

PRIMECH HOLDINGS LIMITED.
(Incorporated in the Republic of Singapore)
AND ITS SUBSIDIARIES
Registration Number (UEN): 202042000N

DIRECTORS' STATEMENT AND
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

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Directors' Statement

For the financial year ended 31 March 2026

The directors present their statement to the member together with the audited consolidated financial statements of Primech Holdings Limited. (the "Company") and its subsidiaries (the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2026.

1. Opinion of the directors

In the opinion of the director,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity 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 and changes in equity of the Company for the year then ended; 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.

2. Directors

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

Chan Kai Yue Jason
William Mirecki
Yuen Poi Lam William
Ho Kin Wai

3. Arrangement to enable directors to acquire shares or debentures

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

4. Directors' interests in shares or debentures

According to the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as disclosed below:

Directors' Statement

For the financial year ended 31 March 2026

4. Directors' interests in shares or debentures (cont'd)

<u>Name of directors</u>	<u>Direct Interest</u>		<u>Deemed Interest</u>	
	<u>At the beginning of financial year</u>	<u>At the end of financial year</u>	<u>At the beginning of financial year</u>	<u>At the end of financial year</u>
The Company <u>Primech Holdings Limited</u> (Number of ordinary shares)				
Ho Kin Wai	-	15,500	31,287,500	30,787,500
(Number of preference shares)				
Ho Kin Wai	-	3,000,000	-	-
The Immediate and Ultimate Holding Company <u>Sapphire Universe Holdings Limited</u> (Number of ordinary shares)				
Ho Kin Wai	-	-	96,000	96,000

5. Share options

There were no share options granted during the financial year to subscribe for unissued shares of the Company or any corporations in the Group.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or any corporations in the Group.

There were no unissued shares of the Company or any corporations in the Group under option at the end of the financial year.

6. Auditor

The independent auditor, Paul Wan & Co has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors



Ho Kin Wai
Director
08 SEP 2026



Chan Kai Yue Jason
Director

Paul Wan & Co

Public Accountants And
Chartered Accountants of Singapore

Primech Holdings Limited. and its Subsidiaries

Independent Auditor's Report

For the financial year ended 31 March 2026

Independent Auditor's Report to the Member of Primech Holdings Limited.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Primech Holdings Limited. (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 March 2026, the statements of changes in equity of the Group and the Company and the consolidated statement of profit or loss and other comprehensive income, and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Financial Reporting Standards in Singapore ("FRSs") 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 and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement.

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.



Paul Wan & Co

Public Accountants And
Chartered Accountants of Singapore

Primech Holdings Limited. and its Subsidiaries

Independent Auditor's Report

For the financial year ended 31 March 2026

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

Purpose and Restriction on Distribution and Use

The Financial Statements are prepared solely to assist the members of the Company in preparing their annual return submission. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for members of the Company and should not be distributed to parties other than the members of the Company. Our opinion is not modified in respect of this matter.

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 FRSs, 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.



Paul Wan & Co

Public Accountants And
Chartered Accountants of Singapore

Primech Holdings Limited. and its Subsidiaries

Independent Auditor's Report

For the financial year ended 31 March 2026

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

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

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

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

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 Wee Yeak Ing.


PAUL WAN & CO
Public Accountants and
Chartered Accountants

Singapore

08 SEP 2026

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Morison Global
Independent member

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 31 March 2026

	<u>Note</u>	<u>2026</u> S\$	<u>2025</u> S\$
Revenue	5	100,388,214	99,519,768
Cost of sales		(83,254,125)	(76,060,219)
Gross profit		17,134,089	23,459,549
Other operating income	6	713,437	372,102
General and administrative expenses		(19,676,143)	(24,599,592)
Other operating expenses	7	(94,006)	(127,086)
Goodwill impairment		-	(390,209)
Finance costs	8	(865,240)	(1,056,322)
Loss before tax	9	(2,787,863)	(2,341,558)
Income tax expense	10	(475,417)	(614,976)
Loss for the year		(3,263,280)	(2,956,534)
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Currency translation differences arising from consolidation		41,341	(6,053)
Other comprehensive income/(loss) for the year, net of tax		41,341	(6,053)
Total comprehensive loss for the year		(3,221,939)	(2,962,587)
Loss attributable to:			
Equity holders of parent		(2,580,484)	(2,586,906)
Non-controlling interests		(682,796)	(369,628)
		(3,263,280)	(2,956,534)
Total comprehensive loss attributable to:			
Equity holders of parent		(2,539,143)	(2,592,959)
Non-controlling interests		(682,796)	(369,628)
		(3,221,939)	(2,962,587)

