the Management engage with the shareholders during general meetings and dialogue sessions as and when organized. In addition, the Directors and the Management are available to answer any questions which the investors or shareholders may have in relation to the Company. The Company allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

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

(i) Half-year and full-year financial results announcements, announcements of corporate information in accordance with the requirements of SGX-ST, and press releases broadcasted through SGXNet;

(ii) annual reports and circulars that are electronically sent/announced to all shareholders;

(iii) notices and explanatory notes for annual general meetings and extraordinary general meetings;

(iv) the Shareholders are also briefed on the voting procedures and the resolutions that they are voting on;

(v) the website of the Company (https://digilifelimited.com) at which shareholders and the public may access information on the Group including the annual reports of the Company; and

(vi) the notice of annual general meeting is dispatched to shareholders at least 14 days before the meeting.

The AGM 2025 was held in a wholly physical format and there were no options given to the shareholders to attend the AGM by electronic means. The forthcoming AGM for FP2026 will be held on 24 July 2026 ("**AGM 2026**") in a wholly physical format. There will be no option for Shareholders to participate virtually. Please refer to the notice of AGM for full details on the arrangements for shareholders to participate in the AGM 2026. The Company shall publish the minutes for AGM 2026 on SGXNet and the Company's website within one (1) month after the date of the AGM 2026.

**MANAGING STAKEHOLDER RELATIONSHIPS**

**Engagement with Stakeholders**

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

The relationships and interests of material stakeholders will impact the Company's long-term sustainability, service and product standards. Material stakeholders are parties who may be affected by the ability of the Company to conduct its activities or vice versa actions who can affect the ability of the Company to conduct its activities.

For full details on the Group's approach to stakeholder engagement and materiality assessment, please refer to the Group's sustainability report for FP2026 (as found in pages 34 to 51 of this Annual Report, the Company has detailed its stakeholder engagement and materiality assessment).

**MATERIAL CONTRACTS**
***(Rule 1204(8) of Catalist Rules)***

The Company and its subsidiary companies did not enter into any material contracts involving interests of the CEO, Directors or controlling shareholders and no such material contracts subsists at the end of the financial year.

**DEALINGS IN THE COMPANY'S SECURITIES**
***(Rule 1204(19) of Catalist Rules)***

In line with the recommended practices on dealings in securities set out under Rule 1204(19) of the Catalist Rules, the Company has a policy in place prohibiting dealings in the Company's securities on short-term considerations. The Company, its Directors and employees are also expected to observe the insider trading laws at all times as prescribed by the Securities and Futures Act 2001. The Company has issued directives to its employees and Directors not to deal in the Company's securities on short-term considerations and while in possession of price-sensitive information. The Company and its officers also abstain from dealing with the Company's securities for the period of one (1) month immediately preceding and ending on the date of the announcement (**blackout period**) of the Company's half-year and full-year financial statements.

**INTERESTED PERSON TRANSACTIONS**
***(Rule 1204(17) of Catalist Rules)***

The Group has in place procedures governing interested person transactions to ensure that they are properly documented and reported to the AC in a timely matter and are carried out on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders.

The Company entered into an Interested Person Transaction ("IPT") amounting to S$300,000. The transaction relates to services rendered in support of the Group's AAC business development and market exploration activities in India. The Audit Committee has assessed the transaction and determined that the value of the transaction is below the applicable threshold percentage of the Group's latest audited Net Tangible Assets ("NTA"). Accordingly, a separate announcement or shareholders' approval was not required under the relevant Catalist Rules.

| Name of interested person | Nature of relationship | Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) |
|---|---|---|---|
| Smart Bharat Private Limited | Substantial Shareholder | S$300,000 | – |

**Note:**
1. There was neither renewal nor new IPT mandate obtained at the AGM 2025.

**NON-SPONSOR FEES**
***(Rule 1204(21) of Catalist Rules)***

The Company has PrimePartners Corporate Finance Pte. Ltd. ("**Sponsor**") as its continuing sponsor. There was non-sponsor fees of S$190,000 which was paid to the Company's Sponsor in FP2026.

## BOARD STATEMENT

We are pleased to present the Sustainability Report of Digilife Technologies Limited ("**the Company**", and together with its subsidiaries, the "**Group**", "**we**", "**our**" or "**Digilife**") for the financial year from 1 January 2025 to 31 March 2026 ("**FP2026**"). This report highlights the key Economic, Environmental, Social, and Governance ("**EESG**") related initiatives carried out during FP2026 with comparative references to the financial year from 1 January 2024 to 31 December 2024 ("**FY2024**").

FP2026 was a period of significant transformation for the Group. During the reporting period, the Group completed the disposal of its Telecom and ICT businesses and acquired Modi Hebel India LLP (formerly Brimax AAC Products LLP), marking its entry into the Architecture, Engineering and Construction ("**AEC**") industry through the manufacturing of building and construction materials. These changes resulted in a substantial shift in the Group's operational footprint and reporting boundary. As such, the sustainability disclosures presented in this report reflect the businesses that were under the Group's ownership and operational control during the reporting period.

In light of the changes to the Group's business portfolio, the Board remains committed to maintaining appropriate standards of corporate governance, ethical business conduct, and sustainability oversight. The Board of Directors ("**Board**") has overall responsibility for overseeing the Group's sustainability strategy, material EESG factors, and sustainability reporting process. It has considered sustainability issues as part of its strategic formulation. Management supports the Board by monitoring relevant EESG developments, assessing material sustainability matters, and implementing policies and practices that are appropriate to the Group's scale and business circumstances. In line with this commitment, the Company has also engaged internal auditors to perform an internal review of this Sustainability Report.

As the Group continues to evaluate its future business direction and operational structure, sustainability considerations remain an important part of our decision-making process. Following the Group's transition into manufacturing operations within the AEC industry, the Board recognises that the sustainability priorities and material EESG considerations applicable to the Group are evolving. Given the recent acquisition and limited operational period of the manufacturing facility during FP2026, the assessment of material sustainability risks and opportunities remains under development. The Board will continue to monitor evolving regulatory requirements and stakeholder expectations while adopting a practical and proportionate approach to sustainability management.

## REPORTING FRAMEWORK, PERIOD AND SCOPE

This report is prepared in compliance with the requirements of Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Rules 711A and 711B, with reference to the Global Reporting Initiative ("**GRI**") Standards 2021. We have adopted the GRI Standards due to their global credibility and extensive approach to sustainability reporting. This systematic framework allows us to deliver a clear and holistic overview of the Group's material issues and the ways we manage our impacts, thereby ensuring a complete and equitable portrayal of our sustainability performance.

This report presents the EESG performance of Digilife Technologies Limited in Singapore and our primary operations at Modi Hebel India LLP (formerly Brimax AAC Products LLP) ("**Modi Hebel**") in India. For specific human resources-related performance indicators, the accounting scope includes an additional entity, Modi Aircrete Private Limited ("**Modi Aircrete**"), to provide a more comprehensive representation. Any differences in scope are explained in the footnotes below the relevant performance tables. Unless stated otherwise, the reporting period covers the 15-month financial period from 1 January 2025 to 31 March 2026, following the change in the Company's financial year-end from 31 December to 31 March.

Due to the disposal and acquisition of businesses during the reporting period, the reporting boundary differs from previous reporting periods. Accordingly, year-on-year comparisons may not be directly comparable in certain areas. Following the disposal of Bharat IT Services Limited ("**Bharat IT**") during FP2026, the entity has been excluded from the reporting scope as management no longer has access to the relevant operational information following the transfer of management control. Further details regarding the reporting scope and boundary are provided in the relevant sections of this report.

The Board has reviewed and endorsed the material EESG factors presented in this report and oversees the management and monitoring of these factors. The Group has adopted an "**explain**" approach under the "**comply or explain**" provision, in identifying the risks and opportunities related to its material sustainability issues and climate change, taking into consideration the Group's current business circumstances, operational scale, and the applicable SGX-ST sustainability reporting requirements for FP2026.

The Group has reported its Scope 1 and Scope 2 greenhouse gas ("**GHG**") emissions for the reporting period and will continue to monitor developments in climate-related reporting requirements. As the Group undergoes business transformation and evaluates its future operational direction, the Board will continue to assess the relevance and applicability of additional climate-related disclosures in future reporting periods.

## FEEDBACK

We value the views of our stakeholders and welcome feedback on our sustainability approach, performance and reporting. Stakeholder feedback helps us strengthen our sustainability practices and improve the relevance of our disclosures. Comments, questions and suggestions may be directed to investor-relations@digilifelimited.com.

Lastly, we would like to express our appreciation to our employees, business partners, customers and stakeholders for their continued support throughout this period of transition. We remain committed to maintaining transparent communication and responsible business practices as we continue to evaluate opportunities for sustainable long-term value creation.

9 July 2026

# OUR APPROACH TO SUSTAINABILITY

## STAKEHOLDER ENGAGEMENT

The Group recognises the importance of engaging with stakeholders to understand their perspectives and ensure that sustainability considerations are incorporated into our business decisions and corporate governance processes. Through regular communication and engagement, we seek to identify stakeholder expectations, address material concerns, and support the long-term sustainability of the Group.

Given the changes to the Group's business portfolio during the reporting period, the nature and frequency of stakeholder engagement may vary depending on operational requirements and business circumstances. The Group remains committed to maintaining open and transparent communication with its key stakeholders.

| Stakeholder Group | Engagement Platforms | Frequency | Key Areas of Interest |
|---|---|---|---|
| **Shareholders** | • Annual General Meeting<br>• Annual reports<br>• SGX announcements<br>• Investor enquiries | Annually and as required | • Corporate governance<br>• Business performance<br>• Risk management |
| **Employees** | • Performance review<br>• Whistleblowing channels | Regularly throughout the year | • Employee wellbeing and rights<br>• Career development |
| **Customers** | • Meetings<br>• Virtual discussions | As required | • Service quality<br>• Customer satisfaction |
| **Suppliers** | • Procurement processes and vendor assessment<br>• Meetings and virtual communications | As required | • Fair business practices<br>• Contractual compliance |
| **Financial Institutions** | • Meetings<br>• Correspondence and information sharing | As required | • Financial performance<br>• Risk management |
| **Regulatory Authorities** | • Regulatory submissions<br>• Meetings and correspondence | As required | • Regulatory compliance<br>• Legal and reporting obligations |

## MATERIALITY ASSESSMENT

The Group recognises that understanding and managing material EESG matters is an important part of creating long-term value and supporting informed decision-making. Given the significant changes to the Group's business portfolio during FP2026, the Group conducted a refreshed materiality assessment to ensure that the sustainability matters disclosed in this report remain relevant to its current business circumstances and stakeholder expectations.

The materiality assessment was conducted with the support of an external sustainability consultant and comprised four key steps:

IDENTIFICATION OF POTENTIAL EESG TOPICS → STAKEHOLDER IDENTIFICATION AND ENGAGEMENT → EVALUATING SIGNIFICANCE

### Step 1: Identification of Potential EESG Topics

We undertook a review of potential EESG topics that may be relevant to our business activities and stakeholders, considering our business activities and operational profile; relevant GRI Standards disclosure; industry sustainability trends; and emerging sustainability risks and opportunities. Based on this review, a list of potentially relevant EESG topics was developed for stakeholder assessment.

### Step 2: Stakeholder Identification and Engagement

The Group identified key stakeholder groups that may be affected by, or have an interest in, the Group's sustainability performance. These stakeholders included both internal and external parties, such as Board of Directors (including INED), employees and suppliers and business partners. Stakeholders were invited to participate in an online survey administered by the external sustainability consultant.

### Step 3: Evaluating Significance

Survey participants were asked to evaluate the significance of each EESG topic based on their perception of the extent to which the Group may have impacts on the respective matters.

To reflect the relative importance of the four EESG pillars to the Group's business context and stakeholder expectations, a weighting methodology was applied during the assessment process, and the survey responses were analysed accordingly to determine the relative importance of each EESG topic.

The weighted survey results were compiled and consolidated into a materiality assessment matrix to facilitate the prioritisation of sustainability matters for reporting and management purposes.

### Materiality Assessment Outcome

**AREAS THAT ARE IDENTIFIED TO BE RELATIVELY MORE IMPORTANT TO EXTERNAL STAKEHOLDERS ONLY**

– Climate Change & Decarbonisation
– Energy Management
– Water Stewardship
– Waste & Circular Economy
– Materials Efficiency & Resource Management

**AREAS THAT ARE IDENTIFIED TO BE MATERIAL**

– Sustainable Supply Chain & Procurement
– Business Ethics & Anti-Corruption
– Corporate Governance, Risk Management & Compliance
– Innovation & Sustainable Growth

**AREAS THAT ARE IDENTIFIED TO BE RELATIVELY INSIGNIFICANT AT THIS STAGE**

– Occupational Health & Safety
– Talent Development & Retention
– Diversity, Equity & Inclusion
– Human Rights & Labour Practices
– Product Quality & Customer Satisfaction
– Community Engagement & Social Contribution

**AREAS THAT ARE IDENTIFIED TO BE RELATIVELY MORE IMPORTANT TO INTERNAL STAKEHOLDERS ONLY**

– Not applicable

### Step 4: Validation

The Board has reviewed and approved the material ESG factors and oversees the management and monitoring of these factors. The Board is responsible for overseeing the Group's sustainability strategy and has determined that the material EESG factors presented in this report appropriately reflect the sustainability matters that are most relevant to the Group and its stakeholders during FP2026.

## CLIMATE CHANGE

The Group recognises that climate change is an increasingly important global issue and that climate-related risks and opportunities may affect businesses across different industries and geographies. The Group also acknowledges the growing expectations of regulators, investors and other stakeholders regarding climate-related disclosures.

During FP2026, the Group underwent significant changes to its business portfolio, including the disposal of existing operations and the acquisition of a manufacturing business. As a result, the Group's operational profile changed substantially during the reporting period and continues to evolve as the Group assesses its future business direction and strategy. Following the acquisition of Modi Hebel, the Group entered into manufacturing operations during FP2026. However, the facility was operational only for a limited period during the reporting year and was subsequently suspended for machinery upgradation.

In view of these circumstances, the Group has adopted a proportionate approach to climate-related management and disclosures. The Board and management continue to monitor regulatory developments, emerging climate-related risks and stakeholder expectations, while considering the Group's operational scale, business activities and available resources. At this stage, the Group has not formally identified material climate-related risks and opportunities over the short, medium and long term and will continue to assess climate-related considerations as the manufacturing operations stabilise.

The Group notes that the Singapore Exchange has introduced a phased roadmap for climate-related disclosures aligned with the International Financial Reporting Standards Sustainability Disclosure Standards ("**IFRS Sustainability Disclosure Standards**"), including IFRS S2 Climate-related Disclosures. Based on the current regulatory requirements applicable to the Group for FP2026, the Group is not required to provide full IFRS S2-aligned climate-related disclosures for the current reporting period.

Accordingly, the Group has adopted a "**comply or explain**" approach in relation to climate-related disclosures. While the Group has not undertaken a comprehensive climate-related assessment covering governance, strategy, risk management, and climate scenario analysis during FP2026, the Board will continue to monitor developments in the Group's business activities and assess the appropriateness of enhancing climate-related disclosures in future reporting periods. Management is also monitoring resource consumption and environmental impacts associated with the Group's manufacturing operations to support future climate-related assessments and disclosures.

As part of its current reporting obligations, the Group has disclosed its Scope 1 and Scope 2 GHG emissions for FP2026. These disclosures provide stakeholders with an overview of the direct and indirect emissions associated with the Group's operations during the reporting period.

The Group remains committed to maintaining transparency in its sustainability reporting and will continue to review its climate-related approach in light of future regulatory developments, business circumstances and stakeholder expectations.

# ECONOMIC

## ECONOMIC PERFORMANCE AND SUSTAINABLE GROWTH

The Group recognises that maintaining financial sustainability is fundamental to creating long-term value for shareholders and other stakeholders. The Board and management continuously monitor the Group's financial performance, business developments and operating environment to support informed decision-making and the long-term viability of the Group.

FP2026 was a period of significant business transition for the Group. During the reporting period, the Group completed the disposal of Telecom and ICT businesses and subsequently acquired Modi Hebel India LLP, marking its entry into the AEC industry through the manufacturing of building and construction materials. These changes resulted in a substantial shift in the Group's operational profile and business activities during the reporting period.

In light of these developments, the Group remained focused on prudent financial management, effective capital allocation and the evaluation of strategic opportunities that may support its future growth and sustainability. The Board regularly reviews the Group's financial position, operational performance and business prospects, taking into consideration prevailing market conditions and the evolving needs of the business.

As the Group continues to assess its future business direction, maintaining sound corporate governance, financial discipline and operational resilience remain a key priority. The Group also recognises the importance of innovation and sustainable growth in supporting its long-term business development and will continue to evaluate opportunities to strengthen its market position and create value for stakeholders. The Group believes that a disciplined approach to business management will support its ability to respond to changing market conditions and create sustainable value over the long term.

The Group has not currently linked sustainability-related performance indicators to executive remuneration. The Board may review such arrangements in the future, taking into consideration the Group's business circumstances, operational scale and sustainability priorities.

Further information on the Group's financial performance and business developments during FP2026 can be found in the following sections of the Annual Report:

- Operational and Financial Performance Review, pages 4 to 5
- Financial Statements, pages 61 to 144

## Supply Chain and Procurement Practices

The Group recognises the importance of responsible procurement practices in supporting operational efficiency, business continuity and sustainable economic development. The Group seeks to engage suppliers and business partners that are capable of meeting its operational requirements while maintaining appropriate standards of quality, reliability and business integrity.

In FP2026, the Group underwent significant changes to its business portfolio, including the disposal and acquisition of business operations. As a result, procurement activities during the reporting period reflected the requirements of the respective businesses that were under the Group's ownership and operational control at different points in time. Following the acquisition of Modi Hebel, the Group's procurement activities increasingly supported manufacturing operations and the sourcing of materials and services required for production activities.

When selecting suppliers, the Group considers factors such as product and service quality, pricing competitiveness, delivery capability, technical expertise, business reputation and compliance with contractual requirements. These considerations help the Group maintain an efficient and resilient supply chain while supporting operational needs.

The Group also recognises the economic benefits of supporting local suppliers where appropriate and commercially viable. Procurement decisions are made based on business requirements and operational circumstances, while taking into consideration the availability of local suppliers capable of meeting the Group's expectations.

The proportion of procurement spending on local suppliers[1] for Modi Hebel during FP2026 was 100%.

Given the significant changes to the Group's business portfolio during FP2026 and the ongoing evaluation of its future business direction, the Group has not established specific short-term, medium-term or long-term quantitative procurement targets at this time. In addition, the Group plans to review its procurement requirements following its transition into manufacturing operations and will continue to explore opportunities to strengthen procurement practices as its operational structure becomes more established.

Instead, the Group has adopted the following directional objectives:

| Timeframe | Short-term | Medium-term | Long-term |
|---|---|---|---|
| **Target** | Continue to consider qualified local suppliers where appropriate and commercially viable | Maintain fair and transparent procurement practices while supporting local suppliers that are able to meet the Group's operational requirements | Foster sustainable supplier relationships and contribute to local economic development through responsible procurement practices where practicable |

1 *Local suppliers refer to suppliers that are registered and operate within the same country as the reporting entity making the procurement decision, which in this case, refers to India, the operating country of Modi Hebel.*

The Board and management believe that meaningful procurement targets should be aligned with the nature, scale and operational requirements of the Group's underlying businesses. As the Group's future operational structure continues to evolve, the establishment of procurement-related targets may not currently provide meaningful information to stakeholders.

The Group will continue to monitor its procurement practices and reassess the appropriateness of establishing procurement-related targets when its business operations become more stable and predictable.

## Business Ethics and Anti-corruption

The Group is committed to conducting its business with integrity, transparency and accountability. The Group adopts a zero-tolerance approach towards bribery, corruption, fraud and other forms of unethical conduct, and seeks to uphold high standards of business ethics across its operations.

The Board and management recognise that maintaining an effective governance and control environment is essential to protecting stakeholder interests and supporting sustainable business operations. Corruption-related risks are considered as part of the Group's overall internal control and risk management framework. The Audit Committee reviewed risks and internal controls during the year, taking into consideration recommendations from the Group's Internal Auditors. Based on these processes, no significant corruption-related issues were identified during FP2026.

In FP2026, we recorded no confirmed incidents of corruption, continuing our positive performance in FY2024 (FY2024: Nil). We remain resolute in our efforts to sustain this level of integrity in the future.

To reinforce our commitment to anti-corruption, the Group has established policies, procedures and internal controls designed to promote ethical conduct and reduce the risk of corruption, including:

- Equip employees with Employee Manual, guiding them on anti-bribery and anti-corruption measures since the time of joining
- Establish internal policies and procedures to promote ethical business practices and foster a culture of compliance
- Develop whistle-blowing arrangements for the reporting of suspected misconduct

Employees are expected to conduct business in accordance with applicable laws and regulations and to uphold the Group's ethical standards at all times.

### Whistle-blowing Policy

The Group promotes a culture of openness, accountability and ethical conduct. To support this commitment, the Group has established a whistle-blowing policy approved by the Board. The whistle-blowing policy provides employees and other stakeholders with a confidential channel to report concerns regarding suspected misconduct, fraud, corruption, unethical behaviour, or other inappropriate activities.

Reports may be submitted directly to the Chairman of the Audit Committee through designated reporting channels established by the Group. The Group is committed to protecting whistleblowers who make reports in good faith and maintaining the confidentiality of information received.

The Audit Committee oversees the implementation of the whistle-blowing policy and monitors the handling of reported matters. Where appropriate, independent investigations and follow-up actions are undertaken in accordance with the Group's established procedures. Further details regarding the whistle-blowing arrangements are available in the Corporate Governance Report. In FP2026, the Group received one whistle-blowing report (FY2024: Nil), relating to certain allegations concerning, amongst others, the conduct of former management personnel and regulatory reporting. In line with the Group's commitment to good corporate governance, the matter was referred for independent review and investigation, which remained ongoing as at the date of this report. The Group will consider the findings of the investigation and determine any appropriate follow-up actions, where necessary, upon completion of the review.

Looking ahead, the Group will continue to strengthen its governance framework, promote ethical business conduct and maintain effective reporting mechanisms to support its objective of preventing corruption and misconduct across its operations. Our ultimate aim is to maintain zero confirmed incidents of corruption, thereby reinforcing the trust and confidence placed in us by our stakeholders.

## ENVIRONMENTAL

### ENERGY MANAGEMENT

#### Commitment to Environmental Responsibility

The Group recognises the importance of responsible energy management in supporting operational efficiency and reducing environmental impacts. As part of its environmental management approach, the Group monitors energy consumption where data is available and seeks to encourage the responsible use of energy resources across its operations.

The Group remains committed to improving the transparency of its environmental disclosures and has reported its energy consumption and GHG emissions for FP2026 in alignment with applicable reporting requirements.

Table 1: The Group's energy consumption and GHG emissions in FP2026 and FY2024[1]

| Types of Resources | Unit | Amount | |
|---|---|---|---|
| | | **FP2026** | **FY2024** |
| Electricity[3] | MWh | 247 | 113 |
| Diesel | L | 7,000 | 2,375 |
| Gasoline | L | – | – |
| Total Energy Consumption (non-renewable) | MWh | 322 | 139 |
| **Types of GHG Emissions[4]** | **Unit** | **Amount** | |
| | | **FP2026** | **FY2024** |
| Scope 1 (Direct Emissions)[5] | Tonnes of $CO_2e$ | 19 | 6 |
| Scope 2 (Energy Indirect Emissions)[6] | Tonnes of $CO_2e$ | 224 | 103 |
| Total GHG emissions (Scope 1 & Scope 2) | Tonnes of $CO_2e$ | 243 | 109 |

During FP2026, the Group underwent significant changes to its business portfolio. Accordingly, the energy consumption data reported in this Report reflects the operations that were under the Group's ownership and operational control during the reporting period. These operations included the Group's Modi Hebel in India. Bharat IT has been excluded from the reporting scope following its disposal and transfer of management control during FP2026. The manufacturing facility acquired during FP2026 was operational only for a limited period before operations were suspended for machinery upgradation. Thus, year-on-year comparisons of energy consumption and GHG emissions should be interpreted with caution, as changes in reporting boundaries and operational activities may have a significant impact on reported performance.

In addition to energy consumptions, the Group's manufacturing operations at Modi Hebel also consumed $28m^3$ of oxygen as raw materials.

2 *The FP2026 data accounting only includes the operations of Modi Hebel from Nov 2025 to March 2026 (5-months). While FY2024 data accounting only includes the operations of Bharat IT from Jan 2024 to Dec 2024 (12-month). Therefore, direct comparisons between these datasets are not advisable.*

3 *The Group's electricity consumption only includes the usage of Bharat IT (for FY2024) and Brimax (for FP2026), as the corporate office of Digilife only pays rental charges as tenants without separate utility charges.*

4 *The methodology adopted for reporting on GHG emissions set out above was based on GHG Protocol Corporate Accounting and Reporting Standard and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.*

5 *The Group's Scope 1 (Direct Emissions) included only the emissions arose from the consumption consumption of fuels owned or controlled by the Group, where applicable.*

6 *The Group's Scope 2 (Energy Indirect Emissions) included only the emissions arose from the purchased electricity consumption.*

## Promoting Energy Efficiency

The Group encourages the responsible use of energy resources across its operations and strives to promote energy conservation practices among employees.

We realise that efficient energy management not only contributes to reducing environmental impacts but may also support operational efficiency and cost management. Management will continue to monitor energy consumption trends and evaluate appropriate measures to improve energy performance based on the nature and scale of the Group's operations.

The Group recognises the importance of managing energy consumption and associated GHG emissions. However, given the substantial changes to the Group's business portfolio during FP2026 and the ongoing evaluation of its future business direction, the Group has not established specific short-term, medium-term or long-term quantitative energy reduction targets at this time.

Instead, the Group has adopted the following directional objective:

| Timeframe | Short-term | Medium-term | Long-term |
|---|---|---|---|
| **Target** | Continue to monitor energy consumption and promote responsible energy use across operations | Identify opportunities to improve energy efficiency where operationally and commercially feasible | Enhance energy management practices and support continual improvement in energy efficiency as the Group's business operations evolve |

The Board and management believe that meaningful energy-related targets should be aligned with the nature, scale and operational characteristics of the Group's underlying businesses. As the Group's future operational structure continues to evolve, energy performance trends may not be directly comparable across reporting periods.

The Group will continue to monitor energy consumption and reassess the appropriateness of establishing energy-related targets when its business operations become more stable and predictable.

## Water Consumption

The Group recognises the importance of responsible water use in its operations. During FP2026, water consumption was primarily associated with the manufacturing activities of Modi Hebel in India.

In FP2026, the water consumption was 6,316.06 $m^3$, which was direct consumption from ground water. Given the significant changes to the Group's business portfolio during the reporting period and the limited operating period of the manufacturing facility prior to machinery upgradation activities, water consumption data may not be directly comparable with future reporting periods.

The Group will continue to monitor water consumption and evaluate opportunities to improve resource efficiency where operationally appropriate.

## Waste Management

The Group also reckons the importance of managing waste generated from its operations in a responsible manner. Waste generated by the Group includes both general waste and industrial waste associated with production activities. The Group seeks to handle and dispose of waste in accordance with applicable legal and regulatory requirements.

During FP2026, waste generated within the reporting scope primarily arose from manufacturing activities at Modi Hebel, with general waste and industrial waste generated amounting to 4,113.00 kg and 188,476.76 kg, respectively.

Given the significant changes to the Group's business portfolio during the reporting period and the limited operational period of the manufacturing facility, waste generation data may not be directly comparable with future reporting periods.

## SOCIAL

At Digilife, we recognise that our employees are an important contributor to our long-term success. We are committed to maintaining a workplace that promotes fairness, respect, diversity and equal opportunity, while supporting the wellbeing, development and safety of our workforce.

The Group seeks to comply with applicable employment laws and regulations and upholds principles relating to ethical employment practices, non-discrimination and respect for human rights. As the Group continues to evolve its business operations, it remains committed to fostering a positive and inclusive working environment for its employees.

### OCCUPATIONAL HEALTH AND SAFETY

#### Commitment to Employee Health and Safety

The Group is committed to providing a safe and healthy working environment for employees and recognises that effective occupational health and safety ("**OHS**") management is essential to protecting the wellbeing of its workforce and supporting sustainable business operations.

The Group seeks to comply with applicable health and safety laws and regulations in the jurisdictions where it operates and encourages employees to maintain safe working practices in the course of their duties.

#### Health and Safety Management

The nature of occupational health and safety risks varies depending on the activities undertaken by the Group's businesses. During FP2026, the Group's operations included office-based activities as well as manufacturing-related operations that were under the Group's ownership and operational control for part of the reporting period.

The Group seeks to provide employees with a safe and healthy working environment and to comply with applicable occupational health and safety requirements in the jurisdictions where it operates. Management monitors workplace health and safety matters and addresses identified issues in accordance with applicable internal procedures and regulatory requirements.

We encourage employees to report unsafe conditions, hazards and incidents promptly so that appropriate preventive and corrective measures can be taken.

#### Incident Management

The Group seeks to monitor workplace incidents and address reported health and safety concerns in accordance with applicable legal and regulatory requirements. Where workplace incidents occur, appropriate investigations and follow-up actions may be undertaken to identify contributing factors and support continual improvement in workplace practices.

In FP2026, we recorded zero fatalities or work-related injuries, achieving our target of zero workplace incidents for the year (FY2024: Nil). Moving forward, we will uphold our efforts in enhancing the effectiveness of our safety measures and our commitment to continuous improvement.

| Timeframe | Short-term | Medium-term | Long-term |
|---|---|---|---|
| **Target** | Strive for zero work-related fatalities and minimise workplace incidents | Continue to strengthen workplace health and safety practices and minimise workplace incidents | Maintain a strong safety culture and strive for zero work-related fatalities |

### TALENT DEVELOPMENT AND EDUCATION

We recognise that employee development is important in supporting business performance, operational effectiveness and long-term organisational success. The Group encourages continuous learning and seeks to provide employees with opportunities to enhance their professional knowledge, technical competencies and workplace skills, taking into consideration the needs of the business and individual roles. Training may be delivered through various channels, including internal sharing, external courses, online learning and on-the-job training, where appropriate. The table below summarises the training hours provided to employees during FP2026.

Table 2: Number of training hours provided to the Group's employees in FP2026[7]

| Unit: Training Hours | Position | | | |
|---|---|---|---|---|
| Gender | General staff | Middle management | Senior management | Total |
| Male | 0 | 0 | 0 | 0 |
| Average training hour | 0 | 0 | 0 | 0 |
| Female | 0 | 0 | 16.0 | 16.0 |
| Average training hour | 0 | 0 | 4.0 | 3.2 |
| Total | 0 | 0 | 16.0 | 16.0 |
| Average training hour | 0 | 0 | 0.9 | 0.2 |

In FP2026, the Group continued to support employee learning and development through training activities relevant to operational, technical and professional requirements.

The Group also recognises the importance of ongoing professional development for members of the Board. During FP2026, a first-time director attended training programmes organised by the Singapore Institute of Directors ("SID"), including courses covering listed entity director essentials, board dynamics and board performance. The Company encourages directors to participate in relevant training and development programmes to strengthen their understanding of corporate governance responsibilities and evolving regulatory expectations.

The Group believes that employee development remains an important component of sustainable business growth. However, given the ongoing changes to the Group's business portfolio and workforce profile, the Group has not established quantitative short-term, medium-term or long-term training hour targets at this time.

Instead, the Group has adopted the following directional objectives:

| Timeframe | Short-term | Medium-term | Long-term |
|---|---|---|---|
| Target | Continue to provide employees with access to training and development opportunities relevant to their roles | Support the development of employee competencies and skills required by the Group's operations | Foster a culture of continuous learning and professional development across the Group |

The Group will continue to review its training and development practices and reassess the appropriateness of establishing quantitative training-related targets as its business operations become more stable and predictable.

**Performance Review**

We reckon the importance of providing employees with constructive feedback and opportunities for professional development. Performance reviews serve as an important mechanism for evaluating employee performance, identifying development needs and supporting career growth.

Where appropriate, employees may participate in performance discussions or appraisal processes that consider factors such as job responsibilities, performance objectives, competencies and development opportunities. The specific approach adopted may vary depending on the nature and size of the underlying business operations.

The Group seeks to maintain open communication between supervisors and employees and encourages regular feedback to support employee engagement and continuous improvement. During FP2026, the Group underwent significant changes to its business portfolio and workforce composition, thus no performance review was conducted during the year. This represents a one-off exception resulting from the transitional phase of the business. The Group will continue to review its employee performance management approach and assess opportunities to strengthen employee development and engagement as its business operations evolve.

7 *The FP2026 data accounting includes the Digilife, Modi Hebel and Modi Aircrete for more comprehensive representation. Bharat IT was subsequently disposed of and is no longer part of the Group at the end of the reporting period, thus relevant training data is not included. Training data for Modi Hebel covers the period from the date of acquisition to 31 March 2026 only.*

## EMPLOYMENT, DIVERSITY AND EQUAL OPPORTUNITY

The Group recognises that its employees are fundamental to the success and sustainability of its business. The Group is committed to maintaining fair and responsible employment practices and providing equal opportunities for employees throughout their employment lifecycle.

Employment-related decisions, including recruitment, promotion, training and career development, are based on merit, qualifications and experience. The Group seeks to comply with applicable employment laws and regulations in the jurisdictions where it operates and is committed to maintaining a workplace that is fair, respectful and inclusive.

We value diversity and believe that a workforce comprising individuals with different backgrounds, experiences and perspectives can contribute positively to business performance and decision-making. The Group does not tolerate discrimination on the basis of race, age, gender, religion, nationality, disability or other protected characteristics and is committed to providing equal employment opportunities to all employees and job applicants.

We strive to foster a workplace culture that promotes mutual respect, professionalism and inclusion, where employees are treated fairly and provided with opportunities to contribute and develop according to their abilities.

| Timeframe | Short-term | Medium-term | Long-term |
|---|---|---|---|
| **Target** | Maintain zero confirmed incidents of discrimination | Maintain zero confirmed incidents of discrimination | Maintain zero confirmed incidents of discrimination |

As of 31 March 2026, a total of 76 employees were employed under the Group (within the reporting scope), with all of them being full-time employees. Details of the Group's demographic are shown below.

Table 3: The Group's employee distribution by gender in FP2026[8]

| Gender | Male | Female |
|---|---|---|
| **Total** | 71 | 5 |
| **Percentage (%)**[9] | 93 | 7 |

Table 4: The Group's employee distribution by age group in FP2026[8]

| Unit: Number of Employees | | Age group | |
|---|---|---|---|
| | Under 30 years old | 30-50 years old | Over 50 years old |
| **Total** | 31 | 39 | 6 |
| **Percentage (%)**[9] | 41 | 51 | 8 |

Table 5: The Group's employee distribution by geographical location in FP2026[8]

| Unit: Number of Employees | Geographical location | | |
|---|---|---|---|
| | Singapore | India | Total |
| **Total** | 1 | 75 | 76 |

8 *The data in this table includes Digilife, Modi Hebel and Modi Aircrete for more comprehensive representation. Data for Bharat IT is excluded, as it is no longer part of the Group at the end of the reporting period.*

9 *The percentage is calculated by dividing the number of employees in each category over the total number of employees of the Group as of the end of FP2026.*

In FP2026, the total turnover rate was 11% with 8 employees leaving the Group. The tables below show the detailed distribution of turnover:

Table 6: The Group's turnover distribution by gender in FP2026[10]

| Gender | Male | Female |
|---|---|---|
| **Number of employee turnover** | 7 | 1 |
| **Percentage (%)**[11] | 10 | 20 |

Table 7: The Group's turnover distribution by age group in FP2026[10]

| Age group | Under 30 years old | 30-50 years old | Over 50 years old |
|---|---|---|---|
| **Number of employee turnover** | 4 | 4 | 0 |
| **Percentage (%)**[11] | 13 | 10 | 0 |

Although our turnover rate in FP2026 has decreased compared to the previous year (FY2024:59%), we have proactively hired additional staff to maintain our workforce and productivity, ensuring the continued delivery of high-quality products for our customers. There are a total of 41 new hires in FP2026. Details are as follows:

Table 8: The Group's new hires distribution by gender in FP2026[10]

| Gender | Male | Female |
|---|---|---|
| **Number of new hires** | 37 | 4 |
| **Percentage (%)**[12] | 52 | 80 |

Table 9: The Group's new hires distribution by age group in FP2026[10]

| Age group | Under 30 years old | 30-50 years old | Over 50 years old |
|---|---|---|---|
| **Number of new hires** | 19 | 20 | 2 |
| **Percentage (%)**[12] | 61 | 51 | 33 |

## CUSTOMER PRIVACY

The Group understands the importance of protecting confidential information and personal data obtained through its business activities. Thus, we seek to comply with applicable data protection and privacy regulations in the jurisdictions where we operate and are committed to maintaining appropriate controls to safeguard information entrusted to us.

Given the nature of the Group's current operations and the significant changes to its business portfolio during FP2026, customer privacy was not identified as a material sustainability topic during the reporting period. Nevertheless, the Group recognises the importance of maintaining the confidentiality and security of information obtained through its business activities.

The Group maintains measures designed to prevent unauthorised access, disclosure, misuse or loss of confidential information. Employees are expected to handle information responsibly and comply with applicable internal policies, procedures and legal requirements relating to confidentiality and data protection.

During FP2026, the Group was not aware of any substantiated complaints concerning breaches of customer privacy or losses of customer data within the reporting scope (FY2024: Nil). The Group will continue to monitor applicable data protection requirements and maintain appropriate safeguards over confidential information as its business operations continue to evolve.

*10 The data in this table includes Digilife, Modi Hebel and Modi Aircrete for more comprehensive representation. Data for Bharat IT is excluded, as it is no longer part of the Group at the end of the reporting period.*

*11 The percentage is calculated by dividing the number of employees left the Group in each category over the number of employees in the corresponding category as of the end of FP2026.*

*12 The percentage is calculated by dividing the number of new hires in each category over the number of employees in the corresponding category as of the end of FP2026.*

# SUSTAINABILITY REPORT

## GOVERNANCE

### COMPLIANCE WITH LAWS AND REGULATIONS

The Group is committed to conducting its business in accordance with applicable laws and regulations in the jurisdictions where it operates. Compliance forms an important part of the Group's governance framework and supports the maintenance of ethical business practices, effective risk management and stakeholder trust.

The Group seeks to comply with applicable legal and regulatory requirements relating to areas including corporate governance, employment, workplace health and safety, environmental protection, data protection and taxation, where relevant to its operations. Management is responsible for monitoring regulatory developments and promoting compliance through internal policies, procedures and oversight mechanisms.

Given the changes to the Group's business portfolio during FP2026, the nature of applicable regulatory requirements varied across the businesses operated during the reporting period. The Group remains committed to maintaining appropriate compliance controls and addressing regulatory obligations relevant to its business activities.

In FP2026, we were not aware of any material incidents of non-compliance with laws and regulations that resulted in significant fines, penalties or sanctions (FY2024: Nil), achieving our target set in previous year. The Group will continue to monitor regulatory developments and maintain appropriate governance and compliance practices to support compliance with applicable laws and regulations.

| Timeframe | Short-term | Medium-term | Long-term |
|---|---|---|---|
| **Target** | Maintain zero material incidents of non-compliance resulting in significant fines or sanctions | Maintain zero material incidents of non-compliance resulting in significant fines or sanctions | Maintain zero material incidents of non-compliance resulting in significant fines or sanctions |

### CORPORATE GOVERNANCE

The Board and management are committed to maintaining high standards of corporate governance and recognise that effective governance is fundamental to the long-term sustainability and success of the Group. The Group seeks to promote transparency, accountability, integrity and responsible decision-making across its operations while safeguarding the interests of shareholders and other stakeholders.

The Board provides oversight of the Group's strategic direction, risk management and governance practices, while management is responsible for implementing policies and procedures that support effective internal controls and regulatory compliance.

During FP2026, the Group continued to maintain its corporate governance framework in accordance with applicable SGX-ST listing requirements and the principles of the Singapore Code of Corporate Governance. There were no material breaches of applicable corporate governance requirements during the reporting period.

For further information on the Group's corporate governance practices, please refer to the Corporate Governance Report on pages 15 to 33 of the Annual Report.

## RISK MANAGEMENT

The Board recognises the importance of effective risk management in supporting the long-term sustainability and resilience of the Group. Oversight of the Group's risk management and internal control framework is delegated to the Audit Committee, which assists the Board in reviewing the adequacy and effectiveness of the Group's risk management processes and internal controls. The Audit Committee reviews key risks and internal controls during the year and considers recommendations provided by the Group's Internal Auditors as part of its oversight responsibilities. A thorough internal controls assessment, conducted by our internal auditor, serves as the foundation for addressing potential risks and vulnerabilities.

Given the significant changes to the Group's business portfolio during FP2026, the Group intends to continue monitoring developments in regulatory requirements and business activities and will review the need for more detailed risk assessments as its operations become more stable and predictable.

For further information regarding the Group's risk management and internal control framework, please refer to pages 26 to 27 of the Annual Report.

## BUSINESS ETHICS AND COMPLIANCE

### Commitment to Compliance, Ethical Conduct and Integrity

At Digilife and its Group subsidiaries, we are committed to conducting our business with integrity, professionalism and accountability. Ethical business conduct forms an important part of the Group's governance framework and supports the maintenance of stakeholder trust, regulatory compliance and long-term business sustainability.

We expect all directors, management and employees to act honestly, responsibly and in accordance with applicable laws, regulations and internal policies. We strive to minimise incidents of non-compliance across our entities. To support this goal, employees are encouraged to exercise sound judgement and uphold high standards of ethical behaviour in their day-to-day activities and business dealings.

### Code of Conduct and Ethics Policy

The Group has established a Code of Conduct and Ethics Policy (the "**Code**"), which provides guidance on the standards of behaviour expected of directors and employees. The Code supports the Group's commitment to responsible business practices and helps promote a culture of integrity and accountability throughout the organisation. The Code covers various aspects of ethical conduct, including:

- Reporting irregularities
- Confidentiality of company information
- Guidelines on gifts and entertainment
- Outside employment and conflicts of interest
- Standards of integrity expected from all employees

All directors and employees are expected to comply with the Code. Any breaches of the Code may result in appropriate disciplinary action, including termination, depending on the nature and severity of the matter.

During FP2026, the Group was not aware of any material incidents of non-compliance with its Code of Conduct and Ethics (FY2024: Nil), successfully achieving our target set. Moving forward, the Group will continue to promote ethical business conduct and reinforce awareness of the standards expected under its Code of Conduct and Ethics.

# SUSTAINABILITY REPORT

## GRI CONTENT INDEX

| | |
|---|---|
| **Statement of use** | Digilife Technologies Limited has reported with reference to the GRI Standards for the year 1 January 2025 to 31 March 2026. |
| **GRI 1 used** | GRI 1: Foundation 2021 |

| GRI Standard | Disclosure | Reference/Description |
|---|---|---|
| **GRI 2: General Disclosure 2021** | | |
| 2-1 | Organisational details | Page 9 of the Annual Report |
| 2-2 | Entities included in the organisation's sustainability reporting | Pages 6 to 7 of the Annual Report<br><br>Bharat IT Services Limited has been excluded from the reporting scope following its disposal and the transfer of management control during FP2026, which limited the Group's ability to obtain sustainability-related information after disposal. |
| 2-3 | Reporting period, frequency and contact point | The reporting period is from 01 January 2025 to 31 March 2026.<br><br>The Sustainability Report is reported on an annual basis. The publication date of this report is same as its Annual Report.<br><br>For questions regarding the Sustainability Report, please contact:<br><br>• Mr. Suraj Gupta (suraj.gupta@smartgroup.com)<br>• Mr. Rohit Dhingra (rohit@smartgroup.com) |
| 2-4 | Restatements of information | Page 34 |
| 2-5 | External assurance | We have yet to conduct external sustainability assurance over this report for FP2026, and may seek external assurance in the future.<br><br>Our Internal auditors, BDO Advisory Pte Ltd is responsible for our Internal Review of the Company's FP2026 Sustainability Report.<br><br>Our external auditors, Moore Stephens LLP provided external assurance over our financial reports for FP2026 and is contained in the FP2026 Annual Report. |
| 2-6 | Activities, value chain and other business relationships | In FP2026, the Group underwent significant changes to its business portfolio, including the disposal of Bharat IT Services Limited and the acquisition of Modi Hebel India LLP (formerly Brimax AAC Products LLP).<br><br>Following these changes, the Group is active in the Architecture, Engineering and Construction industry through the manufacturing of building and construction materials in India.<br><br>The Group procures raw materials, utilities and related services from suppliers and manufactures building and construction materials, which are supplied to distributors, contractors, developers and other customers in the construction sector.<br><br>The Group's suppliers and business partners vary according to the nature of its business activities. Supplier selection considerations include quality, reliability, pricing competitiveness, delivery performance and compliance with applicable requirements. |

| GRI Standard | Disclosure | Reference/Description |
|---|---|---|
| 2-7 | Employees | Pages 43 to 45 |
| 2-9 | Governance structure and composition | Pages 15 to 33, 46 to 47 |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | Pages 46 to 47 |
| 2-14 | Role of the highest governance body in sustainability reporting | Pages 46 to 47 |
| 2-22 | Statement on sustainable development strategy | Page 34 |
| 2-23 | Policy commitments | The Group's policy commitments are primarily set out in its Code of Conduct and Ethics and related corporate policies, which establish expectations regarding ethical conduct, responsible business conduct, compliance with laws and regulations, anti-corruption, confidentiality, respect for human rights, fair employment practices and responsible business behaviour. |
| 2-27 | Compliance with laws and regulations | Pages 46 to 47 |
| 2-28 | Membership associations | The Group did not participate in any industry associations, membership associations or advocacy organisations in a significant role during FP2026. |
| 2-29 | Stakeholder engagement | Pages 35 to 37 |
| 2-30 | Collective bargaining agreements | The Group does not have any collective bargaining agreements in FP2026. |
| **GRI 3: Material Topics 2021** | | |
| 3-1 | Process to determine material topics | Pages 36 to 37 |
| 3-2 | List of material topics | Page 36 |
| 3-3 | Management of materials topics | Please refer to the management approach disclosure in each chapter for details. |
| **Economic Topics** | | |
| **GRI 201: Economic Performance** | | |
| 201-1 | Direct economic value generated and distributed | Pages 37 to 39 |
| **GRI 204: Procurement Practices** | | |
| 204-1 | Proportion of spending on local suppliers | Page 38 |

| GRI Standard | Disclosure | Reference/Description |
|---|---|---|
| **GRI 205: Anti-corruption** | | |
| 205-1 | Operations assessed for risks related to corruption | The Group did not conduct a standalone corruption risk assessment during FP2026.<br><br>Corruption-related risks are considered as part of the Group's broader risk management and internal control processes. The Audit Committee reviews key risks and internal controls during the year and considers recommendations provided by the Group's Internal Auditors as part of its oversight responsibilities.<br><br>The Group maintains anti-corruption controls through its Code of Conduct and Ethics, anti-corruption policies and whistle-blowing mechanisms. |
| 205-3 | Confirmed incidents of corruption | Page 39 |
| **Environmental Topics** | | |
| **GRI 302: Energy** | | |
| 302-1 | Energy consumption within the organisation | Pages 40 to 41 |
| **GRI 303: Water and Effluents** | | |
| 303-5 | Water consumption | Page 41 |
| **GRI 305: Emissions** | | |
| 305-1 | Direct GHG emissions (Scope 1) | Page 40 |
| 305-2 | Energy indirect GHG emissions (Scope 2) | Page 40 |
| **GRI 306: Waste** | | |
| 306-3 | Waste generated | Page 41 |
| **Social Topics** | | |
| **GRI 403: Occupational Health and Safety** | | |
| 403-2 | Hazard identification, risk assessment, and incident investigation | Page 42 |
| 403-9 | Work-related injuries | Page 42 |
| **GRI 404: Training and Education** | | |
| 404-1 | Average hours of training per year per employee | Pages 42 to 43 |
| **GRI 405: Diversity and Equal Opportunity** | | |
| 405-1 | Diversity of governance bodies and employees | Pages 44 to 45 |
| **GRI 418: Customer Privacy** | | |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | Pages 45 to 46 |

## CLIMATE-RELATED DISCLOSURE STATUS

The Group recognises the increasing importance of climate-related disclosures and continues to monitor developments in sustainability reporting requirements, including those issued by the International Sustainability Standards Board ("ISSB").

During FP2026, the Group underwent significant changes to its business portfolio, including the disposal of Bharat IT and the acquisition and subsequent cessation of operations of Brimax. Given the evolving nature of the Group's operations and the limited scale of operating activities at the reporting date, the Group has not undertaken a comprehensive assessment of climate-related risks and opportunities during the reporting period.

The Group has therefore not established formal climate-related governance structures, climate-related risk management processes, climate scenario analysis or climate-related targets at this stage. The Board and management will continue to monitor the applicability of climate-related reporting requirements and review the need for more comprehensive climate-related assessments as the Group's future business direction becomes clearer.

Notwithstanding the above, the Group has disclosed its Scope 1 and Scope 2 GHG emissions and energy consumption for FP2026 in this Sustainability Report. The Group will continue to assess opportunities to enhance its climate-related disclosures in future reporting periods where appropriate.

| IFRS S2 Pillar | Current Status |
|---|---|
| **Governance** | The Board oversees sustainability matters as part of its overall governance responsibilities. However, the Group has not established a dedicated climate-related governance framework, roles or responsibilities. |
| **Strategy** | The Group has not conducted a formal assessment of climate-related risks and opportunities, scenario analysis, or evaluation of climate resilience due to the significant changes in its business portfolio during the reporting period. |
| **Risk Management** | Climate-related risks have not yet been formally incorporated into the Group's risk management framework through a dedicated climate risk assessment process. The Group will continue to monitor developments and review the need for further assessment as its business activities evolve. |
| **Metrics and Targets** | The Group has disclosed Scope 1 and Scope 2 GHG emissions and energy consumption for FP2026. No climate-related targets have been established at this stage. |

# DIRECTORS' STATEMENT

FOR THE FINANCIAL PERIOD 31 MARCH 2026

The directors present their statement to the members together with the audited consolidated financial statements of Digilife Technologies Limited (the "Company") and its subsidiaries (collectively the "Group") for the financial period from 1 January 2025 to 31 March 2026, and the statement of financial position of the Company as at 31 March 2026.

In the opinion of the directors:

(a) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026 and the financial performance, changes in equity and cash flows of the Group for the financial period from 1 January 2025 to 31 March 2026; and

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

## 1 DIRECTORS

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

| | |
|---|---|
| Ms. Chada Anitha Reddy | (Non-Executive Director and Chairperson) |
| Mr. Sudip Bandyopadhyay | (Lead Independent Non-Executive Director) |
| Mr. Rajesh Pahwa | (Independent Non-Executive Director) |
| Mr. Tay Wee Meng | (Independent Non-Executive Director) |

## 2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Except as described in this statement, neither at the end of nor at any time during the financial period, was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

## 3 DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors of the Company holding office at the end of the financial period or at the date of this statement had no interests in the shares, share options, performance shares or debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act 1967 (the "Act"), except as follows:

| | Holdings registered in the name of director | |
|---|---|---|
| **Name of Director and Company** | **At the beginning of the financial period** | **At the end of the financial period** |
| | Ordinary shares | |
| **Digilife Technologies Limited (the Company)** | | |
| Ms. Chada Anitha Reddy | 6,690 | 6,690 |

There was no change in any of the above-mentioned interests between the end of the financial period and 21 April 2026.

## 4 SHARE OPTIONS

The particulars of share options of the Company are as follows:

Digilife Technologies Performance Share Plan 2021 ("PSP 2021")

The PSP 2021 was approved by the shareholders in their meeting held on 19 February 2021 with an objective to promote higher performance goals, recognise exceptional achievement and retain talents within the Group. The PSP 2021 motivates employees of the Company (including the Directors and Group employees) to optimise their performance standards and efficiency as well as to reward them for their significant contributions to the Company. The Company's view is that all deserving and eligible participants (regardless of whether they are Controlling Shareholders or associates) should be equally entitled to take part in and benefit from the Company's fair and equitable system of remuneration.

The total number of Shares which may be issued pursuant to the share awards (the "Awards") granted under the PSP 2021 on any date, when added to: (a) the total number of new Shares allotted and issued and/or to be allotted and issued, issued Shares (including treasury shares) delivered and/or to be delivered, and Shares Released and/or to be Released in the form of cash in lieu of Shares, pursuant to Awards granted under the Plan; and (b) the number of Shares issued and issuable in respect of all options granted under any other share option, share incentive, performance share or restricted share plan implemented by the Company and for the time being in force, shall not exceed thirty (30) per cent. of the total number of issued Shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual)) on the day preceding the date of the relevant Award.

On 1 March 2021, a total of 804,634 Awards has been granted to Dr. Bhupendra Kumar Modi, a controlling shareholder of Company in accordance with the PSP 2021. The Awards were vested immediately after the grant. For details, please refer to the announcement dated 01 March 2021.

On 8 July 2021, a total of 863,954 Awards has been granted to 23 employees of the Group, including the Directors, Chief Executive Officer and Chief Financial Officer. The Awards were vested immediately after the grant. For details, please refer to the announcement dated 8 July 2021.

During the financial period under review, no shares awards were granted.

## 5 AUDIT COMMITTEE

The Audit Committee ("AC") at the date of this statement comprises the following Directors:

| | |
|---|---|
| Mr. Sudip Bandyopadhyay | (Chairman and Lead Independent Non-Executive Director) |
| Mr. Rajesh Pahwa | (Member and Independent Non-Executive Director) |
| Mr. Tay Wee Meng | (Member and Independent Non-Executive Director) |

The AC performs the functions set out in section 201B (9) of the Singapore Companies Act 1967. In performing those functions, the AC reviewed the overall scope of the internal audit function, external audit function and the assistance given by the Company's officers to the auditors. The AC met with the auditors to discuss the results of their audit and their evaluation of the systems of internal controls. The AC also reviewed the financial statements of the Company and the consolidated financial statements of the Group for the financial period ended 31 March 2026, as well as the external auditor's report thereon.

The AC has noted that there are no non-audit services provided by the auditors and as such the independence of the auditors is not affected.

A full report on the functions performed by the AC is included in the report on Corporate Governance.

## 6 INDEPENDENT AUDITORS

The independent auditors, Moore Stephens LLP, have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,

.......................................................................................

Sudip Bandyopadhyay
Lead Independent Director

.......................................................................................

Chada Anitha Reddy
Director

Singapore
9 July 2026

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the financial statements of Digilife Technologies Limited (the "Company") and its subsidiaries (the "Group") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2026, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial period from 1 January 2025 to 31 March 2026, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2026 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial period from 1 January 2025 to 31 March 2026.

***Basis for Opinion***

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

***Key Audit Matters***

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

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|
| **Valuation of trade and other receivables and loan receivable**<br><br>We refer to Note 2(i), Note 3(a)(ii), Note 12, Note 13, Note 23 and Note 40(a) to the financial statements.<br><br>As disclosed in Notes 12, 13, 23 and 40(a) to the financial statements, the Group assesses periodically and at each financial period end, the expected credit loss associated with its receivables. When there is expected credit loss impairment, the amount and timing of future cash flows are estimated based on historical, current and forward-looking loss experience for assets with similar credit risk characteristics.<br><br>The carrying amount of trade and other receivables and loan receivable of the Group was S$5.8 million as at 31 March 2026. We focused on this area because of its significance and the degree of judgement required to estimate the expected credit loss and determining the carrying amount of trade and other receivables and loan receivable as at the reporting date. | **Our audit response**<br><br>We have performed the following key audit procedures:<br><br>• Updated our understanding of the Group's processes and key controls relating to the monitoring of trade and other receivables and loan receivable and assessment of expected credit loss, including the process for identifying impairment indicators;<br><br>• Reviewed and tested the aging of trade and other receivables and loan receivable;<br><br>• Reviewed and challenged management's assessment on the credit worthiness of selected customers. Discussed with the key management and the component auditors on the adequacy of the allowance for impairment recorded by the Group and reviewed the supporting documents provided by management in relation to their assessment;<br><br>• Checked the mathematical accuracy of management's computation of the expected credit loss;<br><br>• Checked the subsequent receipts from major debtors after the year end and obtained documentary evidence, representation and explanations from management to assess the recoverability of long outstanding debts, where applicable; and<br><br>• Reviewed the adequacy of the disclosures relating to trade and other receivables and loan receivable in Note 2(i), Note 3(a)(ii), Note 12, Note 13, Note 23 and Note 40(a) to the financial statements.<br><br>**Our audit findings**<br><br>Based on our audit procedures performed, we found management's assessment of the recoverability of trade and other receivables and loan receivable to be reasonable and the relevant disclosures in the financial statements to be adequate. |

***Key Audit Matters*** (Continued)

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|
| **Disposal of subsidiaries**<br><br>We refer to Note 9 to the financial statements.<br><br>For the financial period ended 31 March 2026, the Group disposed its equity interests in certain subsidiaries, resulting in the cessation of control over these subsidiaries. The Group recognised a loss on disposal of S$11.79 million in the consolidated profit or loss.<br><br>We considered the disposal of subsidiaries to be a key audit matter given the:<br><br>(a) significance of the amounts involved;<br>(b) judgement required in determining the effective date of disposal and loss of control;<br>(c) measurement of the consideration received; and<br>(d) computation for the loss on the disposed transactions arising from the derecognition of the assets, liabilities and non-controlling interests, including the recycling of the cumulative foreign currency translation reserve.<br><br>We also performed an assessment of whether the transactions meet the definition of discontinued operations. | **Our audit response**<br><br>We have performed the following key audit procedures:<br><br>• Reviewed the executed sales and purchase agreements and other supporting documentation to understand the terms of the transactions, including consideration structure and key conditions;<br><br>• Assessed the appropriateness of management's determination of the disposal date and whether control had been transferred to the buyer;<br><br>• Verified the consideration received to supporting documents such as bank statements, completion accounts, and settlement agreements;<br><br>• Evaluated the carrying amounts of the subsidiaries' net assets derecognised, including checking the consolidation workings and underlying financial information;<br><br>• Assessed the appropriateness of the loss recognised, including recalculating the amounts and evaluating the treatment of foreign currency translation reserve reclassified to the consolidated profit or loss;<br><br>• Considered whether the disposed subsidiaries met the criteria for discontinued operations and whether the related disclosures were appropriate; and<br><br>• Reviewed the adequacy and completeness of the financial statements disclosures relating to the disposal transactions in Note 9 to the financial statements.<br><br>**Our audit findings**<br><br>Based on our audit procedures performed, we found management's accounting for the disposal of subsidiaries, including the recognition of the loss on disposal and the relevant disclosures in the financial statements to be appropriate and adequate. |

***Key Audit Matters*** (Continued)

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|
| **Acquisition of subsidiary**<br><br>We refer to Note 20 to the financial statements.<br><br>During the financial period ended 31 March 2026, the Group acquired a subsidiary for a consideration of approximately S$5.01 million (equivalent to INR 336.6 million).<br><br>The acquisition was accounted for as a business combination in accordance with SFRS(I) 3 *Business Combinations* and resulted in the recognition of goodwill of S$393,000, which represents the excess of consideration transferred over the fair value of identifiable net assets acquired. The determination of goodwill is inherently judgmental as it is dependent on the fair valuation of identifiable assets and liabilities.<br><br>We considered the acquisition of subsidiary to be a key audit matter given the:<br><br>(a) significance of the amounts involved; and<br><br>(b) judgement required in estimating the fair values of identifiable assets and liabilities. | **Our audit response**<br><br>We have performed the following key audit procedures:<br><br>• Reviewed the sale and purchase agreement and related documents to understand the key terms and conditions of the transaction;<br><br>• Assessed whether the acquired subsidiary met the definition of a business;<br><br>• Evaluated the competence, capabilities, and objectivity of management's valuation specialist;<br><br>• Assessed the methodologies used in the purchase price allocation and whether they were consistent with generally accepted valuation techniques;<br><br>• Evaluated key assumptions used in determining the fair values of significant assets and liabilities for reasonableness;<br><br>• Tested the mathematical accuracy of the purchase price allocation and recalculated goodwill recognised; and<br><br>• Reviewed the adequacy of the disclosures relating to acquisition and goodwill in Note 20 to the financial statements.<br><br>**Our audit findings**<br><br>Based on our audit procedures performed, we found management's accounting for the acquisition of the subsidiary, including the determination of the fair values of identifiable net assets acquired, the recognition of goodwill of S$393,000, and the relevant disclosures in the financial statements to be appropriate and adequate. |

***Other Information***

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

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

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

***Responsibilities of Management and Directors for the Financial Statements***

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

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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

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

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis of forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

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

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

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

**Report on Other Legal and Regulatory Requirements**

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

The engagement partner on the audit resulting in this independent auditor's report is Ms Chong Jia Yun, Michelle.