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

Statements of Financial Position

As at 31 March 2026

	<u>Note</u>	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$	<u>Company</u> <u>2026</u> S\$	<u>Company</u> <u>2025</u> S\$
ASSETS					
Non-current assets					
Property, plant and equipment	11	14,462,086	15,823,884	649	1,082
Investment in subsidiaries	12	-	-	15,875,925	19,466,107
Intangible assets	13	-	-	-	-
		<u>14,462,086</u>	<u>15,823,884</u>	<u>15,876,574</u>	<u>19,467,189</u>
Current assets					
Inventories	14	-	59,462	-	-
Trade and other receivables	15	28,313,852	25,078,910	2,777,140	2,632,754
Cash and cash equivalents	16	11,520,222	13,604,409	550,205	25,662
		<u>39,834,074</u>	<u>38,742,781</u>	<u>3,327,345</u>	<u>2,658,416</u>
Total assets		<u>54,296,160</u>	<u>54,566,665</u>	<u>19,203,919</u>	<u>22,125,605</u>
EQUITY AND LIABILITIES					
Equity					
Share capital	17	33,085,403	33,047,495	33,085,403	33,047,495
Reserves	18	(1,884,785)	(1,661,316)	-	-
Accumulated losses		(14,553,550)	(11,973,066)	(27,699,236)	(19,739,616)
Equity attributable to equity holders of parent		<u>16,647,068</u>	<u>19,413,113</u>	<u>5,386,167</u>	<u>13,307,879</u>
Non-controlling interests		(948,174)	(280,031)	-	-
		<u>15,698,894</u>	<u>19,133,082</u>	<u>5,386,167</u>	<u>13,307,879</u>
Non-current liabilities					
Borrowings	19	7,948,117	5,808,202	2,618,080	-
Lease liabilities	20	1,069,563	1,440,994	-	-
Deferred tax liabilities	21	217,399	296,187	-	-
		<u>9,235,079</u>	<u>7,545,383</u>	<u>2,618,080</u>	<u>-</u>
Current liabilities					
Trade and other payables	22	13,895,157	13,758,541	11,199,672	8,817,726
Borrowings	19	13,099,754	11,372,562	-	-
Lease liabilities	20	1,845,546	2,139,121	-	-
Income tax liabilities		521,730	617,976	-	-
		<u>29,362,187</u>	<u>27,888,200</u>	<u>11,199,672</u>	<u>8,817,726</u>
Total liabilities		<u>38,597,266</u>	<u>35,433,583</u>	<u>13,817,752</u>	<u>8,817,726</u>
Total equity and liabilities		<u>54,296,160</u>	<u>54,566,665</u>	<u>19,203,919</u>	<u>22,125,605</u>

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

Statements of Changes in Equity

For the financial year ended 31 March 2026

Group	Note	Share capital S\$	Translation reserves S\$	Other reserves S\$	Accumulated losses S\$	Attributable to equity holders of the Company S\$	Non-controlling interests S\$	Total S\$
At 1 April 2024		30,668,424	(18,307)	(1,636,956)	(9,386,160)	19,627,001	89,531	19,716,532
Loss for the year		-	-	-	(2,586,906)	(2,586,906)	(369,628)	(2,956,534)
Other comprehensive loss for the year		-	(6,053)	-	-	(6,053)	-	(6,053)
Total comprehensive loss for the year		-	(6,053)	-	(2,586,906)	(2,592,959)	(369,628)	(2,962,587)
Issuance of ordinary shares	17	2,379,071	-	-	-	2,379,071	66	2,379,137
At 31 March 2025		33,047,495	(24,360)	(1,636,956)	(11,973,066)	19,413,113	(280,031)	19,133,082
Loss for the year		-	-	-	(2,580,484)	(2,580,484)	(682,796)	(3,263,280)
Other comprehensive income for the year		-	41,341	-	-	41,341	-	41,341
Total comprehensive income/(loss) for the year		-	41,341	-	(2,580,484)	(2,539,143)	(682,796)	(3,221,939)
Reversal of fair value adjustment upon disposal		-	-	(264,810)	-	(264,810)	14,653	(250,157)
Issuance of preference shares	17	37,908	-	-	-	37,908	-	37,908
At 31 March 2026		33,085,403	16,981	(1,901,766)	(14,553,550)	16,647,068	(948,174)	15,698,894

Statements of Changes in Equity

For the financial year ended 31 March 2026

<u>Company</u>	<u>Note</u>	<u>Share capital</u> S\$	<u>Accumulated losses</u> S\$	<u>Total</u> S\$
At 1 April 2024		30,668,424	(12,344,529)	18,323,895
Issuance of ordinary shares	17	2,379,071	-	2,379,071
Total comprehensive loss for the year		-	(7,395,087)	(7,395,087)
At 31 March 2025		33,047,495	(19,739,616)	13,307,879
Issuance of preference shares	17	37,908	-	37,908
Total comprehensive loss for the year		-	(7,959,620)	(7,959,620)
At 31 March 2026		33,085,403	(27,699,236)	5,386,167

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

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2026

	Note	2026 S\$	2025 S\$
Cash flows from operating activities			
Loss before tax		(2,787,863)	(2,341,558)
Adjustment for:			
Allowance for impairment of trade receivables	7	811	114,921
Share-based expenses	17	37,908	2,379,071
Bad debt written off	7	-	10
Depreciation of property, plant and equipment	11	4,526,874	5,303,303
(Gain)/Loss on disposal of property, plant and equipment	6,7	(407,216)	3,159
Loss/(Gain) on derecognition of right-of-use assets		2,236	(9,661)
Inventory written off	7	8,893	-
Property, plant and equipment written off	7	1,259	8,996
Reclassification to R&D expenses	11	109,411	-
Reversal of impairment on property, plant and equipment	6	-	(10,175)
Reversal of provision for expected credit losses	6	(110,551)	(224)
Goodwill impairment	13	-	390,209
Interest expenses	8	865,240	1,056,322
Interest income	6	(2,672)	(10,180)
Unrealised exchange loss/(gain)		137,292	(1,876)
		2,381,622	6,882,317
Changes in working capital:			
Inventories		50,569	14,971
Trade and other receivables		(3,122,531)	6,564,438
Trade and other payables		74,929	1,098,267
Cash (used in)/generated from operations		(615,411)	14,556,993
Interest paid on bank overdraft		(295,826)	(212,358)
Income tax paid		(618,038)	-
Net cash (used in)/generated from operating activities		(1,529,275)	14,347,635
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,891,433)	(1,013,448)
Proceeds from disposal of property, plant and equipment		972,561	62,743
Interest received		-	10,180
Net cash used in investing activities		(918,872)	(940,525)
Cash flows from financing activities			
Proceeds from borrowings		2,923,863	180,000
Proceeds from convertible bond		2,568,200	-
Repayment of bank borrowings		(2,451,369)	(5,854,253)
Repayment of lease liabilities		(3,059,466)	(3,825,237)
Decrease of pledged fixed deposits		49,926	57,508
Proceeds from non-controlling shareholders of subsidiaries		-	66
Net cash generated from/(used in) financing activities		31,154	(9,441,916)
Net change in cash and cash equivalents		(2,416,993)	3,965,194
Effect of exchange rate changes on balances held in foreign currency		(19,183)	(6,923)
Cash and cash equivalents at the beginning of year		4,041,192	82,921
Cash and cash equivalents at the end of year	16	1,605,016	4,041,192