**Moore Stephens LLP**
Public Accountants and
Chartered Accountants

Singapore
9 July 2026

# CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

| | Note | Group Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024[ii] S$'000 |
|---|---|---|---|
| **Continuing operations** | | | |
| **Turnover** | 4 | **455** | – |
| **Operating expenses** | | | |
| Purchases and changes in inventories and direct service fees incurred | 4(a) | **(329)** | – |
| Other income - operating | 5 | **19** | – |
| Personnel costs | 6 | **(1,659)** | (208) |
| Infrastructure costs | | **(87)** | (69) |
| Other expenses - operating | | **(2,931)** | (704) |
| Other income - non-operating | 5 | **195** | – |
| Other expenses - non-operating | | **(224)** | – |
| Interest income from cash deposits | 5 | **135** | 72 |
| Finance costs - interest expense | | **(200)** | – |
| Depreciation of property, plant and equipment | 17 | **(611)** | (11) |
| Loss before taxation from continuing operations | 7 | **(5,237)** | (920) |
| Taxation | 8 | **–** | – |
| **Loss for the period/year from continuing operations** | | **(5,237)** | (920) |
| Loss for the period/year from discontinued operations | 9 | **(15,130)** | (2,576) |
| Total loss for the period/year | | **(20,367)** | (3,496) |
| **Loss attributable to:** | | | |
| Owners of the parent | | **(19,907)** | (3,496) |
| Non-controlling interest | | **(460)** | – |
| **Total** | | **(20,367)** | (3,496) |
| **Loss per share** | | | |
| From continuing and discontinued operations | | | |
| – Basic and diluted (cents per share) | 10 | **(148.69)** | (26.11) |
| From continuing operations | | | |
| – Basic and diluted (cents per share) | 10 | **(35.68)** | (6.87) |
| From discontinued operations | | | |
| – Basic and diluted (cents per share) | 10 | **(113.01)** | (19.24) |

(i) The financial results for financial period 2026 cover a 15-month reporting period, whereas the comparative financial results for financial year 2024 cover a 12-month reporting period. Accordingly, a direct comparison between the two periods may not be meaningful.

(ii) The comparative financial year 2024 figures have been re-presented to separately disclose the results of continuing operations and discontinued operations, in line with the current year's presentation.

The accompanying notes form an integral part of the financial statements

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

| | Group | |
|---|---|---|
| | **Period from 01.01.2025 to 31.03.2026 S$'000** | **Year ended 31.12.2024 S$'000** |
| **Loss for the period/year** | **(20,367)** | (3,496) |
| **Other comprehensive income/(loss), net of income tax:** | | |
| *Items that may be reclassified subsequently to profit or loss:* | | |
| Exchange differences on translation of foreign operations | **9,690** | (1,211) |
| *Items that will not be reclassified subsequently to profit or loss:* | | |
| Remeasurement of defined benefit plans | **–** | (19) |
| **Other comprehensive income/(loss) for the period/year, net of tax** | **9,690** | (1,230) |
| **Total comprehensive loss for the period/year** | **(10,677)** | (4,726) |
| **Total comprehensive loss attributable to:** | | |
| Owners of the parent | **(10,217)** | (4,719) |
| Non-controlling interest | **(460)** | (7) |
| **Total comprehensive loss for the period/year** | **(10,677)** | (4,726) |

The accompanying notes form an integral part of the financial statements

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

| | Note | Group | | Company | |
|---|---|---|---|---|---|
| | | 31.03.2026 S$'000 | 31.12.2024 S$'000 | 31.03.2026 S$'000 | 31.12.2024 S$'000 |
| **Assets** | | | | | |
| **Current assets** | | | | | |
| Inventories | 11 | **10** | 313 | **–** | – |
| Trade receivables | 12 | **333** | 2,601 | **48** | 46 |
| Other receivables and deposits | 13 | **5,487** | 1,135 | **471** | 264 |
| Prepayments | 14 | **16** | 149 | **6** | 4 |
| Due from subsidiaries | 15 | **–** | – | **242** | 369 |
| Cash and cash equivalents | 16 | **3,594** | 7,443 | **2,209** | 5,609 |
| Fixed deposits | 16(a) | **–** | 2,691 | **–** | – |
| Tax recoverable | 13 | **4** | 330 | **–** | – |
| Assets of disposal group classified as held for sale | 9(a) | **–** | 11,584 | **–** | – |
| | | **9,444** | 26,246 | **2,976** | 6,292 |
| **Non-current assets** | | | | | |
| Property, plant and equipment | 17 | **17,817** | 1,213 | **2** | 4 |
| Investment properties | 18 | **1,794** | 2,267 | **–** | – |
| Intangible assets | 19 | **393** | 848 | **–** | – |
| Investment in subsidiaries | 20 | **–** | – | **13,537** | 22,535 |
| Investment in associate | 21 | **–** | – | **–** | – |
| Long-term loans and advances to subsidiaries | 24 | **–** | – | **471** | 475 |
| Deferred tax assets | 25 | **476** | 194 | **–** | – |
| Other receivables | 13 | **–** | 29 | **–** | – |
| Financial assets, at FVPL | 22 | **–** | – | **–** | – |
| Fixed deposits | 16(a) | **–** | 510 | **–** | – |
| | | **20,480** | 5,061 | **14,010** | 23,014 |
| **Total assets** | | **29,924** | 31,307 | **16,986** | 29,306 |

The accompanying notes form an integral part of the financial statements

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 31.03.2026 S$'000 | 31.12.2024 S$'000 | 31.03.2026 S$'000 | 31.12.2024 S$'000 |
| **Liabilities** | | | | | |
| **Current liabilities** | | | | | |
| Trade creditors | 26 | **271** | 1,035 | **47** | 47 |
| Other creditors and accruals | 27 | **1,277** | 1,637 | **1,039** | 436 |
| Contract liabilities | 4 | **2** | 390 | **–** | – |
| Lease liabilities | 36 | **48** | 5 | **–** | 5 |
| Loans and bank borrowings | 28 | **1,177** | 28 | **–** | – |
| Due to subsidiaries | 15 | **–** | – | **4,237** | 11,367 |
| Tax payable | | **–** | 147 | **–** | – |
| Liabilities directly associated with disposal group classified as held for sale | 9(a) | **–** | 1,665 | **–** | – |
| | | **2,775** | 4,907 | **5,323** | 11,855 |
| **Non-current liabilities** | | | | | |
| Lease liabilities | 36 | **–** | 29 | **–** | – |
| Provision for employee benefits | 34(b) | **5** | 57 | **–** | – |
| Contract liabilities | 4 | **–** | 308 | **–** | – |
| Deferred tax liabilities | 25 | **2,632** | 448 | **–** | – |
| Loans and bank borrowings | 28 | **4,937** | 96 | **–** | – |
| | | **7,574** | 938 | **–** | – |
| **Total liabilities** | | **10,349** | 5,845 | **5,323** | 11,855 |
| **Equity attributable to owners of the Company** | | | | | |
| Share capital | 29 | **549,704** | 549,704 | **549,704** | 549,704 |
| Treasury shares | 30 | **(1,399)** | (1,399) | **(1,399)** | (1,399) |
| Accumulated losses | 31 | **(521,896)** | (501,989) | **(525,342)** | (519,554) |
| Other reserves | 32 | **(6,530)** | (6,530) | **(11,300)** | (11,300) |
| Translation reserve | 33 | **(4,575)** | (14,265) | **–** | – |
| | | **15,304** | 25,521 | **11,663** | 17,451 |
| **Non-controlling interest** | | **4,271** | (59) | **–** | – |
| **Total equity** | | **19,575** | 25,462 | **11,663** | 17,451 |
| **Total liabilities and equity** | | **29,924** | 31,307 | **16,986** | 29,306 |

The accompanying notes form an integral part of the financial statements

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

| | Share capital S$'000 | Treasury shares S$'000 | Accumulated losses S$'000 | Other reserves S$'000 | Translation reserve S$'000 | Total S$'000 | Non-controlling interest S$'000 | Total S$'000 |
|---|---|---|---|---|---|---|---|---|
| | ← Attributable to owners of the Company | | | | | → | | |
| **Group** | | | | | | | | |
| **31.03.2026** | | | | | | | | |
| Balance at 1 January 2025 | **549,704** | **(1,399)** | **(501,989)** | **(6,530)** | **(14,265)** | **25,521** | **(59)** | **25,462** |
| Loss for the period | **–** | **–** | **(19,907)** | **–** | **–** | **(19,907)** | **(460)** | **(20,367)** |
| *Other comprehensive (loss)/income, net of tax* | | | | | | | | |
| Exchange differences on translation of foreign operations | **–** | **–** | **–** | **–** | **(1,270)** | **(1,270)** | **–** | **(1,270)** |
| Currency translation differences reclassified to profit or loss upon disposal of subsidiaries | **–** | **–** | **–** | **–** | **10,960** | **10,960** | **–** | **10,960** |
| Total comprehensive (loss)/income for the period | **–** | **–** | **(19,907)** | **–** | **9,690** | **(10,217)** | **(460)** | **(10,677)** |
| Effect on non-controlling interest on acquisition of a subsidiary | **–** | **–** | **–** | **–** | **–** | **–** | **4,790** | **4,790** |
| Balance at 31 March 2026 | **549,704** | **(1,399)** | **(521,896)** | **(6,530)** | **(4,575)** | **15,304** | **4,271** | **19,575** |
| **31.12.2024** | | | | | | | | |
| Balance at 1 January 2024 | 549,704 | (1,399) | (498,474) | (6,530) | (13,061) | 30,240 | (52) | 30,188 |
| Loss for the year | – | – | (3,496) | – | – | (3,496) | – | (3,496) |
| *Other comprehensive loss, net of tax* | | | | | | | | |
| Exchange differences on translation of foreign operations | – | – | – | – | (1,204) | (1,204) | (7) | (1,211) |
| Remeasurement of defined benefit plans | – | – | (19) | – | – | (19) | – | (19) |
| Total comprehensive loss for the year | – | – | (3,515) | – | (1,204) | (4,719) | (7) | (4,726) |
| Balance at 31 December 2024 | 549,704 | (1,399) | (501,989) | (6,530) | (14,265) | 25,521 | (59) | 25,462 |

The accompanying notes form an integral part of the financial statements

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024 S$'000 |
| **Cash Flows from Operating Activities** | | |
| Loss before taxation from continuing operations | **(5,237)** | (920) |
| Loss before taxation from discontinued operations | **(15,091)** | (2,353) |
| Total loss before taxation | **(20,328)** | (3,273) |
| Adjustments for: | | |
| Depreciation and amortisation | **800** | 547 |
| Allowance for impairment loss of trade debts | **19** | 68 |
| Allowance for inventory obsolescence | **1,102** | 52 |
| Interest income from cash deposits | **(265)** | (350) |
| Loss/(Gain) on revaluation of investment properties | **224** | (57) |
| Impairment loss on remeasurement of disposal group | **1,944** | 3,668 |
| Fair value gain for financial assets, at FVPL | **–** | (5) |
| Gain on disposal of property, plant and equipment | **–** | (12) |
| Loss on disposal of subsidiaries | **11,793** | – |
| Finance costs | **207** | 39 |
| Unrealised foreign exchange differences | **(1,355)** | (742) |
| Others | **(554)** | – |
| Operating cash flows before working capital changes | **(6,413)** | (65) |
| (Increase)/Decrease in inventories | **(459)** | 204 |
| Increase in trade receivables | **(668)** | (51) |
| (Increase)/Decrease in other receivables and deposits | **(1,442)** | 926 |
| Decrease in prepayments | **–** | 471 |
| Increase in trade creditors | **470** | 1,088 |
| Increase/(Decrease) in other creditors and accruals | **719** | (819) |
| Decrease in contract liabilities | **–** | (197) |
| **Cash flows (used in)/generated from operating activities** | **(7,793)** | 1,557 |
| Interest paid | **(207)** | (39) |
| Income tax paid | **–** | (257) |
| **Net cash flows (used in)/generated from operating activities** | **(8,000)** | 1,261 |

The accompanying notes form an integral part of the financial statements

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

| | Group | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| **Cash Flows from Investing Activities** | | |
| Interest income received from cash deposits | **265** | 350 |
| Proceeds from disposal of property, plant and equipment | **–** | 91 |
| Purchase of property, plant and equipment | **(374)** | (517) |
| Net cash inflow on disposal of financial assets, at FVPL | **–** | 290 |
| Net cash outflow on acquisition of subsidiary | **(4,969)** | – |
| Net cash inflow consequent to disposal of investment in subsidiaries (Note 20) | **4,683** | – |
| **Net cash flows (used in)/generated from investing activities** | **(395)** | 214 |
| **Cash Flows from Financing Activities** | | |
| Withdrawal of cash and bank deposits pledged | **4,721** | 634 |
| Repayment of loans and bank borrowings, net | **(1,871)** | (438) |
| Repayment of lease liabilities | **(5)** | (2) |
| **Net cash flows generated from financing activities** | **2,845** | 194 |
| **Net (decrease)/increase in cash and cash equivalents** | **(5,550)** | 1,669 |
| Cash and cash equivalents at the beginning of the period/year | **9,144** | 7,475 |
| **Cash and cash equivalents at the end of the period/year** (Note 16) | **3,594** | 9,144 |

The accompanying notes form an integral part of the financial statements

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

## 1 GENERAL

Digilife Technologies Limited (the "Company") is a limited liability company, incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). On 26 February 2021, the Company transferred its listing from the Main Board to the Catalist of the SGX-ST.

The registered office and principal place of business of the Company is located at 1 North Bridge Road, #19-08, High Street Centre, Singapore 179094.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 20 to the financial statements.

The financial statements for the financial period from 1 January 2025 to 31 March 2026 were approved and authorised for issue by the board of directors in accordance with a resolution of the directors on the date of the Directors' Statement.

## 2 MATERIAL ACCOUNTING POLICIES

### (a) Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

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

### (b) Basis of Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when all three elements of control are present: (a) power over the entity; (b) exposure or rights to variable returns from its involvement with the entity; and (c) ability to use its power to affect the amount of its returns. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Investments in subsidiaries are carried at cost less accumulated impairment losses in the statement of financial position of the Company. On disposal of investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments are recognised in the income statement.

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

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

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (b) Basis of Consolidation (Continued)

- rights arising from other contractual agreements; and

- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a 'fair value concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in SFRS(I) 3.

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in consolidated income statement.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with SFRS(I) 9 *Financial Instruments* either in income statement or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the subsidiaries financial statements to ensure consistency of accounting policies with that of the Group.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (b) Basis of Consolidation (Continued)

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in consolidated income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to consolidated income statement.

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

### (c) Transactions with Non-Controlling Interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the statements of financial position, separately from equity attributable to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

### (d) Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. Equity in an associate is accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associates is carried in the statements of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment and is neither amortised nor tested individually for impairment. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is included as income in the determination of the Group's share of results of the associate in the period in which the investment is acquired.

The profit or loss reflects the share of the results of operations of the associates. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associates.

The Group's share of the profit or loss of its associates is the profit attributable to equity holders of the associate and, therefore is the profit or loss after tax and non-controlling interests in the subsidiaries of associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (d) Associates (Continued)

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's net investment in its associate. The Group determines at each financial period/year end whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investments in associates are accounted for at cost less any impairment losses.

### (e) Foreign Currencies

*Functional and presentation currency*

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates ("functional currency"). For the purpose of the consolidated financial statements, the results and financial position of each entity in the Group are expressed in Singapore Dollar ("S$"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

*Transactions and balances*

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions.

At the financial period end, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the financial period end are recognised in the consolidated income statement, unless they arise from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations. These currency translation differences are recognised in the foreign currency translation reserve in the consolidated financial statements and transferred to the consolidated income statement as part of the gain or loss on disposal of the foreign operation.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at 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.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (e) Foreign Currencies (Continued)

*Translation of Group entities' financial statements*

The results and financial position of each of the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

– Assets and liabilities are translated at the closing exchange rate at the financial year end;

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

– All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the Group are reclassified to the consolidated income statement.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in the consolidated income statement.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate at the financial period end.

### (f) Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2(n) to the financial statements. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Buildings

Buildings are initially recorded at cost and are subsequently carried at revalued amounts. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of the reporting period. Revaluation will be based on valuation by professional valuers on a triennial basis and whenever their carrying amounts are likely to differ materially from their revalued amounts. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset. Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in other comprehensive income, unless they offset previous decreases in the carrying amounts of the same asset, in which case, they are recognised in the income statement. Decreases in carrying amounts that offset previous increases of the same asset are recognised in other comprehensive income. All other decreases in carrying amounts are recognised in the consolidated income statement.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (f) Property, Plant and Equipment (Continued)

Work in Progress

Work in progress comprises of other miscellaneous tools and parts that are not capable of being used during the current financial period. These assets are carried at cost, less any recognised impairment losses. Depreciation of these assets commences when the assets are ready for their intended use.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful lives and depreciation method are reviewed at each financial year-end and adjusted prospectively, if appropriate. This ensures that the method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the item of property, plant and equipment.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

| | |
|---|---|
| Furniture, fixtures and fittings | 3 – 10 years |
| Computer equipment | 2 – 5 years |
| Office equipment | 3 – 8 years |
| Motor vehicles | 3 – 10 years |
| Leasehold improvement | 3 – 20 years |
| Buildings | 20 years |

Office equipment includes plant and machinery. Computer equipment includes office computers, telecommunication equipment and network equipment. Fully depreciated property, plant and equipment are retained in the consolidated financial statements until they are no longer in use.

Disposal

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated income statement. Any amount in revaluation reserve is transferred to accumulated losses directly. No transfer is made from the revaluation reserve to accumulated losses except when an asset is derecognised.

### (g) Investment Properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are measured initially at its cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value, determined annually by independent professional valuers on the highest-and-best use basis. Gains and losses arising from changes in the fair value of investment properties are included in the consolidated income statement in the period in which they arise.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (g) Investment Properties (Continued)

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in the income statement. The cost of maintenance, repairs and minor improvements is recognised in the consolidated income statement when incurred.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the income statement in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on remeasurement is recognised in the income statement to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognised immediately in the consolidated income statement.

When the property is sold, the related amount in the revaluation reserve is transferred to retained earnings.

### (h) Intangible Assets

i. Goodwill

Goodwill on acquisition of subsidiaries and businesses, represents the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous held equity interest in the acquiree over the fair value of the fair value of the investee's identifiable net assets acquired. Goodwill on acquisition of subsidiaries is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment loss.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (h) Intangible Assets (Continued)

ii. Other intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial acquisition intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful lives is recognised in profit or loss through the 'amortisation of intangible assets' line item.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying amount may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

a. Patents, trademarks and licences

The initial costs of acquiring patents, trademarks and licences are capitalised and charged to profit or loss over the license period from 3 to 10 years. The costs of applying for and renewing patents and licences are charged to profit or loss.

The carrying amounts of patents, trademarks and licenses are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Any impairment in amount is provided in full.

b. Customer contracts, order backlog, customer relationship and marketing rights

Customer contracts, order backlog, customer relationship and marketing rights acquired through business combinations are measured at fair value as at the date of acquisitions. Subsequently, customer contracts, order backlog, customer relationship and marketing rights are amortised on a straight-line basis over their estimated useful lives of 1 to 20 years.

The carrying amounts of customer contracts, order backlog, customer relationship and marketing rights are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Any impairment in amount is provided in full.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (h) Intangible Assets (Continued)

ii. Other intangible assets (Continued)

c. Research and development costs

Research costs are expensed as incurred. Deferred development costs arising from development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development.

Following initial recognition of deferred development costs as an intangible asset, it is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation of the intangible asset begins when development is complete and the asset is available for use. Deferred development costs have a finite useful life and are amortised over the period of 3 years from the completion of the related project on a straight-line basis.

### (i) Financial Assets

*Classification and Measurement*

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

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

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

Financial assets with embedded derivatives, if any, are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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

<u>Initial recognition</u>

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

Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (i) Financial Assets (Continued)

*Classification and Measurement* (Continued)

Subsequent measurement

i. Debt instruments

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

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

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

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other income/other expenses", if any.

Debt instruments mainly comprise cash and cash equivalents, including fixed deposits and trade and other receivables measured at amortised cost.

ii. Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other income/other expenses", except for those equity securities which are not held for trading which is presented in other comprehensive income. Movements in fair values of investments classified as FVOCI are presented as "gains/losses on fair value changes" in OCI, if any.

*Recognition and Derecognition*

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

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

**2 MATERIAL ACCOUNTING POLICIES** (CONTINUED)

**(i) Financial Assets** (Continued)

*Recognition and Derecognition* (Continued)

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

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

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

*Impairment*

The Group assesses on a forward looking basis the expected credit losses ("ECL") associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. ECL are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECL are discounted at the effective interest rate of the financial asset.

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

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 the financial asset have occurred. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired.

Evidence that a financial asset is credit-impaired includes the observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower or a concession(s) that the lender(s) would not consider otherwise (e.g. the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise);
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (i) Financial Assets (Continued)

*Impairment* (Continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in income statement.

### (j) Contract Costs

The Group capitalises costs incurred in fulfilling a contract with the customer only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligation in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised contract costs are recognised as an asset (i.e. Contract costs – fulfilment) in the statements of financial position. Upon fulfilment of the performance obligation and recognition of revenue, these costs will be recognised in the profit or loss.

### (k) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined on a first-in-first-out basis. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make the sale.

### (l) Cash and Cash Equivalents

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

### (m) 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 an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each financial period end and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (n) Borrowing Costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

The Group recognises other borrowing costs as an expense in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### (o) Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value net of in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

### (p) Leases

i. When the Group is the lessee

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

The Group recognises right-of-use assets and lease liabilities at the date which the underlying assets become available for use. Right-of-use assets are measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement dates, plus any initial direct costs incurred, less any lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liabilities. The Group presents its right-of-use assets in "Property, plant and equipment" and lease liabilities in "Lease liabilities" in the statements of financial position.

2 **MATERIAL ACCOUNTING POLICIES** (CONTINUED)

**(p) Leases** (Continued)

i. When the Group is the lessee (Continued)

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

Lease payments included in the measurement of the lease liability comprise the following:

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

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

Lease liabilities are measured at amortised cost, and are remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise lease extension and termination options;
- There is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- There is a modification to the lease term.

When lease liabilities are remeasured, corresponding adjustments are made against the right-of-use assets. If the carrying amounts of the right-of-use assets have been reduced to zero, the adjustments are recorded in profit or loss. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less, as well as leases of low value assets.

Variable lease payments that are based on an index or a rate are included in the measurement of the corresponding right-of-use assets and lease liabilities. Other variable lease payments are recognised in profit or loss when incurred.

**(q) Impairment of Non-financial Assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the asset is estimated to determine the amount of impairment loss.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (q) Impairment of Non-financial Assets (Continued)

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset 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. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group based its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, the Group has used cash flow projections based on detailed budgets and forecast calculations that is deemed reliable and accurate.

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversal of an impairment loss is recognised in the profit and loss unless the asset is measured at revalued amount, in which case the reversal in excess of impairment loss previously recognised through the profit and loss is treated as a revaluation increase.

### (r) Revenue Recognition

Revenue of the Group comprises developing, producing, manufacturing, treating, processing and refining of all kinds of cements and cement products (new acquisition) and fees earned from telecommunication and internet service provider ("ISP") services rendered, sale of software licences, distribution of telecom operator products and services, distribution of telecommunication handsets, related products and services, and the supply, rental, maintenance and servicing of computer hardware and peripheral equipment and systems integration service relating to computer equipment and peripherals, storage systems and networking products (disposed entities). These revenues are categorised into operating segments (Note 38) as detailed in Note 2(u) to the financial statements.

The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The specific recognition criteria must also be met before revenue is recognised for goods and services sold.

<u>Goods and Services Sold</u>

Revenue from sale of goods and services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer which coincides with delivery of goods or rendering of services. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (r) Revenue Recognition (Continued)

Goods and Services Sold (Continued)

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for the time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

The Group considers certain services to be a distinct service as it is both regularly supplied by the Group to other customers on a stand-alone basis and is available for customers from other providers in the market. A portion of the transaction price is therefore allocated to the maintenance services based on the stand-alone selling price of those services. Discounts are not considered as they are only given in rare circumstances and are never material. Revenue from the maintenance services is recognised over time. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is released on a straight-line basis over the period of service.

Revenue from distribution of operator products and services is recognised at a point in time when goods are delivered and services are rendered respectively.

Revenue from ICT distribution is recognised at a point in time when goods are delivered and revenue from maintenance services is recognised over time when services provided progressively.

Financing Component

The Group does not have any significant financing component in its contracts with customers.

### (s) Employee Benefits

i. Defined contribution plans

The Group has complied with the mandatory contribution schemes including national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund Scheme in Singapore, a defined contribution pension scheme. These contributions are recognised as an expense in the period in which the related service is performed.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (s) Employee Benefits (Continued)

ii. Employee leave entitlements

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the financial period end.

iii. Employee share incentive plan

Employees (including senior executives and Directors) of the Group receive remuneration in the form of share options and performance shares as consideration for services rendered ('equity-settled transactions').

The cost of equity-settled share-based transactions with employees is measured by reference to the fair value at the date on which the share options and performance shares are granted which takes into account market conditions and non-vesting conditions. The Group has plans that are time-based and performance-based. In valuing the performance-based plans, no account is taken of any performance conditions.

The cost of equity-settled share-based transactions is recognised in the income statement, together with a corresponding increase in the employee share-based payment reserve, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('the vesting date'). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and the end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. In the case where the option does not vest as the result of a failure to meet a non-vesting condition that is within the control of the Group or the employee, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in profit or loss upon cancellation. The employee share-based payment reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share-based payment reserve is transferred to share capital if new shares are issued.

iv. Defined benefit plan

The Group provides additional provisions for employee service entitlements in order to meet the minimum benefits required to be paid to qualified employees, as required under the respective jurisdiction, in accordance to the local legal regulations.

The said additional provisions are estimated using actuarial calculations based on the report prepared by independent actuary firms. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in accumulated losses and will not be reclassified to the consolidated income statement. Past service cost is recognised in the consolidated income statement in the period of plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

**2 MATERIAL ACCOUNTING POLICIES** (CONTINUED)

**(s) Employee Benefits** (Continued)

iv. Defined benefit plan (Continued)

Defined benefit costs are categorised as follows:

(a) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

(b) Net interest expense or income; and

(c) Remeasurement.

The Group presents the first two components of defined benefit costs in the consolidated income statement in the line item 'personnel costs'. Curtailment gains and losses are accounted for as past service costs.

**(t) Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax.

*Current income tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

*Deferred tax*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Such deferred tax 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 associated with 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 interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (t) Taxes (Continued)

*Deferred tax* (Continued)

The carrying amount of deferred tax assets is reviewed at the financial period end 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on 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 financial period end, 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.

The Group recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition when a business combination is initially accounted for but is subsequently realised, the acquirer shall recognise the resulting deferred tax income in profit or loss or a reduction to goodwill (as long as it does not exceed goodwill) if incurred during the measurement period.

*Current and deferred tax for the period*

Current and deferred tax are recognised as an expense or income in the income statement, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in the accounting for the business combination.

### (u) Segment Reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers' report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. For financial statements presentation purposes, these individual operating segments have been aggregated into a single operating segment taking into account the following factors:

1. the nature of the products;

2. the type or class of customer for their products and services; and

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (u) Segment Reporting (Continued)

3. methods used to distribute their products to the customers or provide their services.

i. Operating Segments

The main operating segments of the Group are:

a. Telecom:

(i) Distribution of mobile prepaid cards; and

(ii) Sale of mobile handsets, related products and services.

On 24 December 2024, the Company entered into a Share Purchase Agreement ("SPA") with a buyer for the disposal of the Group's Telecom segment. Shareholders approved the transaction at an Extraordinary General Meeting held on 31 January 2025.

Subsequently, on 18 February 2025, the Company completed the transfer of 60% of the shares in Modi Indonesia 2020 Pte Limited (which is the holding company of entities in the Telecom business in Indonesia) to the buyer and received the Tranche 1 consideration in accordance with the terms of the SPA. On 18 February 2025, the Company transferred the complete management control to the buyer.

Accordingly, the revenue, expenses, and pre-tax profit or loss of the Telecom segment for the period from 1 January 2025 to 28 February 2025 have been classified under discontinued operations in the financial statements. Please refer to Note 9 for further details.

b. Technology

Information and Communications Technology ("ICT") distribution & managed services:

(i) Supply, rental, maintenance and servicing of computer hardware and peripheral equipment;

(ii) Systems integration service related to computer equipment and peripherals, storage systems, networking products, customised solutions and software products; and

(iii) Networking and routing solutions for large enterprise networks with related switches, monitors, solutions, hardware and facilities management services.

On 7 April 2025, the Company entered into a non-binding agreement with a buyer for the proposed disposal of 100% of its Technology (ICT) business. Subsequently, on 1 July 2025, the Company signed a Share Purchase Agreement (SPA) with the buyer, and the transaction was announced on Singapore Exchange (SGX). On 1 July 2025, the Company transferred management control of its Technology (ICT) business to the buyer. Shareholders also approved the disposal at an Extraordinary General Meeting held on 6 November 2025. Accordingly, the results of the Technology (ICT) segment, including revenue, expenses, and pre-tax profit or loss for the period from 1 January 2025 to 30 June 2025, have been classified and presented as discontinued operations in the financial statements. The Company announced the completion of the disposal on 21 January 2026. Please refer to Note 9 for further details.

c. Architecture, Engineering and Construction (AEC)

(i) Manufacturing of Autoclaved Aerated Concrete (AAC) blocks and panels;

(ii) Trading of AAC blocks, panels and other building construction materials; and

(iii) Ancillary services related to the above activities

**2 MATERIAL ACCOUNTING POLICIES** (CONTINUED)

**(u) Segment Reporting** (Continued)

i. Operating Segments (Continued)

c. Architecture, Engineering and Construction (AEC) (Continued)

On 20 November 2025, the Company acquired a manufacturing plant in Vadodara, India. Following the acquisition, commercial manufacturing operations for AAC blocks commenced at the facility. The acquisition marked the Company's entry into the AEC manufacturing business and is expected to contribute to future revenue growth of the segment.

ii. Geographical Information

The Group has organised geographical segments according to the region in which the reporting Company is incorporated in. Assets and capital expenditure are based on the location of the assets.

**(v) Share Capital and Share Issue Expenses**

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are shown separately under other reserves.

**(w) Related Parties**

A related party is defined as follows:

a. A person or a close member of that person's family is related to the Group and Company if that person:

i. has control or joint control over the Company;

ii. has significant influence over the Company; or

iii. is a member of the key management personnel of the Group or the Company or of a parent of the Company.

b. An entity is related to the Group and the Company if any of the following conditions apply:

i. the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

iii. both entities are joint ventures of the same third party;

iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

v. the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

vi. the entity is controlled or jointly controlled by a person identified in (a);

vii. a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

viii. the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (x) Financial Guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

### (y) Treasury Shares

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount comprising of the consideration paid and any directly attributable incremental cost is presented as two components within equity attributable to the Company's equity holders as treasury shares and other reserves respectively, until they are cancelled, sold or re-issued.

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

When treasury shares are subsequently sold or re-issued, the cost of treasury shares is reversed from the treasury shares and other reserves accounts respectively and the realised gain or loss on sale or re-issue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

### (z) Discontinued Operations

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held-for-sale and;

i. represents a separate major line of business or geographical area of operations; or

ii. is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or

iii. is a subsidiary acquired exclusively with a view to resale.

When a component of an entity qualifies as a discontinued operation, the comparative consolidated income statement is retrospectively restated to segregate the results of all operations that have been discontinued by the end of the latest reporting period.

### (aa) Contingencies

A contingent liability is:

i. a possible obligation that arises from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (aa) Contingencies (Continued)

ii. a present obligation that arises from past events but is not recognised because:

(a) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(b) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statements of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and the fair values can be reliably determined thereof.

### (bb) Government Grants

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

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

### (cc) Disposal Group Classified as Held For Sale

Disposal group is classified as held for sale or distribution if their carrying amount will be recovered through a sale transaction or distribution rather than through continuing use. This condition is regarded as met only the sale is highly probable and the disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year for the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria set out above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale. Disposal group classified as held for sale are measured at the lower of assets' previous carrying amount and fair value less cost to sell.

The assets are no depreciated or amortised while they are classified as held-for-sale. In addition, equity accounting of associates and joint venture ceases once classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

## 3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at each financial period end. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

## 3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

### (a) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the financial period end are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. *Depreciation of property, plant and equipment*

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be within 2 to 20 years. The carrying amounts of the Group's and the Company's property, plant and equipment at 31 March 2026 are approximately S$17,817,000 and S$2,000 (2024: S$1,213,000 and S$4,000) respectively. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

If depreciation on property, plant and equipment increases/decreases by 10% (2024: 10%) from management's estimate, the Group's loss before taxation from continuing operations will increase by approximately S$61,000 (2024: S$1,000).

ii. *Impairment of trade and other receivables and loan receivable*

As at 31 March 2026, the Group's trade and other receivables and loan receivable amounted to S$5,824,000 (2024: S$4,095,000), net of allowance for impairment, arising from the Group's different revenue segments as disclosed in Note 2(u).

Based on the Group's historical credit loss experience, trade and other receivables exhibited different loss patterns for each revenue segment. Within each revenue segment, the Group has common customers across the different geographical regions and applies credit evaluations by customer. Accordingly, management has determined the expected credit loss rates by grouping the receivables across geographical regions in each revenue segment.

An allowance for impairment of S$4,800,000 (2024: S$4,787,000) for trade and other receivables and loan receivable was recognised as at 31 March 2026.

Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately. There is no major customer in financial difficulties during the financial period.

The Group's and the Company's credit risk exposure for trade and other receivables and loan receivable by different revenue segment are set out in Note 40(a).

iii *Impairment of investment in subsidiaries*

The Company follows the guidance of SFRS(I) 1-36 in determining the recoverability of its investment in subsidiaries. The recoverable amount of investment in subsidiaries has been determined based on management's assessment of the fair value of the subsidiaries' assets and liabilities as at the financial period end. The measurement was categorised as a Level 2 fair value, as defined in Note 41 to the financial statements. The significant assumptions used refer to the fair value of the subsidiaries' investment properties and property, plant and equipment (Notes 18 and 17).

## 3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

### (a) Key Sources of Estimation Uncertainty (Continued)

*iv. Defined benefits plan*

The cost of defined benefit pension plans and other post-employment medical benefits as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return of assets, future salary increases, mortality rates and future pension increases. The carrying amount of the Group's employee benefits liabilities as at 31 March 2026 is S$5,000 (2024: S$57,000). Further details are given in Note 34(b) to the financial statements.

*v. Impairment of property, plant and equipment*

The Group and the Company assess impairment of property, plant and equipment at each year end by evaluating conditions specific to the Group and the Company that may lead to impairment of assets.

Impairment assessment of property, plant and equipment includes considering certain indications such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset, significant under-performance relative to the expected historical or future operating results and significant negative industry or economic trends.

Where there are indications of impairment of its assets, the management estimates the recoverable amounts of these assets to determine the extent of the impairment loss, if any. The recoverable amounts of these assets are determined based on the higher of fair value less cost to sell and value-in-use.

No additional impairment loss on property, plant and equipment has been recognised for the current financial period ended 31 March 2026 (2024: Nil). The carrying amount of the Group's property, plant and equipment as at 31 March 2026 is S$17,817,000 (2024: S$1,213,000) as disclosed in Note 17 to the financial statements.

### (b) Critical Judgements made in applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have a significant effect on the amounts recognised in the financial statements:

*i. Determination of functional currency*

The Group measures foreign currency transactions in the respective functional currencies of its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

*ii. Allowance for inventories obsolescence*

Reviews are made periodically by management on inventories for inventory obsolescence and decline in net realisable value below cost. Allowances are recorded against the inventories for any such declines based on historical obsolescence and slow-moving experiences. Allowances for inventories are written back upon subsequent sale of the inventories.

## 3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

### (b) Critical Judgements made in applying Accounting Policies (Continued)

ii. *Allowance for inventories obsolescence* (Continued)

During the financial period ended 31 March 2026, the Group has recognised an allowance of S$1,102,000 (2024: S$52,000) for inventory obsolescence relating to its disposed subsidiary.

The carrying amount of the Group's inventories as at 31 March 2026 was S$10,000 (2024: S$313,000).

iii. *Income taxes*

The Group has exposure to income taxes in various jurisdictions. Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The carrying amount of the Group's tax payable, tax recoverable, deferred tax assets and deferred tax liabilities as at 31 March 2026 were Nil, S$4,000, S$476,000 and S$2,632,000 (2024: S$147,000, S$330,000, S$194,000 and S$448,000) respectively.

## 4 TURNOVER

Turnover from continuing operations comprises the following:

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024 S$'000 |
| Turnover from the sale of goods – AEC | **455** | – |

Disaggregation of revenue from contracts with customers

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

| | At a point in time S$'000 | Over time S$'000 | Total S$'000 |
|---|---|---|---|
| Period from 01.01.2025 to 31.03.2026 | | | |
| Turnover from the sale of goods | | | |
| – India | **455** | **–** | **455** |

Transaction price allocated to remaining performance obligations

There is no unsatisfied performance obligation as at year end. The aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2024 was S$5,986,000 of which the majority pertained to the disposed subsidiaries.

As permitted under SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods of one year or less, or billed based on time incurred, is not disclosed.

## 4 TURNOVER (CONTINUED)

### 4(a) Purchases and Changes in Inventories and Direct Service Fees Incurred

Purchases and changes in inventories and direct service fees incurred comprise the following:

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024 S$'000 |
| AEC | | |
| AAC blocks, panels and materials | **329** | – |

## 5 OTHER INCOME FROM CONTINUING OPERATIONS

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024 S$'000 |
| Other income – operating: | | |
| – Others | **19** | – |
| Other income – non-operating: | | |
| – Foreign exchange gain for | **195** | – |
| Interest income: | | |
| – Fixed deposits | **135** | 72 |

## 6 PERSONNEL COSTS FROM CONTINUING OPERATIONS

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024 S$'000 |
| Salaries and allowances | **1,578** | 184 |
| Central Provident Fund contributions | **31** | 15 |
| Defined benefit plan (Note 34(b)) | **5** | – |
| Staff welfare | **3** | – |
| Insurance | **5** | – |
| Other personnel costs | **37** | 9 |
| | **1,659** | 208 |

Other personnel costs include mainly medical fees, recruitment costs, training costs and provision for unpaid leave balance.

## 7. LOSS BEFORE TAXATION FROM CONTINUING OPERATIONS

Loss before taxation from continuing operations is stated after charging/(crediting) the following:

| | Group | |
|---|---|---|
| **Other expenses:** | **Period from 01.01.2025 to 31.03.2026 S$'000** | **Year ended 31.12.2024 S$'000** |
| Audit fees paid/payable to: | | |
| – Auditors of the Company | **132** | 166 |
| – Other auditors – network firms | **17** | 30 |
| Non-audit fees paid/payable to: | | |
| – Other auditors – non network firms | **–*** | –* |
| Directors' fees – Directors of the Company | **140** | 105 |
| Bank charges | **15** | – |
| Printing & stationery | **4** | 11 |
| Other professional fees | **975** | 376 |
| Equipment maintenance | **32** | – |
| Telecommunication expenses | **11** | – |
| Travelling and entertainment | **414** | 16 |
| Impairment loss on trade debts (Note 40(a) and 12) | **19** | 68 |
| Loss/(Gain) on revaluation of investment properties | **224** | (57) |

* less than S$1,000

## 8. TAXATION

Major components of income tax expense

The major components of income tax expense for the financial period/year ended 31 March 2026 and 31 December 2024 are:

| | Group | |
|---|---|---|
| | **Period from 01.01.2025 to 31.03.2026 S$'000** | **Year ended 31.12.2024 S$'000** |
| Consolidated income statement: | | |
| – Current income tax | **39** | 350 |
| – Under provision in respect of previous years | **–** | 4 |
| | **39** | 354 |
| Deferred income tax (Note 25) | | |
| – Origination and reversal of temporary differences | **–** | (131) |
| Income tax expense | **39** | 223 |
| Income tax expenses attributable to continuing operations | **–** | – |
| Income tax expenses attributable to discontinued operations | **39** | 223 |
| | **39** | 223 |

Foreign currency translation recognised in profit or loss upon disposal of foreign subsidiaries presented under other comprehensive income have no income tax impact.

## 8. TAXATION (CONTINUED)

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting results multiplied by the applicable corporate tax rate for the financial period/year ended 31 March 2026 and 31 December 2024 is as follows:

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024 S$'000 |
| Loss before taxation from continuing operations | **(5,237)** | (920) |
| Loss before taxation from discontinued operations | **(15,091)** | (2,353) |
| | **(20,328)** | (3,273) |
| Tax at the domestic rates applicable to pre-tax profit or loss in the countries concerned* | **(1,420)** | (556) |
| Adjustments: | | |
| Tax effect of expenses not deductible for tax purposes# | **1,459** | 685 |
| Deferred tax assets/liabilities not recognised | **–** | 114 |
| Income not subject to taxation | **–** | (24) |
| Under provision of income tax in respect of previous years | **–** | 4 |
| Income tax expense recognised in the income statement | **39** | 223 |

* The reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

# The expenses not deductible for tax purposes mainly relate to allowance for inventory obsolescence, impairment loss on non-trade receivables and impairment loss on remeasurement of disposal group.

The Group, in arriving at the current tax liabilities for the Singapore companies, has taken into account losses to be transferred under the loss transfer system of group relief in Singapore. This is subject to compliance with the relevant rules and procedures and agreement of the Inland Revenue Authority of Singapore. The current year tax expense of the Group is net of the tax effects of the unutilised tax losses transferred.

The use of these tax losses and unabsorbed capital allowances is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Deferred tax assets have not been recognised in respect of the following items:

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024 S$'000 |
| Estimated unutilised tax losses | **112,000** | 118,000 |

## 8. TAXATION (CONTINUED)

Relationship between tax expense and accounting profit (Continued)

The unutilised tax losses do not expire except for unutilised tax losses relating to subsidiaries in Indonesia, Thailand, China and Malaysia which have expiry periods of between 5 and 20 years. The breakdown of unutilised tax losses with expiry thereof is as follows:

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024 S$'000 |
| Expiry dates | | |
| 31 March 2026 | **203** | 295 |
| 31 March 2027 | **393** | 124 |
| 31 March 2028 | **411** | 363 |
| 31 March 2029 | **340** | 384 |
| 31 December 2029 and thereafter | **19,551** | 19,861 |

## 9. DISCONTINUED OPERATIONS

### a. Disposal of Telecom Segment

On 24 December 2024, the Company entered into a Share Purchase Agreement ("SPA") with a buyer for the disposal of the Group's Telecom segment. Shareholders approved the transaction at an Extraordinary General Meeting held on 31 January 2025.

Subsequently, on 18 February 2025, the Company completed the transfer of 60% of the shares in Modi Indonesia 2020 Pte Limited (which is the holding company of entities in the Telecom business in Indonesia) to the buyer and received the Tranche 1 consideration in accordance with the terms of the SPA. On 18 February 2025, the Company transferred the complete management control to the buyer.

On 30 June 2025, the Company received the Tranche 2 payment as per the SPA and transferred the remaining 40% of shares in Modi Indonesia 2020 Pte Limited to the buyer, thereby completing the disposal.

As at 31 December 2024, the carrying value of net tangible assets held for sale related to the Telecom segment was S$9.92 million, after making an impairment loss of S$3,668,000 on remeasurement of disposal group. The final total consideration agreed and received amounted to S$7.60 million.

This reduction of S$2.32 million is primarily due to:

– a lower net tangible assets (NTA) at the time of handover compared to the reference NTA as per the announcement, resulting in a downward adjustment of S$2.0 million; and

– a reduction of S$0.3 million in the final consideration as a result of the non-fulfilment of certain conditions precedent, as stipulated in the SPA.

The Group recognised a loss on disposal of S$8.87 million for the current financial period, which includes the reclassification of the currency translation reserve to profit of loss.

## 9. DISCONTINUED OPERATIONS (CONTINUED)

### b. Disposal of Technology (ICT) Business

On 7 April 2025, the Company entered into a non-binding agreement with a buyer for the proposed disposal of 100% shareholding in Bharat IT Services Ltd, its Technology (ICT) business. Subsequently, on 1 July 2025, the Company executed a Share Purchase Agreement (SPA) with the buyer, and the transaction was announced on the Singapore Exchange (SGX).

Thereafter, the shareholders approved the proposed disposal at an Extraordinary General Meeting held on 6 November 2025, and the Technology (ICT) disposal transaction was completed on 21 January 2026 in accordance with the terms and conditions of the SPA.

On 1 July 2025, the Company transferred management control of its Technology (ICT) business to the buyer. Consequently, the Technology (ICT) business has been classified and presented as a discontinued operation, in accordance with the SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* and other relevant accounting standards. The revenue, expenses, and pre-tax profit or loss of the Technology (ICT) business for the period from 1 January 2025 to 30 June 2025 have been classified under discontinued operations in the Group's financial statements.

As at 30 June 2025, the carrying value of net tangible assets of Bharat IT Services Ltd was S$4.17 million, against which the agreed consideration was S$2.23 million, comprising S$1.11 million under the first tranche and S$1.12 million under the second tranche. Accordingly, an impairment loss of S$1.94 million has been recognised in the profit or loss during the current period on remeasurement of the disposal group. This impairment loss has been applied to reduce the carrying amount of trade receivables, inventories, and other current assets of the Technology (ICT) business. This impairment loss was recognised as part of the results from discontinued operations in the financial statements.

The consideration received approximated the NTA of the disposed entity. The disposal resulted in a loss of S$2.92 million which relates to the reclassification of the currency translation reserve to profit of loss.

## 9. DISCONTINUED OPERATIONS (CONTINUED)

### (ii) Disposal of Technology (ICT) Business (Continued)

Analysis of profit or loss for the period/year from discontinued operations of the following disposed groups which included the Telcom and Technology (ICT):

The results of the discontinued operations included in the consolidated income statement are set out below. The comparative consolidated income statement has been re-presented to include those operations classified as discontinued in the current period.

| | Group | |
|---|---|---|
| | **Period from 01.01.2025 to 31.03.2026 S$'000** | **Year ended 31.12.2024 S$'000** |
| Turnover | **26,751** | 181,483 |
| **Operating expenses** | | |
| Purchases and changes in inventories and direct service fees incurred | **(22,919)** | (166,465) |
| Foreign exchange gains | **37** | 37 |
| Marketing expenses | **(62)** | (80) |
| Other income - operating | **37** | 102 |
| Other expenses - operating | **(4,123)** | (13,511) |
| Other income - non-operating | **93** | 98 |
| Interest income from cash deposits | **130** | 278 |
| Finance costs | **(7)** | (39) |
| Allowance for inventory obsolescence | **(1,102)** | (52) |
| Depreciation of property, plant and equipment | **(189)** | (536) |
| Impairment loss on remeasurement of disposal group | **(1,944)** | (3,668) |
| Loss on disposal of subsidiaries | **(11,793)** | – |
| Loss before tax from discontinued operations | **(15,091)** | (2,353) |
| Taxation | **(39)** | (223) |
| Loss for the period/year from discontinued operations, net of tax | **(15,130)** | (2,576) |
| **Cash flows from discontinued operations** | | |
| Net cash outflows from operating activities | **(3,216)** | (2,349) |
| Net cash inflows from investing activities | **–** | 259 |
| Net cash outflows from financing activities | **–** | (150) |
| Net cash outflows | **(3,216)** | (2,240) |

## 9(a) Disposal Group Classified as Held For Sale

| | Group | |
|---|---|---|
| | **31.03.2026 S$'000** | **31.12.2024 S$'000** |
| Assets related to disposal group held for sale | **–** | 11,584 |
| Liabilities associated with assets held for sale | **–** | 1,665 |

## 9. DISCONTINUED OPERATIONS (CONTINUED)

### 9(a) Disposal Group Classified as Held For Sale (Continued)

During the financial period ended 31 March 2026, the Group completed the disposal of its Telecom business, with full management control transferred to the buyer on 18 February 2025. The Group also completed the disposal of its Technology (ICT) business on 21 January 2026, with full management control transferred to the buyer on 1 July 2025. Accordingly, both businesses have been disposed of during the financial period.

The major classes of assets and liabilities of the Telecom business, stated at fair value less costs to sell, at the end of the previous financial year are as follows:

| | Group 31.12.2024 S$'000 |
|---|---|
| Trade receivables | 989 |
| Investment properties | 1,036 |
| Inventories | 5,564 |
| Cash and bank balances | 3,216 |
| Property, plant and equipment | 239 |
| Other current assets | 540 |
| Assets of disposal group classified as held for sale | 11,584 |
| Trade creditors | 629 |
| Loans and borrowings | 250 |
| Other current liabilities | 786 |
| Liabilities directly associated with disposal group classified as held for sale | 1,665 |
| Net assets of disposal group classified as held for sale | 9,919 |

## 10. LOSS PER SHARE

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 Cents per share | Year ended 31.12.2024 Cents per share |
| Basic and diluted earnings per share: | | |
| From continuing operations | **(35.68)** | (6.87) |
| From discontinued operations | **(113.01)** | (19.24) |
| | **(148.69)** | (26.11) |

## 10. LOSS PER SHARE (CONTINUED)

### (a) Basic Loss per Share

Basic earnings per share is calculated by dividing loss, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period/year. The following table reflects the loss and share data used in the basic and diluted earnings per share computation for the following period/year:

| | Group | |
|---|---|---|
| | **Period from 01.01.2025 to 31.03.2026 S$'000** | **Year ended 31.12.2024 S$'000** |
| Net loss attributable to ordinary shareholders for computing basic loss per share | **(19,907)** | (3,496) |

| | Group | |
|---|---|---|
| | **31.03.2026 '000** | **31.12.2024 '000** |
| Weighted average number of ordinary shares as at 31 March 2026 and 31 December 2024 for the purpose of computing the basic loss per share as disclosed in Note 29 | **13,388** | 13,388 |

### (b) Diluted loss per Share

Diluted loss per share is calculated by dividing loss, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period/year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

| | Group | |
|---|---|---|
| | **31.03.2026 '000** | **31.12.2024 '000** |
| Weighted average number of ordinary shares as at 31 March 2026 and 31 December 2024 for the purpose of computing the diluted loss per share as disclosed in Note 29 | **13,388** | 13,388 |

## 11 INVENTORIES

| | Group | | Company | |
|---|---|---|---|---|
| | **31.03.2026 S$'000** | **31.12.2024 S$'000** | **31.03.2026 S$'000** | **31.12.2024 S$'000** |
| Inventories | **10** | 313 | **–** | – |

The cost of inventories recognised as an expense amounted to S$329,000, (2024: Nil).

## 12 TRADE RECEIVABLES

| | Group | | Company | |
|---|---|---|---|---|
| | **31.03.2026** | **31.12.2024** | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** | **S$'000** | **S$'000** |
| Trade receivables | **860** | 3,109 | **465** | 496 |
| Less: | | | | |
| Allowance for impairment | **(527)** | (508) | **(417)** | (450) |
| Net trade receivables | **333** | 2,601 | **48** | 46 |
| Add: | | | | |
| Long-term loans and advances to subsidiaries (Note 24) | **–** | – | **471** | 475 |
| Other receivables, deposits and tax recoverable (Note 13) | **5,491** | 1,494 | **471** | 264 |
| Cash and cash equivalents (Note 16) | **3,594** | 7,443 | **2,209** | 5,609 |
| Fixed deposits (Note 16(a)) | **–** | 3,201 | **–** | – |
| Due from subsidiaries (Note 15) | **–** | – | **242** | 369 |
| Total financial assets | **9,418** | 14,739 | **3,441** | 6,763 |

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2024: 30 to 90 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition. The Group holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Allowance for impairment for trade receivables has always been measured at an amount equal to lifetime expected credit losses ("ECL") as disclosed in the accounting policy in Note 2(i). The Group has recognised a loss allowance of 100% against certain receivables over 365 days past due (credit-impaired) because historical experience has indicated that these receivables are generally not recoverable. There has been no change in the estimation techniques or significant assumptions made during the current reporting year. None of the trade receivables that have been written off is subject to recovery process.

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

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

The Group's and the Company's movement in credit loss allowance for impairment and credit risk in relation to trade receivables from contracts with customers under SFRS(I) 9 as at 31 March 2026 are set out in the provision matrix as presented in Note 40(a). The Group's provision for loss allowance is determined based on the default rate by credit rating of customers, obtained from independent credit rating companies.

## 13 OTHER RECEIVABLES, DEPOSITS AND TAX RECOVERABLE

| | Group | | Company | |
|---|---|---|---|---|
| | **31.03.2026 S$'000** | **31.12.2024 S$'000** | **31.03.2026 S$'000** | **31.12.2024 S$'000** |
| Other receivables and deposits | | | | |
| **Current** | | | | |
| Other receivables | | | | |
| – Third parties | **7,151** | 3,109 | **1,040** | 837 |
| – Related parties | **–** | 1 | **–** | 1 |
| | **7,151** | 3,110 | **1,040** | 838 |
| Less: | | | | |
| Allowance for impairment | **(2,435)** | (2,441) | **(797)** | (804) |
| | **4,716** | 669 | **243** | 34 |
| Deposits | **765** | 446 | **228** | 230 |
| Interest receivable | **6** | 20 | **–** | – |
| | **5,487** | 1,135 | **471** | 264 |
| **Non-current** | | | | |
| Other receivables | **–** | 29 | **–** | – |
| **Total other receivables and deposits** | **5,487** | 1,164 | **471** | 264 |
| Tax recoverable | | | | |
| **Current** | **4** | 330 | **–** | – |
| **Total other receivables, deposits and tax recoverable** | **5,491** | 1,494 | **471** | 264 |

Other receivables mainly relate to value-added tax receivables and advances to suppliers of plant and equipment amounting to S$1,895,000.

For the purpose of impairment assessment, the Group has recognised a loss allowance of 100% against certain receivables over 365 days past due (credit-impaired) because historical experience has indicated that these receivables are generally not recoverable. The remaining other receivables are considered to have low credit risk as at 31 March 2026 as 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 expected credit loss ("ECL") which reflects the low credit risk of the exposures. There is no allowance for impairment arising from these net outstanding balances as the expected credit losses are not material. There has been no change in the estimation techniques or significant assumptions made during the current reporting year in assessing the loss allowance for other receivables.

The Group's and the Company's movement in credit loss allowance for impairment and credit risk in relation to other receivables under SFRS(I) 9 as at 31 March 2026 are set out in the provision matrix as presented in Note 40(a).

## 14 PREPAYMENTS

| | Group | | Company | |
|---|---|---|---|---|
| | **31.03.2026 S$'000** | **31.12.2024 S$'000** | **31.03.2026 S$'000** | **31.12.2024 S$'000** |
| Current | | | | |
| Other prepaid expenses | **–** | – | **6** | 4 |
| Prepaid selling expenses | **16** | 149 | **–** | – |
| | **16** | 149 | **6** | 4 |

Total prepaid expenses mainly relate to advance payments to vendors by subsidiaries.