Consolidated Statement of Cash Flows
For the financial year ended 31 March 2026

Reconciliation of liabilities arising from financing activities

	1 April 2025 S\$	Proceeds from borrowings S\$	Principal and interest payments S\$	Non-cash changes				31 March 2026 S\$
				Interest expense S\$	Addition S\$	Lease modification S\$	Unrealised (gain)/loss from revaluation S\$	
Lease liabilities	3,580,115	-	(3,059,466)	159,893	2,234,567	-	-	2,915,109
Bank borrowings	9,934,363	2,923,863	(2,451,369)	374,618	-	-	-	10,781,475
Convertible bond	-	2,568,200	-	34,903	-	-	14,977	2,618,080

	1 April 2024 S\$	Proceeds from borrowings S\$	Principal and interest payments S\$	Non-cash changes				31 March 2025 S\$
				Interest expense S\$	Addition S\$	Lease modification S\$	Unrealised (gain)/loss from revaluation S\$	
Lease liabilities	5,143,763	-	(3,825,237)	270,035	1,985,901	5,653	-	3,580,115
Bank borrowings	15,034,687	180,000	(5,854,253)	573,929	-	-	-	9,934,363

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

Notes to the Financial Statements

For the financial year ended 31 March 2026

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

1. Corporate information

Primech Holdings Limited (the “Company”) is incorporated and domiciled in Singapore on 29 December 2020 as a private company limited by shares under the name “Primech Holdings Pte Ltd” with its registered office and principal place of business at 60 Macpherson Road, Siemens Centre, #04-08 Singapore 348615. On 11 May 2023, the Company changed its name to “Primech Holdings Limited” in connection with its proposed initial public offering on the NASDAQ Stock Market LLC (“NASDAQ”). The Company listed on NASDAQ on 10 Oct 2023.

The principal activities of the Company are that of investment holding.

The principal activities of the subsidiaries are disclosed in Note 12 to the financial statements.

The immediate holding company and ultimate holding company is Sapphire Universe Holdings Limited, a company incorporated in British Virgin Islands.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the year ended 31 March 2026 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on the date of the Directors’ Statement.

2. Restructuring exercise

In November 2021, a restructuring exercise was undertaken by the Company to consolidate the business activities of the Group by acquiring 100% of the equity interest of Primech A&P Pte. Ltd. and its subsidiary, Acteef Cleaning Specialists Pte. Ltd., My All Services Sdn. Bhd., Maint-Kleen Pte Ltd, and Homehelpy Pte Ltd at a total consideration of S\$17,136,088, which was determined based on the historical carrying value of the respective entities as at 31 March 2021.

The restructuring exercise involves a combination of entities under common control since the Company and those companies acquired are controlled majority by the common shareholders. Accordingly, the above restructuring exercise is considered to be acquisitions of equity interests of the subsidiaries under common control and have been accounted for in a manner similar to the merger accounting method. The Group is deemed to have existed since the beginning of the earliest period, although the legal parent-subsidiary relationship was not established until after 1 April 2021.

Accordingly, the assets and liabilities of the subsidiaries have been included in the consolidated financial statements at their historical carrying amounts. The consolidated financial statements present the financial condition, results of operations and cash flows as if the restructuring has occurred as of the beginning of the year. No adjustments are made to reflect fair values or recognise any new assets or liabilities as a result of the restructuring exercise.

All intra-group transactions and balances have been eliminated on combination.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information

3.1 Basis of preparation

The consolidated financial statements of the Group have been drawn up in accordance with Financial Reporting Standards in Singapore (“FRSs”). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollar (“S\$”), which is the Company’s functional currency and the presentation currency for the consolidated financial statements.

3.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 April 2025. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

3.3 Standards issued but not yet effective

The Group has not adopted the following standards and interpretations that have been issued but not yet effective and have not been applied in preparing these financial statements.