## 15 DUE (TO)/FROM SUBSIDIARIES

Amounts due from subsidiaries to the Company are stated after deducting allowance for impairment loss amounted to S$242,000 (2024: S$369,000) as at 31 March 2026.

Amounts due to subsidiaries of S$4,237,000 (2024: S$11,367,000) are non-trade in nature, unsecured, interest-free and repayable on demand. Amounts due from subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

Movement in the allowance account:

| | Company | |
|---|---|---|
| | **31.03.2026<br>S$'000** | **31.12.2024<br>S$'000** |
| At the beginning of period/year | **317** | 317 |
| Impairment loss recognised profit or loss during the period/year | **680** | – |
| At the end of the period/year | **997** | 317 |

## 16 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

| | Group | | Company | |
|---|---|---|---|---|
| | **31.03.2026<br>S$'000** | **31.12.2024<br>S$'000** | **31.03.2026<br>S$'000** | **31.12.2024<br>S$'000** |
| **Fixed deposits** | **30** | 5,112 | **30** | 5,112 |
| Cash and bank balances | **3,564** | 2,331 | **2,179** | 497 |
| | **3,594** | 7,443 | **2,209** | 5,609 |
| Less: | | | | |
| Cash and bank deposit pledged | **–** | (1,515) | **–** | – |
| Add: | | | | |
| Cash and bank balances included in a disposal group held for sale (Note 9(a)) | **–** | 3,216 | **–** | – |
| Cash and cash equivalents per statement of cash flows | **3,594** | 9,144 | **2,209** | 5,609 |

Fixed deposits with financial institutions mature in varying periods from the financial year end.

Fixed deposits earn interest at the effective interest rates at 2.8% (2024: ranging from 1.63% to 1.95%) per annum as at year end.

Cash at bank earns interest at floating rates based on daily bank deposits ranging from 1.02% to 1.27% (2024: 0% to 2.75%) per annum.

Fixed deposits of S$1,515,000 were pledged as security for trust receipts, bank guarantees, standby letters of credit and other bank services in the previous financial year.

## 16 CASH AND CASH EQUIVALENTS (CONTINUED)

Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions.

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents are presented net of pledged fixed deposits.

### 16(a) Fixed Deposits

Fixed deposits comprise the following:

| | Group | | Company | |
|---|---|---|---|---|
| | 31.03.2026<br>S$'000 | 31.12.2024<br>S$'000 | 31.03.2026<br>S$'000 | 31.12.2024<br>S$'000 |
| Fixed deposits: | | | | |
| – mature within one year | – | 2,691 | – | – |
| – mature after one year | | 510 | – | – |
| | – | 3,201 | – | – |
| Less: Fixed deposits pledged | | | | |
| – mature within one year | – | (921) | – | – |
| – mature after one year | – | (510) | – | – |
| | – | (1,431) | – | – |
| Unpledged fixed deposits | – | 1,770 | – | – |

Fixed deposits with financial institutions mature in varying periods from the financial period/year end.

Mature within one year

In the previous financial year, fixed deposits earned interest at the effective rates ranging from 6.0% to 7.0% per annum. The maturity dates were between 1 January 2025 and 31 December 2025.

Mature after one year

In the previous financial year, fixed deposits earned interest at the effective interest rates ranging 6.0% to 7.0% per annum. The maturity dates were between 1 January 2026 and 31 July 2030.

Fixed deposits of S$1,431,000 were pledged as security for bank guarantees and other for projects undertaken in India in the previous financial year. The India subsidiary has since been disposed in the current financial year.

## 17 PROPERTY, PLANT AND EQUIPMENT

| | Furniture, fixtures and fittings S$'000 | Computer equipment S$'000 | Office equipment S$'000 | Motor vehicles S$'000 | Leasehold improvement S$'000 | Buildings[1] S$'000 | Work in progress S$'000 | Total S$'000 |
|---|---|---|---|---|---|---|---|---|
| Group | | | | | | | | |
| 31.03.2026 | | | | | | | | |
| Cost or valuation | | | | | | | | |
| At 1 January 2025 | 47 | 409 | 33 | 336 | 63 | 638 | 752 | 2,278 |
| Additions[2] | – | – | – | – | – | – | 595 | 595 |
| Acquisitions through business combination | 80 | 20 | 17,737 | – | – | 2,465 | – | 20,302 |
| Disposals/write-offs | (23) | (4) | – | (142) | (30) | – | – | (199) |
| Translation differences | – | – | (1,135) | – | – | – | – | (1,135) |
| At 31 March 2026 | 104 | 425 | 16,635 | 194 | 33 | 3,103 | 1,347 | 21,841 |
| Comprising: | | | | | | | | |
| Cost | 104 | 425 | 16,635 | 194 | 33 | – | 1,347 | 18,738 |
| Valuation | – | – | – | – | – | 3,103 | – | 3,103 |
| At 31 March 2026 | 104 | 425 | 16,635 | 194 | 33 | 3,103 | 1,347 | 21,841 |

| | Furniture, fixtures and fittings S$'000 | Computer equipment S$'000 | Office equipment S$'000 | Motor vehicles S$'000 | Leasehold improvement S$'000 | Buildings[1] S$'000 | Work in progress S$'000 | Total S$'000 |
|---|---|---|---|---|---|---|---|---|
| Group | | | | | | | | |
| 31.03.2026 | | | | | | | | |
| Accumulated depreciation | | | | | | | | |
| At 1 January 2025 | 38 | 390 | 22 | 138 | 50 | 294 | – | 932 |
| Depreciation charge for the period | 3 | 4 | 438 | 40 | – | 126 | – | 611 |
| Acquisitions through business combination | – | – | 2,626 | – | – | – | – | 2,626 |
| Disposals/write-offs | (23) | (4) | | (122) | (30) | – | – | (179) |
| At 31 March | 18 | 390 | 3,086 | 56 | 20 | 420 | – | 3,990 |
| Accumulated impairment | | | | | | | | |
| At 1 January 2025 | 6 | 6 | 9 | – | 13 | 99 | – | 133 |
| Disposals/write-offs | – | – | – | – | – | (99) | – | (99) |
| At 31 March 2026 | 6 | 6 | 9 | – | 13 | – | – | 34 |
| Net carrying amount | | | | | | | | |
| At 31 March 2026 | 80 | 29 | 13,540 | 138 | – | 2,683 | 1,347 | 17,817 |

## 17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| | Furniture, fixtures and fittings S$'000 | Computer equipment S$'000 | Office equipment S$'000 | Motor vehicles S$'000 | Leasehold improvement S$'000 | Buildings[(1)] S$'000 | Work in progress S$'000 | Total S$'000 |
|---|---|---|---|---|---|---|---|---|
| Group | | | | | | | | |
| 31.12.2024 | | | | | | | | |
| Cost or valuation | | | | | | | | |
| At 1 January | 111 | 837 | 416 | 422 | 281 | 1,050 | 240 | 3,357 |
| Additions[(2)] | 1 | 4 | – | – | – | 8 | 512 | 525 |
| Disposals/write-offs | (21) | (137) | (77) | (8) | (1) | (199) | – | (443) |
| Reclassified to disposal group classified as held for sale | (45) | (404) | (314) | (78) | (217) | (221) | – | (1,279) |
| Translation differences | 1 | 109 | 8 | – | – | – | – | 118 |
| At 31 December | 47 | 409 | 33 | 336 | 63 | 638 | 752 | 2,278 |
| Comprising: | | | | | | | | |
| Cost | 47 | 409 | 33 | 336 | 63 | – | 752 | 1,640 |
| Valuation | – | – | – | – | – | 638 | – | 638 |
| At 31 December | 47 | 409 | 33 | 336 | 63 | 638 | 752 | 2,278 |

| | Furniture, fixtures and fittings S$'000 | Computer equipment S$'000 | Office equipment S$'000 | Motor vehicles S$'000 | Leasehold improvement S$'000 | Buildings[(1)] S$'000 | Work in progress S$'000 | Total S$'000 |
|---|---|---|---|---|---|---|---|---|
| Group | | | | | | | | |
| 31.12.2024 | | | | | | | | |
| Accumulated depreciation | | | | | | | | |
| At 1 January | 96 | 828 | 139 | 139 | 268 | 498 | – | 1,968 |
| Depreciation charge for the year | 4 | 215 | 18 | 48 | 12 | 57 | – | 354 |
| Disposals/write-offs | (23) | (221) | – | (2) | (13) | (105) | – | (364) |
| Reclassified to disposal group classified as held for sale | (37) | (332) | (131) | (47) | (217) | (156) | – | (920) |
| Translation differences | (2) | (100) | (4) | – | – | – | – | (106) |
| At 31 December | 38 | 390 | 22 | 138 | 50 | 294 | – | 932 |
| Accumulated impairment | | | | | | | | |
| At 1 January | 6 | 6 | 9 | – | 13 | 99 | – | 133 |
| Impairment | 3 | 29 | 75 | 13 | – | – | – | 120 |
| Reclassified to disposal group classified as held for sale | (3) | (29) | (75) | (13) | – | – | – | (120) |
| At 31 December | 6 | 6 | 9 | – | 13 | 99 | – | 133 |
| Net carrying amount | | | | | | | | |
| At 31 December | 3 | 13 | 2 | 198 | – | 245 | 752 | 1,213 |

(1) Right-of-use assets arising from buildings are recognised in accordance with SFRS(I) 16 Leases. Please see Note 36 for more information.

(2) Included in additions are cash payments of S$374,000 (2024: S$517,000).

## 17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Group has a policy of engaging independent external valuer to assess the valuation of buildings on a triennial basis or when the carrying amounts are likely to differ materially from their revalued amounts. The Group had engaged independent external valuer to assess the valuation of buildings in the current financial period.

Right-of-use assets

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 36. The Group and the Company had not pledged any leased assets as security.

Buildings at fair value

The fair value of the Group's buildings was arrived at on the basis of a valuation carried out by Felix Sutandar and Rekan, an independent valuer with appropriate qualifications and experience in the valuation of properties in the relevant locations in the current financial period. The valuation was arrived at by reference to market evidence of transaction prices of similar properties. Management is of the opinion that there is no significant price fluctuation in the property market and the carrying amounts of buildings are not significantly different from the revalued amounts as at 31 March 2026.

Details of the Group's buildings and information about the fair value hierarchy (Note 41) are as follows:

| | **Level 1 S$'000** | **Level 2 S$'000** | **Level 3 S$'000** | **Total S$'000** |
|---|---|---|---|---|
| 31.03.2026 | | | | |
| Buildings | **–** | **2,683** | **–** | **2,683** |
| 31.12.2024 | | | | |
| Buildings | – | 245 | – | 245 |

Level 2 fair value of the Group's buildings have been derived using the market data approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input in this valuation approach is the selling price per square meter and the usage of the property.

Had the buildings been measured at cost less accumulated depreciation, the carrying amount would have been as follows:

| | **Group** | |
|---|---|---|
| | **31.03.2026 S$'000** | **31.12.2024 S$'000** |
| Buildings | | |
| – Cost | **3,103** | 392 |
| – Accumulated depreciation | **(397)** | (271) |
| – Net carrying amount | **2,706** | 121 |

## 17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Buildings at fair value (Continued)

| | Furniture, fixtures and fittings S$'000 | Computer equipment S$'000 | Office equipment S$'000 | Total S$'000 |
|---|---|---|---|---|
| **Company** | | | | |
| 31.03.2026 | | | | |
| Cost | | | | |
| At 1 January 2025/At 31 March 2026 | **1** | **105** | **78** | **184** |
| Accumulated Depreciation | | | | |
| At 1 January 2025 | **1** | **101** | **78** | **180** |
| Depreciation charge for the period | **–** | **2** | **–** | **2** |
| At 31 March 2026 | **1** | **103** | **78** | **182** |
| Net carrying amount | | | | |
| At 31 March 2026 | **–** | **2** | **–** | **2** |

| | Furniture, fixtures and fittings S$'000 | Computer equipment S$'000 | Office equipment S$'000 | Total S$'000 |
|---|---|---|---|---|
| **Company** | | | | |
| 31.12.2024 | | | | |
| Cost | | | | |
| At 1 January | 1 | 101 | 78 | 180 |
| Additions | – | 4 | – | 4 |
| At 31 December | 1 | 105 | 78 | 184 |
| Accumulated depreciation | | | | |
| At 1 January | 1 | 99 | 78 | 178 |
| Depreciation charge for the year | – | 2 | – | 2 |
| At 31 December | 1 | 101 | 78 | 180 |
| Net carrying amount | | | | |
| At 31 December | – | 4 | – | 4 |

## 18 INVESTMENT PROPERTIES

| | Group | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| ***At fair value*** | | |
| Balance at beginning of period/year | **2,267** | 3,278 |
| (Loss)/Gain from fair value adjustment | **(224)** | 57 |
| Translation differences | **(249)** | (32) |
| Investment properties included in disposal group held for sale | **–** | (1,036) |
| Balance at end of period/year | **1,794** | 2,267 |

The fair value of the Group's investment properties as at 31 March 2026 was based on the valuation reports prepared by the external independent valuers, Felix Sutandar and Rekan and A2Z Valuers, with appropriate qualifications and experience in the valuation of properties in the relevant locations, based on market data approach. Under the market data approach, the valuation was arrived at by reference to market evidence of transaction prices of similar properties.

Details of the Group's investment properties and information about the fair value hierarchy are as follows:

| | **Level 1** | **Level 2** | **Level 3** | **Total** |
|---|---|---|---|---|
| | **S$'000** | **S$'000** | **S$'000** | **S$'000** |
| 31.03.2026 | | | | |
| Freehold Commercial Property | | | | |
| – Indonesia | **–** | **904** | **–** | **904** |
| – India | **–** | **890** | **–** | **890** |
| | **–** | **1,794** | **–** | **1,794** |
| 31.12.2024 | | | | |
| Freehold Commercial Property | | | | |
| – Indonesia | – | 1,303 | – | 1,303 |
| – India | – | 964 | – | 964 |
| | – | 2,267 | – | 2,267 |

Level 2 fair value of the Group's investment properties have been derived using the market data approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input in this valuation approach is the selling price per square meter and the usage of the property.

Investment properties are held mainly for use by tenants under operating leases. The following amounts are recognised in the Group's consolidated income statement:

| | Group | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| Rental income | **6** | 3 |
| Direct operating expenses arising from investment properties that generated rental income | **(21)** | (19) |

## 19 INTANGIBLE ASSETS

| | Goodwill S$'000 | Software, licensing, patents and trademarks S$'000 | Customer contracts S$'000 | Order backlog S$'000 | Customer relationship S$'000 | Marketing rights S$'000 | Deferred development costs S$'000 | Total S$'000 |
|---|---|---|---|---|---|---|---|---|
| **Group** | | | | | | | | |
| 31.03.2026 | | | | | | | | |
| Cost | | | | | | | | |
| At 1 January 2025 | **131,116** | **25,956** | **53** | **631** | **52,710** | **5,086** | **3,615** | **219,167** |
| Acquisitions through business combinations | **393** | **–** | **–** | **–** | **–** | **–** | **–** | **393** |
| Disposal | **–** | **–** | **–** | **–** | **–** | **(5,086)** | **–** | **(5,086)** |
| At 31 March 2026 | **131,509** | **25,956** | **53** | **631** | **52,710** | **–** | **3,615** | **214,474** |
| Accumulated amortisation and impairment | | | | | | | | |
| At 1 January 2025 | **131,116** | **25,956** | **53** | **631** | **52,710** | **4,238** | **3,615** | **218,319** |
| Amortised during the period | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Disposal | **–** | **–** | **–** | **–** | **–** | **(4,238)** | **–** | **(4,238)** |
| At 31 March 2026 | **131,116** | **25,956** | **53** | **631** | **52,710** | **–** | **3,615** | **214,081** |
| Net carrying amount | | | | | | | | |
| At 31 March 2026 | **393** | **–** | **–** | **–** | **–** | **–** | **–** | **393** |
| 31.12.2024 | | | | | | | | |
| Cost | | | | | | | | |
| At 1 January and 31 December | 131,116 | 25,956 | 53 | 631 | 52,710 | 5,086 | 3,615 | 219,167 |
| Accumulated amortisation and impairment | | | | | | | | |
| At 1 January | 131,116 | 25,941 | 53 | 631 | 52,710 | 4,071 | 3,615 | 218,137 |
| Amortised during the year | – | 21 | – | – | – | 172 | – | 193 |
| Translation differences | – | (6) | – | – | – | (5) | – | (11) |
| At 31 December | 131,116 | 25,956 | 53 | 631 | 52,710 | 4,238 | 3,615 | 218,319 |
| Net carrying amount | | | | | | | | |
| At 31 December | – | – | – | – | – | 848 | – | 848 |

Goodwill acquired through business combinations has been allocated for impairment testing to the cash generating unit. Based on management's assessment of the recoverable amount of the cash generating unit, no impairment of goodwill is required as at 31 March 2026.

## 19 INTANGIBLE ASSETS (CONTINUED)

| | Licensing, patents and trademarks S$'000 | Deferred development costs S$'000 | Total S$'000 |
|---|---|---|---|
| **Company** | | | |
| 31.03.2026 | | | |
| Cost | | | |
| At 1 January 2025 and 31 March 2026 | **2,446** | **3,660** | **6,106** |
| Accumulated amortisation and impairment | | | |
| At 1 January 2025 and 31 March 2026 | **2,446** | **3,660** | **6,106** |
| Net carrying amount | | | |
| At 31 March 2026 | **–** | **–** | **–** |
| 31.12.2024 | | | |
| Cost | | | |
| At 1 January and 31 December | 2,446 | 3,660 | 6,106 |
| Accumulated amortisation and impairment | | | |
| At 1 January | 2,437 | 3,660 | 6,097 |
| Amortised during the year | 9 | – | 9 |
| At 31 December | 2,446 | 3,660 | 6,106 |
| Net carrying amount | | | |
| At 31 December | – | – | – |

## 20 INVESTMENT IN SUBSIDIARIES

| | Company 31.03.2026 S$'000 | Company 31.12.2024 S$'000 |
|---|---|---|
| Unquoted equity shares, at cost | **279,459** | 285,408 |
| Less: Allowance for impairment | **(265,922)** | (262,873) |
| | **13,537** | 22,535 |
| Movement of allowance for impairment | | |
| At the beginning of the financial period/year | **262,873** | 262,564 |
| Addition | **4,295** | 759 |
| Written off | **(1,246)** | (450) |
| At the end of the financial period/year | **265,922** | 262,873 |

## 20 INVESTMENT IN SUBSIDIARIES (CONTINUED)

| Name | Principal activities | Country of incorporation and place of business | Percentage of equity interest held by the Group 31.03.2026 % | 31.12.2024 % |
|---|---|---|---|---|
| **Held by the Company** | | | | |
| SEV Projects Pte. Limited[c] | Renting and leasing of private cars without operator and development of other software and programming activities | Singapore | **100** | 100 |
| MediaRing (Europe) Limited[e] | Dormant | United Kingdom | **100** | 100 |
| Spice-CSL Pte. Ltd.[c] | Procurement, OEM, manufacturing, distribution and sale of mobile handsets and accessories | Singapore | **100** | 100 |
| Spice International Sdn.Bhd.[b] | In the business of procurement, OEM, manufacturing, distribution and sale of mobile handsets and accessories, computer and electronic equipment and consultancy services | Malaysia | **100** | 100 |
| Newtel Corporation Company Limited[g][h] | Procurement, OEM, manufacturing, distribution and sale of mobile handsets and accessories Ad | Thailand | **100** | 100 |
| Maxworld Asia Limited[b] | Investment holding | British Virgin Islands | **100** | 100 |
| Bigstar Development Limited[b] | Investment holding | British Virgin Islands | **100** | 100 |
| Modi Indonesia 2020 Pte. Ltd.[c] | Investment holding and distributor of handphone | Singapore | **–** | 100 |
| PT. Selular Media Infotama[a] | Retail and distributor of telecommunication equipment and prepaid phone cards and top up vouchers | Indonesia | **–** | 99.99 |
| Mobile Service International Co. Ltd (China)[f] | Technical advice and services and supply chain management services | People's Republic of China | **51** | 51 |
| CSL Communication (Shenzhen) Co. Ltd (China)[f] | Trading of mobile handsets | People's Republic of China | **50.80** | 50.80 |
| MediaRing.com (Shanghai) Limited[d] | To market and sell telecommunication services | People's Republic of China | **100** | 100 |
| Peremex Pte. Ltd.[c] | To supply, rent, maintain and service computer hardware and peripheral equipment | Singapore | **100** | 100 |
| PT. Metrotech Jaya Komunika Indonesia[a] | Distributor of telecommunication equipment | Indonesia | **100** | 99.99 |
| Modi Hebel India LLP[a] | To manufacture, sell in Autoclaved Aerated Concrete (AAC) blocks and allied building materials. | India | **51** | – |

## 20 INVESTMENT IN SUBSIDIARIES (CONTINUED)

| Name | Principal activities | Country of incorporation and place of business | Percentage of equity interest held by the Group 31.03.2026 % | 31.12.2024 % |
|---|---|---|---|---|
| **Held by Subsidiaries** | | | | |
| *Held by Modi Indonesia 2020 Pte. Ltd.* | | | | |
| PT. Selular Global Net[a] | Distributor of prepaid phone cards and top up vouchers | Indonesia | **–** | 99.99 |
| *Held by PT. Selular Media Infotama* | | | | |
| PT. Metrotech Jaya Komunika Indonesia[a] | Distributor of telecommunication equipment | Indonesia | **–** | 99.99 |
| PT Mari Kerja Bersama[a] | Distributor of prepaid phone cards and top up vouchers | Indonesia | **–** | 99.99 |
| *Held by PT. Metrotech Jaya Komunika* | | | | |
| PT. Metrotech Makmur Sejahtera[a] | Distributor of telecommunication equipment | Indonesia | **49** | 49 |
| MJKI India Private Limited[b] | In the business of fintech, realtech, wellness related activities | India | **100** | 100 |
| *Held by Peremex Pte. Ltd.* | | | | |
| Bharat IT Services Limited[a] | To supply, rent, maintain and service computer hardware | India | **–** | 100 |
| Modi Aircrete Private Limited[a] | Import, manufacture and operate electric vehicles: IT and IT related services | India | **100** | 100 |
| *Held by Newtel Corporation Company Limited* | | | | |
| T.H.C. International Co., Ltd[g][h] | In the business of procurement, OEM, manufacturing, distribution and sale of mobile handsets and accessories | Thailand | **100** | 100 |

(a) Audited by a member firm of Moore Global Network Limited of which Moore Stephens LLP, Singapore is a member
(b) Not required to be audited by the laws of its country of incorporation
(c) Audited by Moore Stephens LLP, Singapore
(d) Audited by Shanghai Huiqiang Certified Public Accountants Co. Ltd.
(e) Audited by Blick Rothenberg Chartered Accountants, United Kingdom
(f) Audited by Shenzhen Long De CPA
(g) Audited by SSV Audit, Thailand
(h) Under liquidation process.

*Impairment testing of investment in subsidiaries*

There is an impairment charge of S$4,295,000 (2024: S$759,000) recognised during the current financial period. The recoverable amount of the investment was determined based on management's assessment of the fair value of the subsidiaries' assets and liabilities as at the financial period end.

## 20 INVESTMENT IN SUBSIDIARIES (CONTINUED)

*Acquisition of a subsidiary, Modi Hebel India LLP ("Modi Hebel")*

During the financial period ended 31 March 2026, the Company completed the acquisition of a 51% equity interest in Modi Hebel for a cash consideration of approximately S$5.01 million (equivalent to INR336.6 million).

The Group has elected to measure the non-controlling interest at the non-controlling interest's proportionate share of the acquired subsidiary's identifiable net assets.

Assets acquired and liabilities assumed at the date of acquisition were as follows:

| | **2026**<br>**S$'000** |
|---|---|
| Cash and bank balances | 44 |
| Property, plant and equipment | 17,676 |
| Deferred tax assets | 282 |
| Trade and other receivables | 2,220 |
| Trade and other creditors including borrowings | (8,628) |
| Deferred tax liabilities | (2,184) |
| Total identifiable net assets at fair value | 9,410 |
| Consideration transferred | 5,013 |
| Add: Non-controlling interests | 4,790 |
| | 9,803 |
| Less: Fair value of identifiable net assets acquired | (9,410) |
| Goodwill arising on acquisition (Note 19) | 393 |

*Goodwill arising on acquisition of a subsidiary*

Goodwill arose in the acquisition of Modi Hebel because the consideration paid included amounts in relation to the benefit of expected synergy, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. Goodwill is not expected to be deductible for tax purposes.

*Impact of acquisition on the results of the Group*

From the date of acquisition on 20 November 2025 to the financial period ended 31 March 2026, Modi Hebel has contributed a total revenue of approximately S$0.46 million and a net loss for the period of approximately S$0.94 million to the Group's results.

Had this business combination been effected on 1 January 2025, the consolidated revenue of the Group would have been approximately S$1.36 million and the loss for the period would have been S$19.43 million. The directors of the Group consider these "pro-forma" numbers to represent an approximate measure of the performance of the Group on an annualised basis and to provide a reference point for comparison in future periods.

## 20 INVESTMENT IN SUBSIDIARIES (CONTINUED)

*Acquisition of a subsidiary, Modi Hebel India LLP ("Modi Hebel")* (cont'd)

*Non-controlling interests*

The Group has four non wholly-owned subsidiaries as at 31 March 2026 of which the non-controlling interest of Modi Hebel is considered material.

Interest in subsidiaries with material non-controlling interest:

| Name of subsidiary | Country of incorporation/ principal place of business | Proportion of ownership and voting rights held by non-controlling interests | | Total comprehensive loss allocated to non-controlling interests | | Accumulated non-controlling interests | |
|---|---|---|---|---|---|---|---|
| | | 2026 % | 2024 % | 2026 S$'000 | 2024 S$'000 | 2026 S$'000 | 2024 S$'000 |
| Modi Hebel | India | 49 | – | (460) | – | 4,330 | – |
| Individual subsidiaries with non-material non-controlling interests | | | | – | – | (59) | (59) |
| Total | | | | (460) | – | 4,271 | (59) |

The summarised financial information for Modi Hebel is set out below. The summarised financial information below represents amounts before intragroup eliminations.

*Summarised statement of financial position*

| | 31 March 2026 S$'000 |
|---|---|
| Current | |
| Assets | 608 |
| Liabilities | (1,167) |
| Net current liabilities | (559) |
| | |
| Non-current | |
| Assets | 19,955 |
| Liabilities | (9,620) |
| Net non-current assets | 10,335 |
| | |
| Net assets | 9,776 |

## 20 INVESTMENT IN SUBSIDIARIES (CONTINUED)

*Acquisition of a subsidiary, Modi Hebel India LLP ("Modi Hebel")* (cont'd)

*Summarised statement of comprehensive income*

| | Date of acquisition to 31 March 2026 S$'000 |
|---|---|
| Revenue | 445 |
| Loss before income tax | (939) |
| Income tax | – |
| Loss after tax | (939) |
| Total comprehensive loss | (939) |
| Other summarised information | |
| Cash flow used in operating activities | (504) |
| Cash flow generated from investing activities | 8 |
| Cash flow generated from financing activities | 995 |

Disposal of subsidiaries

The major classes of assets and liabilities disposed of, the loss on disposal and the net cash flows were as follows:

| | Telcom S$'000 | Technology ICT S$'000 | Total S$'000 |
|---|---|---|---|
| Consideration received in cash and cash equivalents | 7,604 | 2,229 | 9,833 |
| Cash and bank balances | 3,216 | 1,934 | 5,150 |
| Property, plant and equipment | 239 | 28 | 267 |
| Investment properties | 1,036 | – | 1,036 |
| Intangible asset | – | 848 | 848 |
| Inventories | 4,082 | 294 | 4,376 |
| Trade and other receivables | 1,529 | 1,359 | 2,888 |
| Trade and other creditors | (1,665) | (2,234) | (3,899) |
| Net assets disposed of | 8,437 | 2,229 | 10,666 |
| Consideration received | 7,604 | 2,229 | 9,833 |
| Net assets disposed of | (8,437) | (2,229) | (10,666) |
| Currency translation reserve reclassified to profit or loss | (8,043) | (2,917) | (10,960) |
| Loss on disposal of subsidiaries | (8,876) | (2,917) | (11,793) |

## 20 INVESTMENT IN SUBSIDIARIES (CONTINUED)

*Acquisition of a subsidiary, Modi Hebel India LLP ("Modi Hebel")* (cont'd)

Disposal of subsidiaries (cont'd)

The aggregate cash inflow arising from the disposal of subsidiaries:

| | Telcom S$'000 | Technology ICT S$'000 | Total S$'000 |
|---|---|---|---|
| Consideration received in cash and cash equivalents | 7,604 | 2,229 | 9,833 |
| Cash and cash equivalents disposed of | (3,216) | (1,934) | (5,150) |
| Aggregate cash inflow arising from disposal of subsidiaries | 4,388 | 295 | 4,683 |

## 21 INVESTMENT IN ASSOCIATE

| | Group | | Company | |
|---|---|---|---|---|
| | 31.03.2026 S$'000 | 31.12.2024 S$'000 | 31.03.2026 S$'000 | 31.12.2024 S$'000 |
| Unquoted shares, at cost | **64** | 64 | **64** | 64 |
| Share of post-acquisition reserves | **(64)** | (64) | **(64)** | (64) |
| Carrying amount of investments | **–** | – | **–** | – |

| Name | Principal activities | Country of incorporation and place of business | Percentage of equity interest held by the Group 31.03.2026 % | 31.12.2024 % |
|---|---|---|---|---|
| **Held by the Company** | | | | |
| Vipafone (Proprietary) Limited[(a)] | To market and sell telecommunication services | South Africa | **40** | 40 |

(a) Not required to be audited by the laws of its country of incorporation

*Unrecognised share of losses of associate*

The Group has not recognised losses relating to Vipafone (Proprietary) Limited where its share of losses exceeds of the Group's interest in this associate as the Group has no obligation in respect of these losses. Based on the information available to the Group, the Group's cumulative unrecognised losses in Vipafone (Proprietary) Limited are not material.