Title	Effective date (annual periods beginning on or after)
Amendments to FRS 109 <i>Financial Instruments</i> and FRS 107 <i>Financial Instruments: Disclosures: Amendments to the Classification and Measurement to Financial Instruments</i>	1 January 2026
Annual Improvements to FRSs- Volume 11	1 January 2026
Amendments to FRS 109 <i>Financial Instruments</i> and FRS 107 <i>Financial Instruments: Disclosures: Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
FRS 118 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
FRS 119 <i>Subsidiaries and Small Entities without Public Accountability</i>	1 January 2027
Amendments to FRS 110 <i>Consolidated Financial Statements</i> and FRS 28 <i>Investments in Associates and Joint Ventures : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

Except for FRS 118, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 118 is described below.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.3 Standards issued but not yet effective (cont'd)

FRS 118 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes, and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

The directors expect that the adoption of these new and amended standards will have no material impact on the financial statements in the period of initial application.

In addition, narrow-scope amendments have been made to FRS7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

FRS 118, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. FRS 118 will apply retrospectively.

The amendments will have impact on the disclosure in the financial statements but not on the measurement or recognition of items in the Group's financial statements. The Group is in the process of analysing the new disclosure requirements and to assess if changes are required to their internal information systems.

3.4 Foreign currency transactions and translation

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate (the "functional currency"). The consolidated financial statements are presented in Singapore dollar ("S\$"), which is the Company's functional currency and Group's presentation currency.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.4 Foreign currency transactions and translation (cont'd)

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for currency translation differences on net investment in foreign entities which are taken to currency translation reserve; and monetary items that form part of the Group's net investment in foreign subsidiaries, which are recognised initially in a separate component of equity as currency translation reserve in the consolidated statement of financial position and recognised in profit or loss on disposal of the subsidiary.

Currency translation differences on non-monetary items are reported as part of the fair value gain or loss. Non-monetary items measured at fair value in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Translation of Group entities' financial statements

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

- (i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of reporting period;
- (ii) Income and expenses are translated at average rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) All resulting exchange differences are taken to the foreign currency translation reserves within other comprehensive income.

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

Consolidation adjustments

On consolidation, currency translation differences arising from the net investment in foreign entities are taken to the currency translation reserve. When a foreign operation is disposed, such currency translation differences are recognised in profit or loss as part of the gain or loss on disposal.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from its involvement with the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Subsidiaries are consolidated from the date on which the Group obtains control over the investee and cease from consolidation when the control is lost. Control is reassessed whenever the facts and circumstances indicate that they may be a change in the elements of control.

All intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides an impairment indicator of the transferred asset.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the Group.

In the separate financial statements of the Company, investment in subsidiaries is carried at cost, less any impairment loss that has been recognised in profit or loss.

Non-controlling interests

Non-controlling interests represents the equity in subsidiaries which is not attributable directly or indirectly to the equity owners of the parent. They are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners). The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary and any non-controlling interest. The profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 109.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.6 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration transferred for the acquisition is measured at the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred. Consideration transferred also includes any contingent consideration measured at the fair value at the acquisition date. Subsequent changes in fair value of contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under FRS 103 *Business Combinations* are recognised at their fair value at the acquisition date.

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

Goodwill arising on acquisition is recognised as an asset at the acquisition date and initially measured at the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net acquisition-date fair value amount of the identifiable assets acquired and the liabilities and contingent liabilities assumed.

If, after reassessment, the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase.

Acquisition under common control

Business combination arising from transfers of interest in entities that are under common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. For this purpose, comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously and no adjustments are made to reflect the fair values or recognised any new assets or liabilities, including no goodwill is recognised as a result of the combination. The components of equity of the acquired entities are added to the same components within the Group's equity. Any difference between the cash paid for the acquisition and share capital of acquiree is recognised directly to equity as merger reserve.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.7 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. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The annual rates of depreciation are as follows:

	<u>Useful lives</u>
Leasehold property	over lease terms
Cleaning equipment & machinery	5 years
Office equipment & furniture	5 years
Computer & software	3 – 5 years
Renovation	5 – 10 years
Motor vehicles	5 – 10 years

The residual value, useful lives and depreciation method are reviewed at least at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

3.8 Goodwill

Goodwill on acquisition of subsidiary corporations and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquire over (ii) the fair value of the identifiable net assets acquired.