## 22 FINANCIAL ASSETS, AT FVPL

| | Group | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| At the beginning of the period/year | **–** | 285 |
| Fair value gain | **–** | 5 |
| Disposal | **–** | (290) |
| At the end of the period/year | **–** | – |

On 15 February 2024, the Company completed the remaining disposal of 10% shareholding interests in Singapore Electric Vehicles Pte. Ltd. ("SEV").

## 23 LOAN RECEIVABLE

| | Group and Company | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| Third party | **1,838** | 1,838 |
| Less: Allowance for impairment | **(1,838)** | (1,838) |
| | **–** | – |

Movement in the allowance account:

| | Group and Company | |
|---|---|---|
| | **31.03.2026** | **31.03.2024** |
| | **S$'000** | **S$'000** |
| At the beginning and the end of the period/year | **1,838** | 1,838 |

## 24 LONG-TERM LOANS AND ADVANCES TO SUBSIDIARIES

| | Company | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| Long-term loans and advances treated as part of net investment in subsidiaries | **1,463** | 1,431 |
| Long-term loans to subsidiaries | **42,756** | 43,300 |
| Less: Allowance for impairment | **(43,748)** | (44,256) |
| | **471** | 475 |

Long-term loans and advances treated as part of the net investment in subsidiaries are quasiequity in nature, unsecured, interest-free and have no fixed terms of repayment.

Long-term loans to subsidiaries are unsecured, interest-bearing between 4% and 5% (2024: between 4% and 5%) per annum and have fixed repayment terms of between 2 and 7 years (2024: between 2 and 7 years).

For the purpose of impairment assessment, expected credit losses ("ECL") are recognised in two stages. For credit exposures for which there has not been a significant increase in the risk of default since initial recognition, the loss allowance is measured at an amount equal to 12-month expected credit loss which reflects the low credit risk of the exposures. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

## 24 LONG-TERM LOANS AND ADVANCES TO SUBSIDIARIES (CONTINUED)

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and estimated the probability of default of the amounts due from subsidiaries as well as the loss upon default and recognised a loss allowance of 100% against certain receivables. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

Movement in the allowance account:

| | Company | |
|---|---|---|
| | **31.03.2026 S$'000** | **31.12.2024 S$'000** |
| At the beginning of the period/year | **44,256** | 42,940 |
| Exchange differences | **(508)** | 1,316 |
| At the end of the period/year | **43,748** | 44,256 |

## 25 DEFERRED INCOME TAX

| | Group | | | |
|---|---|---|---|---|
| | **Provisions S$'000** | **Revaluation gain on property, plant and equipment S$'000** | **Reversal of impairment loss on intangible asset S$'000** | **Total S$'000** |
| **Deferred tax assets/(liabilities)** | | | | |
| 31.03.2026 | | | | |
| At 1 January 2025 | **194** | **(252)** | **(196)** | **254** |
| Acquisitions through business combinations | **282** | **(2,184)** | **–** | **(1,902)** |
| At 31 March 2026 | **476** | **(2,436)** | **(196)** | **(2,156)** |
| 31.12.2024 | | | | |
| At 1 January 2024 | 313 | (252) | (343) | (282) |
| Charged to income statement (Note 8) | – | – | 131 | 131 |
| Exchange differences | (119) | – | 16 | (103) |
| At 31 December 2024 | 194 | (252) | (196) | (254) |

## 26 TRADE CREDITORS

| | Group | | Company | |
|---|---|---|---|---|
| | **31.03.2026 S$'000** | **31.12.2024 S$'000** | **31.03.2026 S$'000** | **31.12.2024 S$'000** |
| Trade creditors | **271** | 1,035 | **47** | 47 |
| Add: | | | | |
| Other creditors and accruals (Note 27) | **1,277** | 1,637 | **1,039** | 436 |
| Lease liabilities (Note 36) | **48** | 34 | **–** | 5 |
| Loans and bank borrowings (Note 28) | **6,114** | 124 | **–** | – |
| Due to subsidiaries (Note 15) | **–** | – | **4,237** | 11,367 |
| Total financial liabilities carried at amortised cost | **7,710** | 2,830 | **5,323** | 11,855 |

Trade creditors are non-interest bearing and are normally settled on 30 to 180 days (2024: 30 to 120 days) terms.

## 27 OTHER CREDITORS AND ACCRUALS

| | Group | | Company | |
|---|---|---|---|---|
| | 31.03.2026 S$'000 | 31.12.2024 S$'000 | 31.03.2026 S$'000 | 31.12.2024 S$'000 |
| Amounts due to related parties | **6** | 7 | **6** | **7** |
| Other creditors | **275** | 296 | **63** | **114** |
| Accrued operating expenses | **996** | 1,316 | **970** | **315** |
| Deposits received | **–** | 18 | **–** | **–** |
| | **1,277** | 1,637 | **1,039** | **436** |

Amounts due to related parties are non-trade in nature, repayable on demand, unsecured, interest-free and are to be settled in cash.

Included in the Group's and the Company's accrued operating expenses are sundry accruals amounting to S$996,000 and S$970,000 (2024: S$1,316,000 and S$315,000) respectively. These accruals are non-interest bearing and are to be settled within the next twelve months.

Sundry accruals mainly relate to accruals for payroll expenses, professional fees and administrative expenses.

## 28 LOANS AND BANK BORROWINGS

| | Group | | Company | |
|---|---|---|---|---|
| | 31.03.2026 S$'000 | 31.12.2024 S$'000 | 31.03.2026 S$'000 | 31.12.2024 S$'000 |
| Loans and bank borrowings – current | **1,177** | 28 | **–** | – |
| Loans and bank borrowings – non current | **4,937** | 96 | **–** | – |
| | **6,114** | 124 | **–** | – |

The current loans of the Group bear interest rates of between 8% and 11% (2024: between 8% and 11%) per annum and are repayable within the next 12 months.

The non-current loans of the Group bear interest rate of between 8% and 11% (2024: 8%) per annum and is repayable within the next 5 years.

As at 31 March 2026, the loans were secured by the corporate guarantees provided by the Company. Please refer to Note 37 for information.

In the previous financial year, loans of S$28,000 were secured over a subsidiary's trade receivables (Note 12), inventories (Note 11) and fixed deposits pledged (Note 16 and Note 16(a)). Repayment of these loans is due as per the lender schedule. In the previous financial year, loans of S$28,000 were secured over a subsidiary's trade receivables (Note 12), inventories (Note 11) and fixed deposits pledged (Note 16 and Note 16(a)). Repayment of these loans was due as per the lender's schedules. The security had been released as at year end.

## 28 LOANS AND BANK BORROWINGS (CONTINUED)

The reconciliation of movements of liabilities to cash flow arising from financing activities is presented below:

| | Loans and bank borrowings S$'000 | Lease Liabilities S$'000 |
|---|---|---|
| 31.03.2026 | | |
| At 1 January 2025 | **124** | **34** |
| Acquisitions through business combination | **7,861** | **19** |
| Repayments | **(1,871)** | **(5)** |
| At 31 March 2026 | **6,114** | **48** |
| 31.12.2024 | | |
| At 1 January | 562 | 33 |
| Repayments | (438) | (2) |
| Exchange gain | – | 3 |
| At 31 December | 124 | 34 |

## 29 SHARE CAPITAL

| | Group and Company | | | |
|---|---|---|---|---|
| | 31.03.2026 | | 31.12.2024 | |
| | Number of shares '000 | Share capital S$'000 | Number of shares '000 | Share capital S$'000 |
| Fully paid ordinary shares: | | | | |
| At the beginning and the end of the period/year | **13,880** | **549,704** | 13,880 | 549,704 |

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

There are no cancellation of shares during the current financial period.

There is no share buy-back by the Company during the current financial period. The weighted average number of ordinary shares as at 31 March 2026 was 13,388,000 (31 December 2024: 13,388,000), excluding treasury shares.

## 30 TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are held by the Company presented as a component within shareholders' equity.

| | Group and Company | | | |
|---|---|---|---|---|
| | 31.03.2026 | | 31.12.2024 | |
| | Number of shares '000 | Share Capital S$'000 | Number of shares '000 | Share capital S$'000 |
| Treasury shares: | | | | |
| At the beginning and end of the period/year | **493** | **1,399** | 493 | 1,399 |

## 31 ACCUMULATED LOSSES

| | Group | | Company | |
|---|---|---|---|---|
| | **31.03.2026** | **31.12.2024** | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** | **S$'000** | **S$'000** |
| At the beginning of the period/year | **(501,989)** | (498,474) | **(519,554)** | (524,673) |
| (Loss)/Income for the period/year | **(19,907)** | (3,496) | **(5,788)** | 5,119 |
| Other comprehensive loss | **–** | (19) | **–** | – |
| At the end of the period/year | **(521,896)** | (501,989) | **(525,342)** | (519,554) |

## 32 OTHER RESERVES

| | Group | | Company | |
|---|---|---|---|---|
| | **31.03.2026** | **31.12.2024** | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** | **S$'000** | **S$'000** |
| Reserve on acquisition of non-controlling interest | **3,389** | 3,389 | **–** | – |
| Revaluation reserve | **1,381** | 1,381 | **–** | – |
| Employee share-based payment reserve | **268** | 268 | **268** | 268 |
| Share issue costs | **(11,054)** | (11,054) | **(11,054)** | (11,054) |
| Purchase of treasury shares | **(514)** | (514) | **(514)** | (514) |
| Total other reserves | **(6,530)** | (6,530) | **(11,300)** | (11,300) |

### (a) Reserve on Acquisition of Non-Controlling Interest

The reserve on acquisition of non-controlling interest relates to the excess of the net recognised amount of the identifiable assets acquired and liabilities assumed over the fair value of the consideration on the acquisition of a non-controlling interest.

| | Group | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| At the beginning and the end of the period/year | **3,389** | 3,389 |

### (b) Revaluation Reserve

The revaluation reserve arises on the revaluation of property, plant and equipment

| | Group | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| At the beginning and the end of the period/year | **1,381** | 1,381 |

## 32 OTHER RESERVES (CONTINUED)

### (c) Employee Share-Based Payment Reserve

Employee share-based payment reserve represents the equity-settled share options and performance shares granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the period in which the performance and/or service conditions are fulfilled.

The share options and performance shares granted had lapsed. According to SFRS(I) 2, the Group is not allowed to subsequently reverse the amount recognised for services received from an employee if the vested equity instruments are later forfeited or, in the case of share options, the options are not exercised.

| | Group and Company | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| At the beginning and the end of the period/year | **268** | 268 |

### (d) Share Issue Cost

Share issue cost represents cumulative expenses incurred for the issuance of shares being capitalised.

| | Group and Company | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| At the beginning and the end of the period/year | **(11,054)** | (11,054) |

### (e) Purchase of treasury shares

The reserve for the Company's treasury shares comprises directly attributable transaction costs in acquiring the treasury shares as disclosed in Note 2(y) to the consolidated financial statements.

| | Group and Company | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| At the beginning and the end of the period/year | **(514)** | (514) |

## 33 TRANSLATION RESERVE

| | Group | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| At the beginning of the period/year | **(14,265)** | (13,061) |
| Exchange differences on translation of foreign operations and reclassified to profit or loss upon disposal of subsidiaries | **9,690** | (1,204) |
| At the end of the period/year | **(4,575)** | (14,265) |

## 34 EMPLOYEE BENEFITS

### (a) Employee Share Incentive Plan

The Company has employee share incentive plans for granting of non-transferable options to employees.

The particulars of share options of the Company are as follows:

Digilife Technologies Performance Share Plan 2021 ("PSP 2021")

The PSP 2021 was approved by the shareholders in their meeting held on 19 February 2021 with an objective to promote higher performance goals, recognise exceptional achievement and retain talents within the Group. The PSP 2021 motivates employees of the Company (including the Directors and Group employees) to optimise their performance standards and efficiency as well as to reward them for their significant contributions to the Company. The Company's view is that all deserving and eligible participants (regardless of whether they are Controlling Shareholders or associates) should be equally entitled to take part in and benefit from the Company's fair and equitable system of remuneration.

The total number of Shares which may be issued pursuant to the share awards (the "Awards") granted under the PSP 2021 on any date, when added to: (a) the total number of new Shares allotted and issued and/or to be allotted and issued, issued Shares (including treasury shares) delivered and/or to be delivered, and Shares Released and/or to be Released in the form of cash in lieu of Shares, pursuant to Awards granted under the Plan; and (b) the number of Shares issued and issuable in respect of all options granted under any other share option, share incentive, performance share or restricted share plan implemented by the Company and for the time being in force, shall not exceed thirty (30) per cent. of the total number of issued Shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual)) on the day preceding the date of the relevant Award.

On 1 March 2021, a total of 804,634 Awards has been granted to Dr. Bhupendra Kumar Modi, a controlling shareholder of Company in accordance with the PSP 2021. The Awards were vested immediately after the grant.

On 8 July 2021, a total of 863,954 Awards has been granted to 23 employees of the Group, including the Directors, Chief Executive Officer and Chief Financial Officer. The Awards were vested immediately after the grant.

### (b) Post-Employment Defined Benefit Plans

The Group has several defined benefit plans covering eligible employees of the subsidiaries.

The estimated employee benefits liability recognised in the statements of financial position are as follows:

| | Group | |
|---|---|---|
| | **31.03.2026**<br>**S$'000** | **31.12.2024**<br>**S$'000** |
| Non-current portion | **5** | 57 |
| | **5** | 57 |

## 34 EMPLOYEE BENEFITS (CONTINUED)

### (b) Post-Employment Defined Benefit Plans (Continued)

The employee benefits expenses recognised in the consolidated income statement are as follows:

| | Group | |
|---|---|---|
| | **Period from 01.01.2025 to 31.03.2026 S$'000** | **Year ended 31.12.2024 S$'000** |
| Current service costs | **5** | – |
| Net employee benefits expense (Note 6) | **5** | – |

Changes in the present value of the defined benefit obligation are as follows:

| | Group | |
|---|---|---|
| | **31.03.2026 S$'000** | **31.12.2024 S$'000** |
| Benefit obligation at the beginning of the period/year | **57** | 797 |
| Retirement benefit expenses recognised in profit or loss | **5** | 17 |
| Benefits paid | **–** | (17) |
| Translation differences | **–** | (17) |
| Defined benefit cost charged to OCI | **–** | 19 |
| Obligation related to the discontinued operation | **(57)** | (742) |
| Benefit obligation at the end of the period/year | **5** | 57 |

The principal assumptions used by independent actuaries in determining the post-employment obligations for certain subsidiaries' plans are as follows:

| | | |
|---|---|---|
| Annual discount rate | : | 7.00% – 7.50% |
| Annual salary increment rate | : | 2% – 5.5% |
| Annual employee turnover rate | : | 5% – 8% |
| Mortality rate reference | : | IALM[1] 2012-2014 and 100% TMI4[2] |
| Disability rate | : | 0 – 5% TMI3[2] |
| Retirement age | : | 58 – 60 years |

[1] Indian Assured Lives Mortality

[2] Tabel Mortalita Indonesia 4

## 35 RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties who are not members of the Group took place during the year at terms agreed between the parties.

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024 S$'000 |
| Short-term employee benefits | **925** | 787 |
| Central Provident Funds contributions | **32** | 36 |
| Total compensation paid to key management personnel | **957** | 823 |
| Comprise amounts paid to: | | |
| Independent directors of the Company – Directors' fees | **140** | 112 |
| Executive Director and other key management personnel | **817** | 711 |
| | **957** | 823 |

## 36 LEASE LIABILITIES

The Group as a Lessee

**Nature of the Group's leasing activities and carrying amount of right-of-use ("ROU") assets**

The Group entered into leases and makes annual lease payments for the leasing of offices. The lease contracts include an extension option of which the management is unlikely to exercise the option. There is no externally imposed covenant on these lease arrangements. Right-of-use assets acquired under leasing arrangements comprise mainly leasing of motor vehicles and leasing of office space.

**Carrying amount of right-of-use assets classified within property, plant and equipment**

| | Group | |
|---|---|---|
| | 31.03.2026 S$'000 | 31.12.2024 S$'000 |
| Buildings | **188** | 245 |

The Group has lease contracts with average tenure of between 2 and 20 years. The right-of-use assets are depreciated over the period of the lease terms. Depreciation starts at the commencement date of the leases.

**Depreciation of right-of-use assets classified within property, plant and equipment**

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year Ended 31.03.2024 S$'000 |
| Buildings | **57** | 57 |

## 36 LEASE LIABILITIES (CONTINUED)

The Group as a Lessee (Continued)

**Amounts recognised in profit or loss**

| | Group | |
|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024 S$'000 |
| Depreciation of right-of-use assets | **126** | 57 |

**Other disclosures**

| | Group | |
|---|---|---|
| | 31.03.2026 S$'000 | 31.12.2024 S$'000 |
| Total cash outflow for leases | **5** | 2 |

**Carrying amount of lease liabilities**

| | Group | | Company | |
|---|---|---|---|---|
| | 31.03.2026 S$'000 | 31.12.2024 S$'000 | 31.03.2026 S$'000 | 31.12.2024 S$'000 |
| Minimum lease payments due: | | | | |
| – Not later than 1 year | **48** | 5 | **–** | 5 |
| – Later than 1 year but within 5 years | **–** | 29 | **–** | – |
| | **48** | 34 | **–** | 5 |
| Less: | | | | |
| Future finance charges | **–** | – | **–** | – |
| Present value of financial lease liabilities | **48** | 34 | **–** | 5 |

The present value of lease liabilities is analysed as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 31.03.2026 S$'000 | 31.12.2024 S$'000 | 31.03.2026 S$'000 | 31.12.2024 S$'000 |
| Not later than 1 year | **48** | 5 | **–** | 5 |
| Later than 1 year but within 5 years | **–** | 29 | **–** | – |
| | **48** | 34 | **–** | 5 |

## 36 LEASE LIABILITIES (CONTINUED)

The Group as a lessor

**Nature of the Group's leasing activities**

The Group has entered into various non-cancellable lease commitments in respect of lease equipment and properties for a period of 1 to 5 years. The lessee does not have an option to purchase the property at the expiry of the lease period. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Future minimum lease receivables under non-cancellable operating leases at the end of the reporting period are as follows:

| | Group | |
|---|---|---|
| | **31.03.2026 S$'000** | **31.12.2024 S$'000** |
| Within 1 year | **25** | 10 |
| Within 2 to 3 years | **–** | 20 |
| | **25** | 30 |

## 37 CONTINGENT LIABILITIES AND COMMITMENTS

Continuing financial support

The Company has undertaken to provide continuing financial support to its subsidiaries by not demanding payment for loans and receivables owing by them until they have the financial capability to repay the Company. The Company will also, when required, provide sufficient working capital to enable them to operate as a going concern for a period of at least twelve months from the respective dates of the Directors' reports of the subsidiaries relating to the audited financial statements for the financial period ended 31 March 2026.

Corporate guarantees

| | Group | |
|---|---|---|
| | **31.03.2026 S$'000** | **31.12.2024 S$'000** |
| Corporate guarantees provided to enable a subsidiary to obtain credit and banking facilities: | | |
| – Total facilities | **9,653** | – |
| – Total outstanding | **5,775** | – |

## 38 SEGMENT INFORMATION

### (a) Operating Segments

| | AEC S$'000 | Inoperative companies S$'000 | Total from continuing operations S$'000 | Discontinued operation S$'000 | Group S$'000 |
|---|---|---|---|---|---|
| **Period from 01.01.2025 to 31.03.2026** | | | | | |
| **Turnover – external sales** | **455** | **–** | **455** | **26,751** | **27,206** |
| Loss before taxation (excluding depreciation, amortisation, HQ costs and other non operating items) | **(423)** | **–** | **(423)** | **(1,290)** | **(1,713)** |
| Depreciation and amortisation | **(611)** | **–** | **(611)** | **(189)** | **(800)** |
| Impairment loss on remeasurement of disposal group | **–** | **–** | **–** | **(1,944)** | **(1,944)** |
| Non operating items (net) | **–** | **(2,146)** | **(2,146)** | **(11,668)** | **(13,814)** |
| Taxation | **–** | **–** | **–** | **(39)** | **(39)** |
| Loss after taxation | **(1,034)** | **(2,146)** | **(3,180)** | **(15,130)** | **(18,310)** |
| Unallocated HQ costs – Group (net)* | **–** | **–** | **–** | **–** | **(2,057)** |
| Net profit/(loss) for the period | **(1,034)** | **(2,146)** | **(3,180)** | **(15,130)** | **(20,367)** |

| | AEC S$'000 | Inoperative companies S$'000 | IHQ (unallocated) S$'000 | Total from continuing operations S$'000 | Discontinued operation S$'000 | Group S$'000 |
|---|---|---|---|---|---|---|
| Segment assets | 16,932 | 8,867 | 4,125 | 29,924 | – | 29,924 |
| Segment liabilities | 8,512 | 553 | 1,284 | 10,349 | – | 10,349 |
| Capital expenditure | – | 595 | – | 595 | – | 595 |

| | ICT distribution and managed services S$'000 | Inoperative companies S$'000 | Total from continuing operations S$'000 | Discontinued operation S$'000 | Group S$'000 |
|---|---|---|---|---|---|
| Year ended 31.12.2024 | | | | | |
| Turnover – external sales | – | – | – | 181,483 | 181,483 |
| (Loss)/Profit before taxation (excluding depreciation, amortisation, HQ costs and other non operating items) | (72) | (123) | (195) | 1,830 | 1,635 |
| Depreciation and amortisation | (11) | – | (11) | (536) | (547) |
| Impairment loss on remeasurement of disposal group | – | – | – | (3,668) | (3,668) |
| Non operating items (net) | 71 | – | 71 | 21 | 92 |
| Taxation | – | – | – | (223) | (223) |
| Loss after taxation | (12) | (123) | (135) | (2,576) | (2,711) |
| Unallocated | – | – | – | – | (785) |
| | 12 | (123) | (135) | (2,576) | (3,496) |

## 38 SEGMENT INFORMATION (CONTINUED)

### (a) Operating Segments (Continued)

| | ICT distribution and managed services S$'000 | Inoperative companies S$'000 | HQ (unallocated) S$'000 | Total from continuing operations S$'000 | Discontinued operation S$'000 | Group S$'000 |
|---|---|---|---|---|---|---|
| Segment assets | 12,503 | 1,293 | 5,927 | 19,723 | 11,584 | 31,307 |
| Segment liabilities | 2,988 | 705 | 487 | 4,180 | 1,665 | 5,845 |
| Capital expenditure | 525 | – | – | 525 | – | 525 |

A reconciliation of total assets for reportable segments to total assets is as follows:

| | Group 31.03.2026 S$'000 | Group 31.12.2024 S$'000 |
|---|---|---|
| Total assets for reportable segments | **29,924** | 31,307 |
| Elimination of inter-segment assets | **–** | – |
| Total assets | **29,924** | 31,307 |

A reconciliation of total liabilities for reportable segments to total liabilities is as follows:

| | Group 31.03.2026 S$'000 | Group 31.12.2024 S$'000 |
|---|---|---|
| Total liabilities for reportable segments | **10,349** | 5,845 |
| Elimination of inter-segment liabilities | **–** | – |
| Total liabilities | **10,349** | 5,845 |

### (b) Geographical Information

| | Turnover | | Non-current Assets* | | Capital Expenditure | |
|---|---|---|---|---|---|---|
| | Period from 01.01.2025 to 31.03.2026 S$'000 | Year ended 31.12.2024 S$'000 | 31.03.2026 S$'000 | 31.12.2024 S$'000 | 31.03.2026 S$'000 | 31.12.2024 S$'000 |
| Southeast Asia[(a)] | **20,412** | 168,867 | **904** | 1,305 | **–** | |
| South Asia[(b)] | **6,794** | 12,616 | **19,100** | 3,023 | **595** | 525 |
| | **27,206** | 181,483 | **20,004** | 4,328 | **595** | 525 |
| Discontinued operations | **(26,751)** | (181,483) | **–** | – | **–** | – |
| | **455** | – | **20,004** | 4,328 | **595** | 525 |

(a) Southeast Asia includes Singapore, Indonesia (discontinued operation), Malaysia and Thailand. Indonesia is the largest contributor at 99% (2024: 99%) for turnover.

(b) South Asia includes India. India is the largest contributor of non-current assets at 95% (2024: 70%)

* Non-current assets exclude financial assets and deferred tax assets.

## 39 DIRECTORS' REMUNERATION

| | Number of directors in remuneration bands | | |
|---|---|---|---|
| | **Executive Directors** | **Non-Executive Directors** | **Total** |
| Period from 01.01.2025 to 31.03.2026 | | | |
| S$250,000 and above | **–** | **–** | **–** |
| Below S$250,000 | **3** | **3** | **6*** |
| | **3** | **3** | **6** |
| Year ended 31.12.2024 | | | |
| S$250,000 and above | – | – | – |
| Below S$250,000 | 2 | 3 | 5 |
| | 2 | 3 | 5 |

* Two directors resigned during the financial period.

## 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments.

The Group's principal financial instruments comprise financial assets, at FVPL, fixed deposits, cash and bank balances, lease liabilities and bank borrowings. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade creditors, which arise directly from its day-to-day operations.

It is the Group's policy not to engage in foreign exchange and/or derivatives speculation or trading for profit purposes. It is not in the interest of the Group to engage in trading for profit or to speculate or trade in treasury instruments.

The key financial risks include credit risk, liquidity risk, interest rate risk, foreign exchange risk and market price risk. The Board reviews and agrees policies for managing these risks which are executed by the Chief Financial Officer. The audit committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial period/year, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

### (a) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should there be a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. The Group mainly transacts with high credit quality counterparties which are considered to have low credit risk for the purpose of impairment assessment. The credit rating information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by management annually.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subjected to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

## 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (a) Credit Risk (Continued)

The carrying amount of trade and other receivables, loan receivable, fixed deposits and cash and bank balances represents the Group's maximum exposure to credit risk. Cash and bank balances are placed with banks of good standing. The Group performs ongoing credit evaluation of its customers' financial conditions and maintains an allowance for doubtful trade debts based upon expected collectability of all trade debts.

At the financial period/year end, the Group's and the Company's maximum exposure to credit risk is represented by:

i. The carrying amount of each class of financial assets recognised in the statements of financial position; and

ii. Corporate guarantees provided to enable a subsidiary to obtain credit and banking facilities:

| | Group | | Company | |
|---|---|---|---|---|
| | 31.03.2026<br>S$'000 | 31.12.2024<br>S$'000 | 31.03.2026<br>S$'000 | 31.12.2024<br>S$'000 |
| – Total facilities | **9,653** | – | **–** | – |
| – Total outstanding | **5,775** | – | **–** | – |

These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiary has a strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

The movements in credit loss allowance for impairment are as follows:

| | Trade receivables<br>S$'000 | Other receivables<br>S$'000 | Total<br>S$'000 |
|---|---|---|---|
| **Group** | | | |
| 31.03.2026 | | | |
| At 1 January 2025 per SFRS(I) 9 | **508** | **2,441** | **2,949** |
| Loss allowance recognised in profit or loss during the period on: | | | |
| – Assets that are credit-impaired | **19** | **–** | **9,190** |
| – Exchange differences | **–** | **(6)** | **(6)** |
| | **19** | **(6)** | **9,184** |
| At 31 March 2026 per SFRS(I) 9 | **527** | **2,435** | **12,133** |
| 31.12.2024 | | | |
| At 1 January per SFRS(I) 9 | 2,131 | 2,722 | 4,853 |
| Loss allowance recognised in profit or loss during the year on: | | | |
| – Assets that are credit-impaired | 68 | – | 68 |
| – Exchange differences | 282 | – | 282 |
| | 350 | – | 350 |
| Included in a disposal group held for sale | (1,973) | (281) | (2,254) |
| At 31 December per SFRS(I) 9 | 508 | 2,441 | 2,949 |

## 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (a) Credit Risk (Continued)

| | Trade receivables S$'000 | Other receivables S$'000 | Total S$'000 |
|---|---|---|---|
| **Company** | | | |
| 31.03.2026 | | | |
| At 1 January 2025 per SFRS(I) 9 | **450** | **804** | **1,254** |
| Loss allowance recognised in profit or loss during the year on: | | | |
| – Exchange differences | **(33)** | **(7)** | **(40)** |
| At 31 March 2026 per SFRS(I) 9 | **417** | **797** | **1,214** |
| 31.12.2024 | | | |
| At 1 January per SFRS(I) 9 | 443 | 804 | 1,247 |
| Loss allowance recognised in profit or loss during the year on: | | | |
| – Exchange differences | 7 | – | 7 |
| At 31 December per SFRS(I) 9 | 450 | 804 | 1,254 |

Cash and cash equivalents, fixed deposits and financial assets, at FVPL are subject to immaterial credit loss.

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables. In measuring the expected credit losses, trade receivables are grouped based on their shared credit risk characteristics and numbers of days past due. The expected credit losses on trade receivables are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money, where appropriate.

Credit risk grading guideline

Management has established the Group's internal credit risk grading to the different exposures according to their degree of default risk. The internal credit risk grading which are used to report the Group's credit risk exposure to key management personnel for credit risk management purposes are as follows:

| Internal rating grades | Definition | Basis of recognition of expected credit loss (ECL) |
|---|---|---|
| i. Performing | The counterparty has a low risk of default and does not have any past-due amounts. | 12-month ECL |
| ii. Under-performing | There has been a significant increase in credit risk since initial recognition (i.e. interest and/or principal repayment are more than 30 days past due). | Lifetime ECL (not credit-impaired) |
| iii. Non-performing | There is evidence indicating that the asset is credit-impaired (i.e. interest and/or principal repayments are more than 365 days past due).^ | Lifetime ECL (credit-impaired) |
| iv. Write-off | There is evidence indicating that there is no reasonable expectation of recovery as the debtor is in severe financial difficulty. | Asset is written off |

^ There is a rebuttable presumption that default does not occur later than when a financial asset is 365 days past due. Management has based on historical experience and information to demonstrate that a more lagging default criteria is more appropriate given the nature of the Group's business in satisfying a performance obligation over time and customers generally make payment when the performance obligation is completed.

## 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (a) Credit Risk (Continued)

Credit risk grading guideline (Continued)

A financial asset is credit-impaired when credit risk has increased significantly since initial recognition due to the following:

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Information regarding trade and other receivables and loan receivable that are credit-impaired are disclosed in Notes 12, 13 and 23.

The Group's and the Company's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 March 2026 and 31 December 2024 are set out in the provision matrix as follows:

| | | Past due | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Current**** | **Within 30 days**** | **30 to 60 days^** | **60 to 90 days^** | **90 to 180 days^** | **180 to 365 days^^** | **More than 365 days^^** | **Total** |
| | **S$'000** | **S$'000** | **S$'000** | **S$'000** | **S$'000** | **S$'000** | **S$'000** | **S$'000** |
| **Group** | | | | | | | | |
| 31.03.2026 | | | | | | | | |
| Expected loss rate | **0%** | **0%** | **0%** | **0%** | **0%** | **100%** | **100%** | **97%** |
| Trade receivables | **–** | **–** | **–** | **–** | **333** | **–** | **527** | **860** |
| Allowance for impairment | **–** | **–** | **–** | **–** | **–** | **–** | **(527)** | **(527)** |
| 31.12.2024 | | | | | | | | |
| Expected loss rate | 0% | 0% | 0% | 0% | 0% | 24% | 97% | 16% |
| Trade receivables | 2,376 | 25 | 46 | 36 | 61 | 45 | 520 | 3,109 |
| Allowance for impairment | – | – | – | – | – | – | (508) | (508) |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

## 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (a) Credit Risk (Continued)

Credit risk grading guideline (Continued)

| | Current** S$'000 | Past due: Within 30 days** S$'000 | 30 to 60 days^ S$'000 | 60 to 90 days^ S$'000 | 90 to 180 days^ S$'000 | 180 to 365 days^^ S$'000 | More than 365 days^^ S$'000 | Total S$'000 |
|---|---|---|---|---|---|---|---|---|
| **Company** | | | | | | | | |
| 31.03.2026 | | | | | | | | |
| Expected loss rate | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **90%** | **90%** |
| Trade receivables | **–** | **–** | **–** | **–** | **–** | **–** | **465** | **465** |
| Allowance for impairment | **–** | **–** | **–** | **–** | **–** | **–** | **(417)** | **(417)** |
| 31.12.2024 | | | | | | | | |
| Expected loss rate | 0% | 0% | 0% | 0% | 0% | 0% | 91% | 91% |
| Trade receivables | – | – | – | – | – | – | 496 | 496 |
| Allowance for impairment | – | – | – | – | – | – | (450) | (450) |

** rated as performing

^ rated as under-performing

^^ rated as non-performing

The Group's and the Company's credit risk exposure in relation to other receivables under SFRS(I) 9 as at 31 March 2026 and 31 December 2024 are set out in the provision matrix as follows:

| | Current** S$'000 | Past due: Within 30 days** S$'000 | 30 to 60 days^ S$'000 | 60 to 90 days^ S$'000 | 90 to 180 days^ S$'000 | 180 to 365 days^^ S$'000 | More than 365 days^^ S$'000 | Total S$'000 |
|---|---|---|---|---|---|---|---|---|
| **Group** | | | | | | | | |
| 31.03.2026 | | | | | | | | |
| Other receivables | | | | | | | | |
| Expected loss rate | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **100%** | **47%** |
| Other receivables### | **3,596** | **–** | **–** | **–** | **–** | **–** | **4,273** | **7,869** |
| Allowance for impairment | **–** | **–** | **–** | **–** | **–** | **–** | **(4,273)** | **(4,273)** |
| 31.12.2024 | | | | | | | | |
| Other receivables | | | | | | | | |
| Expected loss rate | 0% | 0% | 0% | 0% | 0% | 0% | 99% | 74% |
| Other receivables | 1,465 | – | – | – | – | – | 4,308 | 5,773 |
| Allowance for impairment | – | – | – | – | – | – | (4,279) | (4,279) |
| **Company** | | | | | | | | |
| 31.03.2026 | | | | | | | | |
| Other receivables | | | | | | | | |
| Expected loss rate | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **57%** | **57%** |
| Other receivables | **380** | **–** | **–** | **–** | **–** | **–** | **2,642**** | **3,106** |
| Allowance for impairment | **–** | **–** | **–** | **–** | **–** | **–** | **(2,635)** | **(2,635)** |
| 31.12.2024 | | | | | | | | |
| Other receivables | | | | | | | | |
| Expected loss rate | 0% | 0% | 0% | 0% | 0% | 0% | 96% | 91% |
| Other receivables | 143 | – | – | – | – | – | 2,803** | 2,946 |
| Allowance for impairment | – | – | – | – | – | – | (2,642) | (2,642) |

** rated as performing

^ rated as under-performing

^^ rated as non-performing

### excluded advances to suppliers of plant and equipment of S$1,895,000

## 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (a) Credit Risk (Continued)

Credit risk grading guideline (Continued)

(a) Management has assessed other receivables to have low credit risk and there has been no significant increase in the risk of default on the receivables since initial recognition. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition. Accordingly, the 12-month expected credit loss is not material.

# The remaining receivables (Group) mainly pertain to Goods & Services Tax receivable and tax recoverable from Singapore, Indonesia and Thailand entities respectively. The Group received correspondences from the tax authorities on the recoverability of these amounts. Accordingly, the expected credit loss is not material.

## The remaining receivables (Company) mainly pertain to rental deposit. As per rental agreement, this deposit will be refunded to the Company on the expiration of the rental. The expected credit loss is not material.

### (b) Liquidity Risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company'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 and the Company monitors its net operating cash flow and maintains an adequate level of cash and cash equivalents and fixed deposits and secured committed funding facilities from financial institutions. In assessing the adequacy of these funding facilities, management reviews its working capital requirements regularly.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the financial period/year end based on the contractual undiscounted repayment obligations.

| | Within 1 year S$'000 | 1 to 5 years S$'000 | After 5 years S$'000 | Total S$'000 |
|---|---|---|---|---|
| **Group** | | | | |
| 31.03.2026 | | | | |
| *Financial assets:* | | | | |
| Trade and other receivables### | **3,929** | **–** | **–** | **3,929** |
| Cash and cash equivalents | **3,594** | **–** | **–** | **3,594** |
| Total undiscounted financial assets | **7,523** | **–** | **–** | **7,523** |
| *Financial liabilities:* | | | | |
| Trade and other creditors and accruals | **1,548** | **–** | **–** | **1,548** |
| Lease liabilities | **48** | **–** | **–** | **48** |
| Loans and bank borrowings | **1,607^** | **5,785*** | **–** | **7,392** |
| Total undiscounted financial liabilities | **3,203** | **5,785** | **–** | **8,988** |
| Total net undiscounted financial assets/(liabilities) | **4,320** | **(5,785)** | **–** | **(1,465)** |

## 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (b) Liquidity Risk (Continued)

Analysis of financial instruments by remaining contractual maturities (Continued)

| | Within 1 year S$'000 | 1 to 5 years S$'000 | After 5 years S$'000 | Total S$'000 |
|---|---|---|---|---|
| 31.12.2024 | | | | |
| *Financial assets:* | | | | |
| Trade and other receivables | 4,066 | 29 | – | 4,095 |
| Cash and cash equivalents | 7,443 | – | – | 7,443 |
| Fixed deposits | 2,814^ | 744* | – | 3,558 |
| Total undiscounted financial assets | 14,323 | 773 | – | 15,096 |
| *Financial liabilities:* | | | | |
| Trade and other creditors and accruals | 2,672 | – | – | 2,672 |
| Lease liabilities | 5 | 29 | – | 34 |
| Loans and bank borrowings | 30 | 103 | – | 133 |
| Total undiscounted financial liabilities | 2,707 | 132 | – | 2,839 |
| Total net undiscounted financial assets | 11,616 | 641 | – | 12,257 |

^ includes interest payable from loans and bank borrowings of S$430,000 (2024: interest receivable from fixed deposits of S$123,000)

* includes interest payable from loans and bank borrowings of S$848,000 (2024: interest receivable from fixed deposits of S$234,000)

### excluded advances to suppliers of plant and equipment of S$1,895,000

| | Within 1 year S$'000 | 1 to 5 years S$'000 | After 5 years S$'000 | Total S$'000 |
|---|---|---|---|---|
| **Company** | | | | |
| 31.03.2026 | | | | |
| *Financial assets:* | | | | |
| Trade and other receivables | **519** | **–** | **–** | **519** |
| Due from subsidiaries | **242** | **551^** | **–** | **793** |
| Cash and cash equivalents | **2,209** | **–** | **–** | **2,209** |
| Total undiscounted financial assets | **2,970** | **551** | **–** | **3,521** |
| *Financial liabilities:* | | | | |
| Trade and other creditors and accruals | **1,086** | **–** | **–** | **1,086** |
| Due to subsidiaries | **4,237** | **–** | **–** | **4,237** |
| Total undiscounted financial liabilities | **5,323** | **–** | **–** | **5,323** |
| Total net undiscounted financial (liabilities)/assets | **(2,353)** | **551** | **–** | **(1,802)** |
| 31.12.2024 | | | | |
| *Financial assets:* | | | | |
| Trade and other receivables | 310 | – | – | 310 |
| Due from subsidiaries | 369 | 524^ | – | 893 |
| Cash and cash equivalents | 5,609 | – | – | 5,609 |
| Total undiscounted financial assets | 6,288 | 524 | – | 6,812 |
| *Financial liabilities:* | | | | |
| Trade and other creditors and accruals | 483 | – | – | 483 |
| Due to subsidiaries | 11,367 | – | – | 11,367 |
| Lease liabilities | 5 | – | – | 5 |
| Total undiscounted financial liabilities | 11,855 | – | – | 11,855 |
| Total net undiscounted financial (liabilities)/assets | (5,567) | 524 | – | (5,043) |

^ included interest receivable from subsidiaries of S$80,000 (2024: S$49,000)

## 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and bank borrowings, lease liabilities, fixed deposits and cash and bank balances.

To manage interest rate risk, surplus funds are placed with reputable banks as fixed deposits.

The following table sets out the carrying amount, by maturity, of the Group's and the Company's financial instruments that are exposed to interest rate risk.

| | **Within 1 year S$'000** | **1 – 5 years S$'000** | **After 5 years S$'000** | **Total S$'000** |
|---|---|---|---|---|
| **Group** | | | | |
| 31.03.2026 | | | | |
| *Floating rate* | | | | |
| Cash and cash equivalents | **3,594** | **–** | **–** | **3,594** |
| Loan and bank borrowings | **(1,177)** | **(4,937)** | **–** | **(6,114)** |
| *Fixed rate* | | | | |
| Lease liabilities | **(48)** | **–** | **–** | **(48)** |
| 31.12.2024 | | | | |
| *Floating rate* | | | | |
| Cash and cash equivalents | 7,443 | – | – | 7,443 |
| Fixed deposits | 2,691 | 510 | – | 3,201 |
| Loan and bank borrowings | (28) | (96) | – | (124) |
| *Fixed rate* | | | | |
| Lease liabilities | (5) | (29) | – | (34) |

| | **Within 1 year S$'000** | **1 – 5 years S$'000** | **After 5 years S$'000** | **Total S$'000** |
|---|---|---|---|---|
| **Company** | | | | |
| 31.03.2026 | | | | |
| *Floating rate* | | | | |
| Cash and cash equivalents | **2,209** | **–** | **–** | **2,209** |
| *Fixed rate* | | | | |
| Long-term loans and advances to subsidiaries | **–** | **471** | **–** | **471** |
| 31.12.2024 | | | | |
| *Floating rate* | | | | |
| Cash and cash equivalents | 5,609 | – | – | 5,609 |
| *Fixed rate* | | | | |
| Long-term loans and advances to subsidiaries | – | 475 | – | 475 |
| Lease liabilities | (5) | – | – | (5) |

## 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (c) Interest Rate Risk (Continued)

The other financial instruments of the Group and the Company that are not included in the above tables are not subject to interest rate risks.

Sensitivity analysis for interest rate risk

At the financial period end, if the SGD's and the foreign currencies' interest rates had been 100 (2024: 100) basis points lower/higher with all other variables held constant, the impact to the Group's results before tax would decrease/increase by approximately S$252,000 (2024: S$105,000). There is no significant impact to the Company's results before tax.

### (d) Foreign Exchange Risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group's entities, primarily United States Dollar ("USD"), Singapore Dollar ("SGD"), Indian Rupee ("INR"), Thailand – Thai Baht ("THB") and Malaysian Ringgit ("MYR"). The foreign currencies in which these transactions are denominated are mainly USD and SGD.

The Group does not enter into foreign exchange contracts to hedge its foreign exchange risk resulting from cash flows from transactions denominated in foreign currencies. However, the Group reviews periodically that its net exposure is kept at an acceptable level. Approximately 100% (2024: 100%) of the Group's sales are denominated in the functional currency of the operating unit making the sale, while 100% (2024: 99%) of costs are denominated in the respective functional currencies of the Group's entities. The Group's trade and other receivables and trade and other payables balances at the financial period end have similar exposures.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including United States – United States Dollar ("USD"), India – Indian Rupee ("INR"), Malaysia – Malaysian Ringgit ("MYR") and Thailand – Thai Baht ("THB").

The Group's foreign currency exposure based on the information provided to key management at the end of the financial period/year end are as follows:

| | USD S$'000 | SGD S$'000 | INR S$'000 | THB S$'000 | MYR S$'000 | Others S$'000 | Total S$'000 |
|---|---|---|---|---|---|---|---|
| **Group** | | | | | | | |
| 31.03.2026 | | | | | | | |
| Trade receivables | 48 | – | 259 | 26 | – | – | 333 |
| Other receivables and deposits### | 28 | 1,529 | 1,623 | 32 | – | 384 | 3,596 |
| Cash and cash equivalents | 35 | 3,134 | 400 | 7 | 18 | – | 3,594 |
| Trade creditors | – | (44) | (212) | (15) | – | – | (271) |
| Other creditors and accruals | – | (883) | (168) | (160) | (6) | (60) | (1,277) |
| Lease liabilities | – | – | (48) | – | – | – | (48) |
| Loans and bank borrowings | – | – | (6,114) | – | – | – | (6,114) |
| Net financial assets/(liabilities) | 111 | 3,736 | (4,260) | (110) | 12 | 324 | (187) |
| Net assets denominated in functional currencies | – | (3,736) | – | – | – | – | (3,736) |
| Net currency exposure | 111 | – | (4,260) | (110) | 12 | 324 | (3,923) |

## 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (d) Foreign Exchange Risk (Continued)

| | USD S$'000 | SGD S$'000 | INR S$'000 | THB S$'000 | MYR S$'000 | IDR S$'000 | Others S$'000 | Total S$'000 |
|---|---|---|---|---|---|---|---|---|
| 31.12.2024 | | | | | | | | |
| Trade receivables | 47 | – | 2,529 | 25 | – | – | – | 2,601 |
| Other receivables and deposits | 28 | 235 | 819 | 32 | – | – | 380 | 1,494 |
| Cash and cash equivalents | 65 | 5,619 | 1,724 | 8 | 17 | – | 10 | 7,443 |
| Fixed deposits | – | – | 3,201 | – | – | – | – | 3,201 |
| Trade creditors | – | (46) | (974) | (15) | – | – | – | (1,035) |
| Other creditors and accruals | (3) | (403) | (1,010) | (150) | (11) | – | (60) | (1,637) |
| Lease liabilities | – | (5) | (29) | – | – | – | – | (34) |
| Loans and bank borrowings | – | – | (124) | – | – | – | – | (124) |
| Net financial assets/ (liabilities) | 137 | 5,400 | 6,136 | (100) | 6 | – | 330 | 11,909 |
| Net assets denominated in functional currencies | – | (5,400) | – | – | – | – | – | (5,400) |
| Net currency exposure | 137 | – | 6,136 | (100) | 6 | – | 330 | 6,509 |

### excluded advances to suppliers of plant and equipment of S$1,895,00

| | USD S$'000 | SGD S$'000 | THB S$'000 | MYR S$'000 | Others S$'000 | Total S$'000 |
|---|---|---|---|---|---|---|
| **Company** | | | | | | |
| 31.03.2026 | | | | | | |
| Trade receivables | **48** | **–** | **–** | **–** | **–** | **48** |
| Other receivables and deposits | **11** | **460** | **–** | **–** | **–** | **471** |
| Due from/(to) subsidiaries | **–** | **231** | **–** | **(1)** | **(3,754)** | **(3,524)** |
| Cash and cash equivalents | **58** | **2,151** | **–** | **–** | **–** | **2,209** |
| Trade creditors | **–** | **(47)** | **–** | **–** | **–** | **(47)** |
| Other creditors and accruals | **–** | **(1,039)** | **–** | **–** | **–** | **(1,039)** |
| Net financial assets/(liabilities) | **117** | **1,756** | **–** | **(1)** | **(3,754)** | **(1,822)** |
| Net assets denominated in functional currencies | **–** | **(1,756)** | **–** | **–** | **–** | **(1,756)** |
| Net currency exposure | **117** | **–** | **–** | **(1)** | **(3,754)** | **(3,638)** |
| 31.12.2024 | | | | | | |
| Trade receivables | 46 | – | – | – | – | 46 |
| Other receivables and deposits | 28 | 236 | – | – | – | 264 |
| Due from/(to) subsidiaries | 1,436 | (4,736) | 51 | 93 | (7,367) | (10,523) |
| Cash and cash equivalents | 62 | 5,547 | – | – | – | 5,609 |
| Trade creditors | – | (47) | – | – | – | (47) |
| Other creditors and accruals | – | (436) | – | – | – | (436) |
| Lease liabilities | – | (5) | – | – | – | (5) |
| Net financial assets/(liabilities) | 1,572 | 559 | 51 | 93 | (7,367) | (5,092) |
| Net assets denominated in functional currencies | – | (559) | – | – | – | (559) |
| Net currency exposure | 1,572 | – | 51 | 93 | (7,367) | (5,651) |

## 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (d) Foreign Exchange Risk (Continued)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's results before tax to a reasonably possible change in the following exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

| | Group (Decrease)/Increase in loss before tax | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| USD/SGD | | |
| – strengthened 5% (2024: 5%) | **(6)** | (7) |
| – weakened 9% (2024: 5%) | **6** | 7 |

## 41 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is defined as the amount at which the financial instruments could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There has been no transfer of financial instruments between Level 1 and Level 2 during the financial period/year ended 31 March 2026 and 31 December 2024.

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

**Cash and cash equivalents, fixed deposits, trade and other receivables, loan receivable, trade and other creditors, amounts due from/(to) subsidiaries, current loans and bank borrowings and current lease liabilities.**

The carrying amounts approximate fair values due to the relatively short-term maturity of these financial instruments.

The carrying amounts of non-current trade and other receivables, lease liabilities, loans and bank borrowings and fixed deposits approximate the fair values.

Determination of fair value

The fair values of trade and other receivables, lease liabilities, loans and borrowings and fixed deposits are estimated by discounting expected future cash flows at current market incremental lending/deposit rates for similar types of lending, leasing and deposit arrangements at the financial period end and are included in level 2 of the fair value hierarchy.

## 42 CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios and a positive cash position in order to support its business and maximise shareholder value.

The Group is not subject to any externally imposed capital requirements.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares.

To maintain a positive cash position, the Group ensures that it has sufficient cash balances and enters into loans when necessary. In order to achieve positive cash position, the Group focuses on deriving positive cash profits as well as through better working capital management.

No changes were made in the objectives, policies or processes during the financial period/year ended 31 March 2026 and 31 December 2024.

The Group is currently in a net debt position. The Group will continue to be guided by prudent financial policies of which gearing and liquidity management remain important aspects.

| | Group | |
|---|---|---|
| | **31.03.2026** | **31.12.2024** |
| | **S$'000** | **S$'000** |
| Total gross debt | | |
| – Loans and bank borrowings | **6,114** | 124 |
| – Lease liabilities | **48** | 34 |
| | **6,162** | 158 |
| Shareholders' equity | | |
| – Share capital | **549,704** | 549,704 |
| – Treasury shares | **(1,399)** | (1,399) |
| – Accumulated losses | **(521,896)** | (501,989) |
| – Other reserves | **(6,530)** | (6,530) |
| – Translation reserve | **(4,575)** | (14,265) |
| | **15,304** | 25,521 |
| Gross debt equity ratio | **40%** | 0.62% |
| Cash and bank balances and fixed deposits | **3,594** | 10,644 |
| Less: Total gross debt | **(6,162)** | (158) |
| Net (debt)/cash position | **(2,568)** | 10,486 |

## 43 EVENTS OCCURING AFTER THE REPORTING PERIOD

Subsequent to the reporting period, the Group's subsidiary, Brimax AAC Products LLP, changed its name to Modi Hebel India LLP as part of the Group's branding strategy in the Indian construction materials market.

In addition, the subsidiary temporarily suspended its manufacturing operations to facilitate the installation and commissioning of upgraded production machinery. The upgraded facility is expected to manufacture both autoclaved aerated concrete (AAC) blocks and AAC panels upon completion of the enhancement works. The temporary suspension is expected to continue until approximately October 2026, subject to the progress of the upgrading works.

The Directors have assessed that the above events are non-adjusting events after the reporting period and do not have any impact on the amounts recognised in these financial statements.

## 44 ADOPTION OF NEW STANDARDS

The accounting policies adopted are consistent with those of the previous financial year except that in the current period, the Group has adopted all the new and revised SFRS(I)s issued that are relevant to its operations and effective for annual periods beginning on 1 January 2025. The adoption of these new and revised FRSs has had no material financial impact on the financial performance and financial position of the Group and the Company.

## 45 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

As at the date of these financial statements, the Group and the Company have not adopted the following amendments to standards that have been issued but are not yet effective:

| **Description** | **Effective for annual periods beginning on or after** |
|---|---|
| Amendments to SFRS(I) 9 and SFRS(I) 7: *Amendments to the Classification and Measurement of Financial Instruments* | 1 January 2026 |
| Annual Improvements to SFRS(I)s – Volume 11 | 1 January 2026 |
| Amendments to SFRS(I) 9 and SFRS(I) 7: *Contracts Referencing Nature-dependent Electricity* | 1 January 2026 |
| SFRS(I) 18: *Presentation and Disclosure in Financial Statements* | 1 January 2027 |
| SFRS(I) 19: *Subsidiaries without Public Accountability: Disclosure* | 1 January 2027 |
| Amendments to FRS 21 Translation to a Hyperinflationary Presentation Currency | 1 January 2027 |
| Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* | Deferred indefinitely, early application is still permitted |

**SFRS(I) 18: Presentation and Disclosure in Financial Statements**

This standard will replace SFRS(I) 1-1 *Presentation of Financial Statements*. Whilst many of the requirements will remain consistent, the new standard will have impacts on the presentation of the Consolidated Statement of Comprehensive Income and consequential impacts on the Consolidated Statement of Cash Flows. It will also require the disclosure of the non-SFRS(I) management performance measures and may impact the level of aggregation and disaggregation throughout the primary financial statements and the notes.

An entity is required to apply the amendments to SFRS(I) 1-1 for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted. SFRS(I) 18 requires retrospective application with specific transition provisions.

Other than the above, the Directors do not expect any material impact for the application of these standards.

# STATISTICS OF SHAREHOLDINGS

AS AT 18 JUNE 2026

| | | |
|---|---|---|
| Class of equity securities | : | Ordinary shares |
| Number of equity securities (including Treasury Shares) | : | 13,880,384 |
| Number of equity securities (excluding Treasury Shares) | : | 13,387,513 |
| Number/Percentage of Treasury Shares | : | 492,871 (3.55%) |
| Number/Percentage of subsidiary holding held | : | Nil |
| Voting rights | : | One vote per Share. The Company cannot exercise any voting right in respect of treasury shares. |

## SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS AS AT 18 JUNE 2026

| | No. of Shares | | | |
|---|---|---|---|---|
| **Name** | **Direct Interest** | **Deemed Interest** | **Total Interest** | **%**(1) |
| Dr. Bhupendra Kumar Modi ("**Dr. Modi**")(2) | 990,558 | 7,032,094 | 8,022,652 | 59.93 |
| Dilip Modi(3) | – | 5,121,308 | 5,121,308 | 38.25 |
| S Global Innovation Centre Pte. Ltd.(2) | 3,638,921 | – | 3,638,921 | 27.18 |
| Smart Co. Holding Pte. Ltd.(2)(4) | 1,867,786 | 5,121,308 | 6,989,094 | 52.21 |
| S Global Holdings Limited(5) | – | 5,121,308 | 5,121,308 | 38.25 |
| Smart Bharat Private Limited(2)(6) | 1,482,387 | – | 1,482,387 | 11.07 |
| Spice Bulls Pte. Ltd.(2)(6) | – | 1,482,387 | 1,482,387 | 11.07 |
| Global Tech Innovations Ltd.(7) | – | 5,121,308 | 5,121,308 | 38.25 |
| Modi Holdings Private Limited(8) | – | 5,121,308 | 5,121,308 | 38.25 |
| Paramount Assets Investments Pte. Ltd. | 1,414,492 | – | 1,414,492 | 10.57 |
| Lee Foundation(9) | – | 1,414,492 | 1,414,492 | 10.57 |
| Lee Pineapple Company (Pte.) Limited(10) | – | 1,414,492 | 1,414,492 | 10.57 |

**Notes:**

(1) The above percentages are calculated based on the Company's share capital comprising of 13,387,513 issued and paid-up Shares as at 18 June 2026, excluding treasury shares.

(2) Dr. Modi is deemed to be interested in 7,032,094 Shares comprising the following:

(a) 3,638,921 Shares held directly by S Global Innovation Centre Pte. Ltd., as S Global Innovation Centre Pte. Ltd. is controlled by Dr. Modi along with Dilip Modi. By virtue of Section 7 of the Companies Act, Modi Holdings Private Limited, Global Tech Innovations Ltd., S Global Holdings Limited, Prospective Infrastructure Pvt. Ltd. and Spice Connect Private Ltd. are deemed to be interested in the 3,638,921 Shares held through S Global Innovation Centre Pte. Ltd.;

(b) 1,867,786 Shares held directly by Smart Co. Holding Pte. Ltd. as Smart Co. Holding Pte. Ltd. is wholly-owned by Dr. Modi;

(c) 43,000 Shares held directly by Innovative Management Pte. Ltd. as Innovative Management Pte. Ltd. is wholly-owned by Dr. Modi; and

(d) 1,482,387 Shares held directly by Smart Bharat Private Limited, as approximately 99.93% of the shares of Smart Bharat Private Limited are beneficially owned and controlled by Dr. Modi, investment vehicles controlled by Dr. Modi and his family members.

(3) Dilip Modi is the son of Dr. Modi.

Dilip Modi is a Substantial Shareholder, as he is deemed to be interested in 3,638,921 Shares through S Global Innovation Centre Pte. Ltd., as S Global Innovation Centre Pte. Ltd. is controlled by Dr. Modi, Dilip Modi and 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Modi Holdings Private Limited and Dilip Modi holds no less than 20% of the shares in Modi Holdings Private Limited.

(4) Smart Co. Holding Pte. Ltd. is deemed to be interested in 5,121,308 Shares comprising the following:

(a) 3,638,921 Shares indirectly held through S Global Innovation Centre Pte. Ltd.;

(b) 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Modi Holdings Private Limited and Smart Co. Holding Pte. Ltd. has an indirect interest of no less than 20% of the shares in Modi Holdings Private Limited.