Goodwill on subsidiary is recognised separately as intangible assets. Goodwill is initially recognised at cost and subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.9 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated 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 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.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value 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.

3.10 Subsidiaries

Subsidiaries are entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investment in subsidiaries is carried at cost less accumulated impairment losses in the Company's statement of financial position.

3.11 Investment properties

Investment properties are properties that are either owned by the Group or right-of-use assets that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.12 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an assets is required, the Group makes an estimate of the asset's recoverable amount.

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 group of asses. Where the carrying amount of an asset or cash-generating unit exceed its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

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 increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

3.13 Financial instruments

Financial assets

Initial recognition and measurement

- Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

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 ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL. The Group has debt instruments at amortised cost and at FVPL.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.13 Financial instruments (cont'd)

Financial assets (cont'd)

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

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 plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.13 Financial instruments (cont'd)

Financial liabilities (cont'd)

Offsetting of financial instruments

A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, an entity:

- (a) currently has a legally enforceable right to set off the recognised amount; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Compound financial instruments

Compound financial instruments used by the Group comprise convertible notes denominated in United States dollars that can be converted to ordinary shares at the option of the holder, where the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost under the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognised in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

3.14 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.14 Impairment of financial assets (cont'd)

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

For debt instruments at FVOCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when the contractual payments are more than 60 days past due.

The Group considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amount in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.15 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

3.16 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When 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.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.17 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 the end of each reporting period 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.18 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is deduction to the respective expenses on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the consolidated statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

3.19 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date. When an entity breaches an undertaking under a long-term loan agreement on or before the reporting date with the effect that the liability becomes payable on demand, the liability is classified as current, even if the lender has agreed, after the reporting date and before the authorisation of the consolidated financial statements for issue, not to demand payment as a consequence of the breach. The liability is classified as current because, at the reporting date, the entity does not have an unconditional right to defer its settlement for at least twelve months after that date.

Where the entity expects, and has the discretion, to re-finance or roll over an obligation for at least 12 months after the reporting period under an existing loan facility with the same lender, the liability is classified as non-current.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.20 Employee benefit

Defined contribution plan

The Group makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.21 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 3.12. The Group's right-of-use assets are presented within property, plant and equipment (Note 11).

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.21 Leases (cont'd)

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed in Note 20.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Group's properties is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.22 Revenue

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

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

Recurring service income

Revenue from service income is recognised on a periodic basis over the term of the service contract. Ad-hoc service income is recognised upon the performance of the services and acceptance by customers.

Rental income and management income

Rental income and management income are recognised over the period in which the services are rendered.

Interest income

Interest income is accrued on a time-apportionment basis using the effective interest method.

Revenue from sales of goods

The Company sells cleaning material.

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied. The goods are often sold with a right of return and with retrospective volume rebates based on the aggregate sales over a period of time.

The amount of revenue recognised is based on the transaction price, which comprises the contractual price, net of the estimated volume rebates and adjusted for expected returns. Based on the Company's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is a highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.22 Revenue (cont'd)

Revenue from sales of goods (cont'd)

The Company recognises the expected volume rebates payable to customer where consideration have been received from customers and refunds due to expected returns from customers as refund liabilities. Separately, the Company recognises a related asset for the right to recover the returned goods, based on the former carrying amount of the good less expected costs to recover the goods, and adjust them against cost of sales correspondingly.

At the end of each reporting date, the Company updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained. The corresponding amounts are adjusted against revenue in the period in which the transaction price changes. The Company also updates its measurement of the asset for the right to recover returned goods for changes in its expectations about returned goods.

3.23 Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.23 Taxes (cont'd)

Goods and services tax ("GST")

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- (i) where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (ii) receivables and payables that are stated with the amount of sales tax included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3.24 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3.25 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 if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) the entity and the Group 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 Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - (vi) the entity is controlled or jointly controlled by a person identified in (a).
 - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Material accounting policy information (cont'd)

3.26 Dividends

Interim dividends are recorded in the financial year in which they are declared and payable. Final dividends are recorded in the financial year in which the dividends are approved by shareholders.

3.27 Non-current assets held-for-sale

Non-current assets are classified as assets held-for-sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are 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.

4. Significant accounting judgements and estimates

The preparation of the Group's and the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. 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.

4.1 Judgments made in applying accounting policies

Impairment of investment in subsidiaries

The Company follow the guidance of FRS36 on determining whether investment in subsidiaries are impaired. This determination requires significant judgement. The Company evaluate, among other factors, the duration and extent to which the fair value of investment in subsidiaries are less than its cost and the financial health of and near-term business outlook for investment in subsidiaries, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group and the Company 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 and the Company. Such changes are reflected in the assumptions when they occur.

Notes to the Financial Statements

For the financial year ended 31 March 2026

4. Significant accounting judgements and estimates (cont'd)

4.2 Key sources of estimation uncertainty (cont'd)

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast of economic conditions. The Group historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 26.

The carrying amount of the Group's trade receivables as at 31 March 2026 is disclosed in Note 15 to the financial statements.

Impairment of goodwill

The recoverable amounts of the cash generating units which goodwill has been allocated to are determined based on value in use calculations. The value in use calculations are based on a discounted cash flow models. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The carrying amounts of the goodwill and key assumptions applied in the determination of the value in use including a sensitivity analysis, are disclosed and future explained in Note 13 to the financial statements.

Useful life of property, plant and equipment

The management exercises their judgement in estimating the useful lives and residual values of the depreciable assets. The estimated useful lives reflect management's estimate of the period that the Group intends to derive future economic benefits from the use of the depreciable asset. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, and therefore future depreciation charges could be revised. The carrying amounts of property, plant and equipment are disclosed in the Note 11 to the financial statements.

Notes to the Financial Statements

For the financial year ended 31 March 2026

5. Revenue

Disaggregation of revenue

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Sales of goods	289,674	384,563
Services rendered	100,098,540	99,135,205
	<u>100,388,214</u>	<u>99,519,768</u>

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
<u>Timing of transfer of goods or services</u>		
Over time	98,353,570	97,071,975
At a point in time	2,034,644	2,447,793
	<u>100,388,214</u>	<u>99,519,768</u>

Contract assets amounted to S\$7,259,607 (2025: S\$4,720,058) relate to the Group's rights to consideration for work completed but not billed at the reporting date for services rendered. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

Transaction price allocated to remaining performance obligations

Management expects that the transactions price allocated to remaining unsatisfied (or partially unsatisfied) performance obligations as at 31 March 2026 and 2025 may be recognized as revenue in the next reporting periods as follows:

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Unsatisfied and partially unsatisfied performance obligation	228,730,739	162,051,239

Notes to the Financial Statements

For the financial year ended 31 March 2026

6. Other operating income

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Gain on disposal of property, plant and equipment	407,216	-
Government grant	75,148	307,598
Interest on bank deposits	2,672	10,180
Miscellaneous	117,850	41,520
Reversal of impairment on trade receivables	110,551	224
Reversal of impairment on property, plant and equipment	-	10,175
Net foreign exchange gain	-	2,405
	<u>713,437</u>	<u>372,102</u>

7. Other operating expenses

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Loss on disposal of property, plant and equipment	-	3,159
Allowance for doubtful debt	811	114,921
Bad debt written off	-	10
Net foreign exchange loss	83,043	-
Inventory written off	8,893	-
Property, plant and equipment written off	1,259	8,996
	<u>94,006</u>	<u>127,086</u>

8. Finance costs

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Factoring charges	121,405	162,515
Lease interest	159,893	270,035
Bank loan and convertible bond interest	288,116	411,414
Bank overdraft interest	295,826	212,358
	<u>865,240</u>	<u>1,056,322</u>