(5) S Global Holdings Limited is deemed to be interested in 5,121,308 Shares comprising 3,638,921 Shares indirectly held through S Global Innovation Centre Pte. Ltd. and 1,482,387 Shares held directly by Smart Bharat Private Limited, as the Smart Bharat Private Limited is a subsidiary of Modi Holdings Private Limited and S Global Holdings Limited has an indirect interest of no less than 20% of the shares in Modi Holdings Private Limited.

(6) Pursuant to a sale and purchase agreement dated 23 November 2021 executed between Smart Bharat Private Limited and Spice Bulls Pte. Ltd., Smart Bharat Private Limited has sold and transferred to Spice Bulls Pte. Ltd. 1,482,387 Shares in the capital of the Company owned by Smart Bharat Private Limited. Upon completion under the sales and purchase agreement, the deemed interest in 1,482,387 Shares held by Spice Bulls Pte. Ltd. will be reflected as direct interest in 1,482,387 Shares held by Spice Bulls Pte. Ltd.

(7) Global Tech Innovations Ltd. is deemed to be interested in 5,121,308 Shares comprising 3,638,921 Shares indirectly held through S Global Innovation Centre Pte. Ltd. and 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Modi Holdings Private Limited and Global Tech Innovations Ltd. holds no less than 20% of the shares in Modi Holdings Private Limited.

(8) Modi Holdings Private Limited (formerly known as Rajarshi Modi Private Limited) is deemed to be interested in 5,121,308 Shares comprising 3,638,921 Shares indirectly held through S Global Innovation Centre Pte. Ltd. and 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Modi Holdings Private Limited.

(9) Lee Foundation, by virtue of its interest in not less than 20% of the total issued share capital of Lee Pineapple Company (Pte.) Ltd., is deemed to be interested in 1,414,492 Shares held directly by Paramount Assets Investments Pte. Ltd., a wholly-owned subsidiary of Lee Pineapple Company (Pte.) Ltd.

(10) Lee Pineapple Company (Pte.) Ltd. is deemed to be interested in 1,414,492 Shares held directly by Paramount Assets Investments Pte. Ltd., a wholly-owned subsidiary of Lee Pineapple Company (Pte.) Ltd.

# STATISTICS OF SHAREHOLDINGS

AS AT 18 JUNE 2026

### PUBLIC FLOAT

As at 18 June 2026, 29.5% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Catalist Rules of SGX-ST which require that at least 10% of the equity securities (excluding preference shares and convertible equity securities) in a class that is listed to be in the hands of the public.

### DISTRIBUTION OF SHAREHOLDINGS

| SIZE OF SHAREHOLDINGS | NO. OF SHAREHOLDERS | % | NO. OF SHARES | % |
|---|---|---|---|---|
| 1 – 99 | 7,529 | 69.47 | 177,651 | 1.33 |
| 100 – 1,000 | 2,861 | 26.40 | 831,980 | 6.21 |
| 1,001 – 10,000 | 401 | 3.70 | 1,036,594 | 7.74 |
| 10,001 – 1,000,000 | 42 | 0.39 | 1,909,717 | 14.27 |
| 1,000,001 AND ABOVE | 5 | 0.04 | 9,431,571 | 70.45 |
| **TOTAL** | **10,838** | **100.00** | **13,387,513** | **100.00** |

### TWENTY LARGEST SHAREHOLDERS

| NO. | NAME | NO. OF SHARES | % |
|---|---|---|---|
| 1 | S GLOBAL INNOVATION CENTRE PTE LTD | 3,638,921 | 27.18 |
| 2 | UOB KAY HIAN PRIVATE LIMITED | 1,767,423 | 13.20 |
| 3 | SMART BHARAT PRIVATE LIMITED | 1,482,387 | 11.07 |
| 4 | PARAMOUNT ASSETS INVESTMENTS PTE LTD | 1,414,492 | 10.57 |
| 5 | DBS NOMINEES (PRIVATE) LIMITED | 11,28,348 | 8.43 |
| 6 | ABN AMRO CLEARING BANK N.V. | 412,523 | 3.08 |
| 7 | SMART CO HOLDING PTE LTD | 260,286 | 1.94 |
| 8 | PHILLIP SECURITIES PTE LTD | 169,514 | 1.27 |
| 9 | MOOMOO FINANCIAL SINGAPORE PTE. LTD. | 162,352 | 1.21 |
| 10 | TAN CHIP SIN | 69,500 | 0.52 |
| 11 | OCBC SECURITIES PRIVATE LIMITED | 65,955 | 0.49 |
| 12 | TAI TAK SECURITIES PTE LTD | 61,700 | 0.46 |
| 13 | CITIBANK NOMINEES SINGAPORE PTE LTD | 56,671 | 0.42 |
| 14 | PODDAR BIKASH | 47,000 | 0.35 |
| 15 | UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED | 44,754 | 0.33 |
| 16 | LOH AH KOW @LOH KIAM SIONG | 32,000 | 0.24 |
| 17 | OCBC NOMINEES SINGAPORE PRIVATE LIMITED | 30,741 | 0.23 |
| 18 | DORARAJ S | 29,323 | 0.22 |
| 19 | GOH KIM SENG | 28,900 | 0.22 |
| 20 | JIN WEIHUA | 23,250 | 0.17 |
| | **TOTAL** | **10,926,040** | **81.60** |

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting ("**AGM**") of **DIGILIFE TECHNOLOGIES LIMITED** will be held at The Hive, Level 9 Lounge, 1 North Bridge Road, Singapore 179094, on Friday, 24 July 2026 at 11:30 a.m. to transact the following business:

**AS ORDINARY BUSINESS**

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial period from 1 January 2025 to 31 March 2026 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Ms. Chada Anitha Reddy, a director retiring pursuant to Regulation 89 of the Constitution of the Company. **(Resolution 2)**

   **[See Explanatory Note (i)]**

3. To re-elect Mr. Tay Wee Meng, a director retiring pursuant to Regulation 89 of the Constitution of the Company. **(Resolution 3)**

   **[See Explanatory Note (ii)]**

4. To approve the payment of Directors' fees amounting to S$140,000 for the financial period from 1 January 2025 to 31 March 2026. (FY2024: S$112,000) **(Resolution 4)**

5. To re-appoint Moore Stephens LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 5)**

6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

**AS SPECIAL BUSINESS**

To consider and if thought fit, to pass the following Ordinary Resolutions, with or without any modifications:

7. **Share Issue Mandate in accordance with Section 161 of the Companies Act 1967 and Rule 806(2)(a) of Section B: Rules of Catalist of the Listing Manual**

   That pursuant to Section 161 of the Companies Act 1967 ("**Companies Act**") and Rule 806(2)(a) of the Listing Manual Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Catalist Rules**"), authority be and is hereby given to the Directors of the Company to:

   (a) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (b) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures, convertible securities or other instruments convertible into Shares;

   at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit and, notwithstanding the authority conferred by this ordinary resolution, issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this ordinary resolution was in force, provided that:

   (c) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this ordinary resolution) to be issued pursuant to this ordinary resolution shall not exceed one hundred percent (100%) of the total number of issued shares (as calculated in accordance with sub-paragraph (d) below), of which the aggregate number of shares to be issued other than on a pro rata basis shall not exceed fifty percent (50%) of the total number of issued shares;

(d) subject to such calculation as may be prescribed by the SGX-ST, for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (c) above, the total number of Issued Shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this ordinary resolution, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities;

(ii) new Shares arising from exercising of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this ordinary resolution; and

(iii) any subsequent bonus issue, consolidation or subdivision of shares;

(e) in exercising the authority conferred by this ordinary resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all legal requirements under the Companies Act and the Constitution of the Company; and

(f) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

**[See Explanatory Note (iii)]** **(Resolution 6)**

8. **Authority to issue shares under the Digilife Technologies Performance Share Plan 2021**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to grant awards under the Digilife Technologies Performance Share Plan 2021 (formerly known as Sevak Performance Share Plan 2021) and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the terms and conditions under the Digilife Technologies Performance Share Plan 2021, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of ordinary shares available under the Digilife Technologies Performance Share Plan 2021, shall not exceed thirty per centum (30%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

**[See Explanatory Note (iv)]** **(Resolution 7)**

By Order of the Board

Ngiam May Ling
Company Secretary
Digilife Technologies Limited

9 July 2026

**Explanatory Notes:**

(i) Resolution 2 is for the re-election of Ms. Chada Anitha Reddy, a Director of the Company who retires by rotation at this AGM. Ms. Chada, will upon re-election as a Director of the Company, remain as a Non-Executive Director and Chairperson and will be considered non-independent.

For more information on Ms. Chada who is retiring at this AGM is set out in the section entitled "Additional Information on Directors Seeking Re-Election" in this Annual Report.

(ii) Resolution 3 is for the re-election of Mr. Tay Wee Meng, a Director of the Company who retires by rotation at this AGM. Mr. Tay, will upon re-election as a Director of the Company, remain as a member of the Audit, Remuneration and Nominating Committees and will be considered independent for the purposes of Catalist Rule 704(7).

For more information on Mr. Tay who is retiring at this AGM is set out in the section entitled "Additional Information on Directors Seeking Re-Election" in this Annual Report.

(iii) The proposed share issue mandate falls within the limits set out in Rule 806(2)(a) and 806(2)(b) of the Catalist Rules. For the avoidance of doubt, the adoption of the relevant proposed share issue mandate as set out in Ordinary Resolution 6 is contingent on the relevant thresholds for shareholders' approval being met.

The Ordinary Resolution 6, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 50% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time the Ordinary Resolution 6 is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time when the Ordinary Resolution 6 is passed and any subsequent bonus issue, consolidation or subdivision of shares.

(iv) The Ordinary Resolution 7, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is earlier, to issue shares in the Company pursuant to the grant of options or awards under the Digilife Technologies Performance Share Plan 2021, provided always that the aggregate number of shares available under the Digilife Technologies Performance Share Plan 2021, shall not exceed thirty per centum (30%) of the total number of issued shares, excluding treasury shares and subsidiary holdings, in the capital of the Company from time to time.

**Notes:**

1. The AGM will be held, in a wholly physical format, at the venue, date and time stated above. Members, including CPF/SRS investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the AGM in person. There will be no option for members to participate virtually.

2. Printed copies of this Notice of AGM and Proxy Form will be sent to members by post. These documents will also be made available on the Company's website at the URL https://digilifelimited.com/investors.html#annualreports, and SGX website at the URL https://www.sgx.com/securities/company-announcements.

3. The Annual Report 2026 will be published on the Company's website at the URL https://digilifelimited.com/investors.html#annualreports, and SGX website at the URL https://www.sgx.com/securities/company-announcements in due timelines. Printed copies of the Annual Report 2026 will not be sent to the members.

4. Any member who wishes to receive a printed copy of the Annual Report 2026 should submit a written request via email at investor-relations@digilifelimited.com by no later than 11:30 a.m. on Thursday, 16 July 2026 with the following information:

   (i) your CDP Securities Account Number. If your shares are under SRS or physical scrip(s), please indicate as such;

   (ii) your full name; and

   (iii) your mailing address.

5. (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

   A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

6. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the AGM as his/her/its proxy.

7. The instrument appointing a proxy(ies) must be submitted in the following manner:

   (a) if electronically, be submitted via email at digilife-agm@complete-corp.com; or

   (b) if by post, be deposited at the office of Company's AGM service provider, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903,

   and in either case, must be lodged or received (as the case may be) by 11:30 a.m. on Tuesday, 21 July 2026, being not less than 72 hours before the time appointed for the holding of the AGM.

8. CPF/SRS investors:

   (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or

   (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks/SRS Operators by 5:00 p.m. on Tuesday, 14 July 2026 to submit their votes.

9. Members, including CPF/SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM. Such questions must be received by 11:30 a.m. on Thursday, 16 July 2026, and be submitted in the following manner:

   (a) via email to digilife-agm@complete-corp.com; or

   (b) submitted by post, be deposited at the office of Company's AGM service provider, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903.

   When submitting questions by post or via email, members should also provide their following information for verification purposes: (i) full name, (ii) address, and (iii) manner in which the member holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip).

10. The Company will endeavour to address all substantial and relevant questions received from members, by publishing the responses to such questions on the Company's website at the URL https://digilifelimited.com/investors.html#news, and SGX website at the URL https://www.sgx.com/securities/company-announcements on Saturday, 18 July 2026. If questions or follow-up questions are submitted after the 16 July 2026 deadline, the Company will endeavour to address these questions at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

11. Members, including CPF/SRS investors, and (where applicable) duly appointed proxies and representatives can also ask the Chairman of the Meeting substantial and relevant questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.

**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"); (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

The following additional information on Ms. Chada Anitha Reddy ("**Ms. Anitha**") who is seeking re-election as Director at the Annual General Meeting to be held on Friday, 24 July 2026, is to be read in conjunction with his biographies on page 10 of the Annual Report 2026.

| **Name of Director** | **Anitha Chada Reddy** |
|---|---|
| Date of Appointment | 23 June 2022 |
| Date of last re-appointment (if applicable) | 29 April 2024 |
| Age | 54 |
| Country of principal residence | Singapore |
| The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process) | The NC reviewed and considered the qualifications, experience, suitability, and capability of Ms. Chada and is satisfied that she possesses the requisite experience and capabilities to assume the duties and responsibilities of a Non-Executive Director and Chairperson of the Company. Upon the recommendation of the NC, the Board approved Ms. Chada's re-appointment. |
| Whether appointment is executive, and if so, the area of responsibility | Non-Executive |
| Job Title (e.g. Lead ID, AC Chairman, AC Member etc.) | Non-Executive Director and Chairperson |
| Professional qualifications | Master of Business Administration |
| Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries | None |
| Conflict of interest (including any competing business) | None |
| Working experience and occupation(s) during the past 10 years | **Present:**<br>September 2025 to present: Non-Executive Director and Chairperson – Digilife Technologies Limited<br><br>**Past:**<br>December 2022 to August 2025: Executive Director – Digilife Technologies Limited<br><br>May 2021 to November 2022: Director-General Manager of Spice Global Ventures Pte Ltd<br><br>April 2020 to April 2021: Director of Smart Co Holding Pte Ltd<br><br>April 2018 to March 2020: Director of Smart Innovations Global Pte Ltd<br><br>April 2017 to April 2018: Head – Human Resource Department of Digilife Technologies Limited (formerly known as Sevak Limited and S i2i Ltd)<br><br>January 2016 to April 2017: Director of Smart Health City Pte Ltd<br><br>April 2011 to January 2016: Head – Human Resource Department of Digilife Technologies Limited (formerly known as Sevak Limited and S i2i Ltd) |

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director | Anitha Chada Reddy |
|---|---|
| Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) Or Appendix 7H (Catalist Rule 706(6)) | Yes |
| Shareholding interest in the listed issuer and its subsidiaries? | 6,690 ordinary shares in the Company |
| *Other Principal Commitments Including Directorships* | |
| Past (for the last 5 years) | Directorships:<br>1. Delteq Pte Ltd<br>2. Delteq Systems Pte Ltd<br>3. Cavu Corp Pte Ltd<br>4. Modi Fountainlife Private Limited<br>5. Alpha One Ltd<br>6. MediaRing.Com.Inc<br>7. S Mobility Pte Ltd (Struck Off)<br>8. Smart EV Pte Ltd (Struck Off)<br>9. Smart Innovations Global Pte Ltd<br>10. S Mobility (HK) Ltd<br>11. Modi Fountainlife Private Limited<br>12. Singapore Electric Vehicles Pte Ltd<br>13. Modi Indonesia 2020 Pte Ltd<br>14. Beoworld Sdn Bhd<br>15. PT.Technomas Internusa<br>16. PT.Selular Media Infotama<br>17. PT.Selular Global Net<br>18. Centia Pte. Ltd.<br>19. New Idea Investment Pte Ltd |
| Present | Directorships:<br>1. Smart Co. Holding Pte Ltd<br>2. Peremex Pte Ltd<br>3. Innovative Management Pte Ltd<br>4. S Global Services Pte Ltd<br>5. Spice Global Pte Ltd<br>6. Spice Bulls Pte Ltd<br>7. Digi 2020 Pte Ltd<br>8. Spice Vas (Africa) Pte Ltd<br>9. Spice-CSL Pte Ltd<br>10. Smart Health City Pte Ltd<br>11. S Global Innovation Centre Pte Ltd<br>12. Spice Global Ventures Pte Ltd<br>13. Global Citizen Forum Ltd<br>14. Omnia Pte Ltd<br>15. Dr.M Pte Ltd<br>16. SEV Projects Pte Limited<br>17. Digiwell Pte Ltd<br>18. PT. Metrotech Jaya Komunika Indonesia<br>19. Spice Digital Bangladesh Ltd<br>20. Digispice Nepal Pvt Ltd<br>21. Fast Track IT Solutions Ltd<br>22. PT Spice Digital Indonesia<br>23. Digispice Ghana Ltd<br>24. Smart Health FZ LLC |

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| **Name of Director** | **Anitha Chada Reddy** |
|---|---|
| | 25. Well 2020 DMCC<br>26. Beyond 100 INC<br>27. Digiwell INC<br>28. Beyond 100 New York INC<br>29. Beyond 100 Holding NIC<br>30. Saket City Residencies Pvt Ltd<br>31. Saket Mediciti Pvt Ltd<br>32. Saket City Medical Office Building Pvt Ltd<br>33. Bigstar Development Limited BVI<br>34. Maxworld Asia Limited<br>35. Mediaring Europe Limited<br>36. Mediaring.com (Shanghai) Limited<br>37. Newtel Corporation Co.Ltd<br>38. T H C International Co Ltd<br>39. Modi Fountain DMCC<br><br>includes companies in which she holds directorship as a nominee or in a non-executive capacity |
| *Information Required* | |
| (a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him/her or against a partnership of which he/she was a partner at the time when he/she was a partner or at any time within 2 years from the date he/she ceased to be a partner? | No |
| (b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he/she was a director or an equivalent person or a key executive, at the time when he/she was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he/she ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency? | No |
| (c) Whether there is any unsatisfied judgment against him/her? | No |
| (d) Whether he/she 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/she is aware) for such purpose? | No |
| (e) Whether he/she 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/she is aware) for such breach? | No |

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director | | Anitha Chada Reddy |
|---|---|---|
| (f) | Whether at any time during the last 10 years, judgment has been entered against him/her 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/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he/she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part? | No |
| (g) | Whether he/she has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust? | No |
| (h) | Whether he/she has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust? | No |
| (i) | Whether he/she has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity? | No |
| (j) | Whether he/she has ever, to his/her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: | |
| | (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or | No |
| | (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or | No |
| | (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or | No |
| | (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, | No |
| | in connection with any matter occurring or arising during that period when he/she was so concerned with the entity or business trust? | |
| (k) | Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere? | No |

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

The following additional information on Mr. Tay Wee Meng ("**Mr. Tay**") who is seeking re-election as Director at the Annual General Meeting to be held on Friday, 24 July 2026, is to be read in conjunction with his biographies on page 12 of the Annual Report 2026.

| **Name of Director** | **Tay Wee Meng** |
|---|---|
| Date of Appointment | 28 July 2023 |
| Date of last re-appointment (if applicable) | 29 April 2024 |
| Age | 52 |
| Country of principal residence | Singapore |
| The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process) | The Nominating Committee ("**NC**") reviewed and considered the qualifications, independence, suitability, prior working experience and capability of Mr. Tay and is satisfied that he possesses the requisite experience and capabilities to assume the duties and responsibilities of an Independent Non-Executive Director of the Company. Upon the recommendation of the NC, the Board approved Mr. Tay's appointment and considers Mr. Tay to be independent.<br><br>Mr. Tay is also a member of the Audit Committee, Remuneration Committee and NC. |
| Whether appointment is executive, and if so, the area of responsibility | Non-Executive |
| Job Title (e.g. Lead ID, AC Chairman, AC Member etc.) | Independent Non-Executive Director – Board<br><br>Member – Audit Committee<br><br>Member – Remuneration Committee<br><br>Member – Nominating Committee |
| Professional qualifications | The National University of Singapore – Degree of Bachelor of Engineering<br><br>The United Nations Institute of Training and Research (UNITAR) – Associate Professor (Practice) |
| Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries | None |
| Conflict of interest (including any competing business) | None |

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| **Name of Director** | **Tay Wee Meng** |
|---|---|
| Working experience and occupation(s) during the past 10 years | Present:<br><br>1. Chairman, Infracrowd Capital Pte. Ltd. since 1 November 2022<br>2. Associate Professor (Practice), UN SDG Research Lab since 1 October 2022<br>3. Steering Committee Member, Sustainable Tropical Data Centre Testbed since 1 June 2022<br>4. Honorary Treasurer, SG Tech, Singapore Enterprise Chapter since 1 September 2021<br>5. Chairman, Advisory Board, Asia Pacific, Huawei Sparks since 1 August 2021<br>6. Fellow, Singapore Centre of Social Enterprise since 1 September 2020<br>7. Director, Blue Ocean Image Sdn. Bhd. since 14 December 2011<br>8. Director, Athena Coffee Malaysia Sdn. Bhd. since 26 November 2009<br><br>Past 10 years:<br><br>1. Director, Bog Oak Pte. Ltd (struck off) till 27 January 2026<br>2. Director & CEO, Sistema Asia Capital Pte. Ltd. till 17 November 2022<br>3. Chairman, Scrutinizing Committee, Singapore Indian Chamber of Commerce till 15 June 2022<br>4. Director, Singapore Luxury Investment Holdings Pte. Ltd. till 25 February 2020<br>5. Member, Zheng He Foundation Ltd. till 25 February 2020<br>6. Director, TGVIST Pte. Ltd. (Struck Off) till 6 July 2020<br>7. Director, Jupiter Ventures Pte. Ltd. (Struck Off) till 6 July 2020<br>8. Director, Zenithus Asia Pte. Ltd. (Struck Off) till 6 July 2020<br>9. Director, Jiang Shan (Singapore) Holdings Pte. Ltd. (Struck off) till 4 June 2019<br>10. Director, Jiang Shan Power Holdings Pte. Ltd. (Struck Off) till 4 June 2019<br>11. Singapore Luxury Investment Pte. Ltd. (Struck off) till 5 June 2017<br>12. Blue Ocean Expo (Singapore) Pte. Ltd. (Struck off) till 5 December 2016 |
| Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) Or Appendix 7H (Catalist Rule 706(6)) | Yes |
| Shareholding interest in the listed issuer and its subsidiaries? | No |
| *Other Principal Commitments Including Directorships* | |

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director | Tay Wee Meng |
|---|---|
| Past (for the last 5 years) | Directorships:<br><br>1. Sistema Asia Capital Pte. Ltd.<br>2. Bog Oak Pte. Ltd. (Struck off) |
| Present | Directorships:<br><br>1. Athena Coffee Malaysia Sdn. Bhd.<br>2. Blue Ocean Image Sdn. Bhd.<br>3. Infracrowd Capital Pte. Ltd.<br><br>includes companies in which he holds directorship as a nominee or in a non-executive capacity |
| *Information Required* | |
| (a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him/her or against a partnership of which he/she was a partner at the time when he/she was a partner or at any time within 2 years from the date he/she ceased to be a partner? | No |
| (b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he/she was a director or an equivalent person or a key executive, at the time when he/she was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he/she ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency? | No |
| (c) Whether there is any unsatisfied judgment against him/her? | No |
| (d) Whether he/she 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/she is aware) for such purpose? | No |
| (e) Whether he/she 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/she is aware) for such breach? | No |

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director | Tay Wee Meng |
|---|---|
| (f) Whether at any time during the last 10 years, judgment has been entered against him/her 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/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he/she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part? | No |
| (g) Whether he/she has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust? | No |
| (h) Whether he/she has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust? | No |
| (i) Whether he/she has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity? | No |
| (j) Whether he/she has ever, to his/her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: | |
| (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or | No |
| (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or | No |
| (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or | No |
| (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, | No |
| in connection with any matter occurring or arising during that period when he/she was so concerned with the entity or business trust? | |
| (k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere? | No |

**DIGILIFE TECHNOLOGIES LIMITED**
(Company Registration Number: 199304568R)
(Incorporated in Singapore)

**IMPORTANT:**
1. The Annual General Meeting (the "**AGM**") will be held, in a wholly physical format, at the venue, date and time stated below. There will be no option for members to participate virtually.
2. This Proxy Form is for use by members wishing to appoint a proxy(ies) for the AGM. Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies).
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors:
   (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or
   (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks/SRS Operators by 11:30 a.m. on Tuesday, 14 July 2026 to submit their votes.

**Personal data privacy**
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 9 July 2026.

I/We (Name) ______________________ (NRIC/Passport/Registration Number) ______________

of (Address) ____________________________________________
being a member/members of DIGILIFE TECHNOLOGIES LIMITED (the "**Company**"), hereby appoint:

| **Name** | **NRIC/Passport No.** | **Proportion of Shareholdings** | |
|---|---|---|---|
| | | **No. of Shares** | **%** |
| **Address** | | | |

and/or (delete as appropriate)

| **Name** | **NRIC/Passport No.** | **Proportion of Shareholdings** | |
|---|---|---|---|
| | | **No. of Shares** | **%** |
| **Address** | | | |

as my/our proxy(ies) to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at The Hive, Level 9 Lounge, 1 North Bridge Road, Singapore 179094, on Friday, 24 July 2026 at 11:30 a.m., and at any adjournment thereof. I/We direct my/our proxy(ies) to vote for or against, or to abstain from voting on, the resolutions to be proposed at the AGM as indicated hereunder.

| **No.** | **Resolutions relating to:** | **For*** | **Against*** | **Abstain*** |
|---|---|---|---|---|
| **As Ordinary Business** | | | | |
| 1. | Adoption of Directors' Statement and Audited Financial Statements for the financial period from 1 January 2025 to 31 March 2026 | | | |
| 2. | Re-election of Ms. Chada Anitha Reddy as a Director of the Company | | | |
| 3. | Re-election of Mr. Tay Wee Meng as a Director of the Company | | | |
| 4. | Approval of Directors' fees amounting to S$140,000 for the financial period from 1 January 2025 to 31 March 2026 | | | |
| 5. | Re-appointment of Moore Stephens LLP as Auditors of the Company for the ensuing year and authority for Directors to fix their remuneration | | | |
| **As Special Business** | | | | |
| 6. | Share Issue Mandate pursuant to Section 161 of Companies Act 1967 and Rule 806(2)(a) of Catalist Rules | | | |
| 7. | Authority to issue shares under the Digilife Technologies Performance Share Plan 2021 | | | |

* Voting will be conducted by poll. If you wish your proxy(ies) to cast all your votes "For" or "Against" a resolution, please tick (√) within the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy(ies) to abstain from voting on a resolution, please tick (√) within the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of shares that your proxy(ies) is directed to abstain from voting in the "Abstain" box provided in respect of that resolution. In any other case, the proxy(ies) may vote or abstain as the proxy(ies) deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated this ________ day of ______________ 2026

| **Total Number of Shares in:** | **Number of Shares** |
|---|---|
| **(a) CDP Register** | |
| **(b) Register of Members** | |

_______________________________
*Signature of Member(s)*
*or, Common Seal of Corporate Member*

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

**Notes:**

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

   A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

2. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the AGM as his/her/its proxy.

3. Shareholders are entitled to exercise their voting rights at the AGM by appointing proxy(ies) or the Chairman of the AGM as their proxy to do so on their behalf. In appointing the Chairman of the AGM as proxy, a shareholder should specifically direct the Chairman on how he is to vote for or vote against or abstain from voting on each resolution to be tabled at the AGM, failing which, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid

4. A member should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the shares held by the member. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the shares held by the member.

5. The appointment of a proxy(ies) shall not preclude a member from attending, speaking and voting at the AGM. Any appointment of a proxy(ies) shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person(s) appointed under the instrument of proxy, to the AGM.

6. The instrument appointing a proxy(ies) must be submitted in the following manner:

   (a) if electronically, be submitted via email at digilife-agm@complete-corp.com; or

   (b) if by post, be deposited at the office of Company's AGM service provider, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903,

   and in either case, must be lodged or received (as the case may be) by 11:30 a.m. on Tuesday 21 July 2026, being not less than 72 hours before the time appointed for the holding of the AGM.

   Members who wish to appoint a proxy(ies) can use the printed copy of the Proxy Form (which was sent by post to them), by completing and signing the Proxy Form before submitting it by post to the address provided above or, alternatively, scanning and submitting it via email to the email address provided above.

7. The instrument appointing a proxy(ies) must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.

8. Where the instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the power of attorney (or other authority under which it is signed, if applicable) or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted by post, be lodged together with the instrument, or if the instrument is submitted electronically via email, be emailed together with the instrument, failing which the instrument may be treated as invalid.

9. The Company shall be entitled to reject the instrument appointing a proxy(ies) if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged or submitted, if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for the holding of the AGM, as certified by The Central Depository (Pte) Limited to the Company.

**DIGILIFE TECHNOLOGIES LIMITED**
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Singapore 179094
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https://www.digilifelimited.com/