9. Loss before tax

Loss before tax is arrived at after charging:

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Depreciation of property, plant and equipment	4,526,874	5,303,303
Directors' remuneration	3,616,700	3,482,633
Legal and professional fees	523,404	930,368
Employee benefits expense	<u>80,367,423</u>	<u>77,930,729</u>

Notes to the Financial Statements

For the financial year ended 31 March 2026

10. Income tax expense

The major components of income tax expenses recognised in profit or loss for the years ended 31 March 2026 and 2025 were:

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
<u>Current income tax</u>		
- Current year	521,792	606,358
- Under provision in respect of prior years	-	11,619
	<u>521,792</u>	<u>617,977</u>
<u>Deferred income tax (Note 21)</u>		
- Current year	64,471	(3,001)
- Over provision in respect of prior years	(110,846)	-
Income tax expenses recognised in profit or loss	<u>475,417</u>	<u>614,976</u>

Relationship between tax expenses and accounting loss

The reconciliation between tax expenses and the product of accounting loss multiplied by the applicable tax rate for the financial years ended 31 March 2026 and 2025 were as follows:

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Loss before tax	<u>(2,787,863)</u>	<u>(2,341,558)</u>
Tax at the applicable tax rate 17% (2025: 17%)	(473,937)	(398,065)
Different tax rate in other countries	-	8,306
Income not subject to tax	(767,488)	(1,038,264)
Expenses not deductible for tax purposes	1,566,203	2,263,060
Tax exemptions and rebates	(360,027)	(475,440)
Deferred tax assets not recognised	506	223,557
Deferred tax assets recognised	64,471	-
Utilisation of previously unrecognised tax losses	(75,845)	-
Under provision of income tax in respect of prior years	-	11,619
Over provision of deferred tax for prior year	(110,846)	-
Others	632,380	20,203
Income tax expenses recognised in profit or loss	<u>475,417</u>	<u>614,976</u>

Notes to the Financial Statements

For the financial year ended 31 March 2026

11. Property, plant and equipment

<u>Group</u>	<u>Leasehold property</u> S\$	<u>Cleaning equipment & machinery</u> S\$	<u>Office equipment & furniture</u> S\$	<u>Computer & software</u> S\$	<u>Renovation</u> S\$	<u>Motor vehicles</u> S\$	<u>Asset under construction</u> S\$	<u>Total</u> S\$
Cost								
At 1 April 2024	14,993,084	9,302,925	1,564,663	1,507,839	1,081,456	3,660,079	-	32,110,046
Additions	1,487,560	953,484	10,903	225,186	-	277,388	116,662	3,071,183
Written off	-	(653,697)	(2,230)	(1,701)	-	(35,500)	-	(693,128)
Disposal/Derecognition	(2,132,231)	(212,781)	(530)	(3,697)	-	(156,145)	-	(2,505,384)
Lease modification	5,653	-	-	-	-	-	-	5,653
Translation difference	-	2,750	285	58	-	-	-	3,093
At 31 March 2025	14,354,066	9,392,681	1,573,091	1,727,685	1,081,456	3,745,822	116,662	31,991,463
Additions	2,020,077	1,292,585	41,743	42,087	22,454	225,297	767,330	4,411,573
Written off	-	(421,109)	(31,193)	(35,396)	-	-	-	(487,698)
Disposal/Derecognition	(4,328,000)	(581,673)	-	-	-	(727,163)	-	(5,636,836)
Expensed to R&D	-	-	-	-	-	-	(109,411)	(109,411)
Transfer	-	654,976	-	-	-	-	(654,976)	-
Translation difference	(122)	-	119	12	(8)	-	-	1
At 31 March 2026	12,046,021	10,337,460	1,583,760	1,734,388	1,103,902	3,243,956	119,605	30,169,092

Notes to the Financial Statements

For the financial year ended 31 March 2026

11. Property, plant and equipment (cont'd)

	Leasehold property S\$	Cleaning equipment & machinery S\$	Office equipment & furniture S\$	Computer & software S\$	Renovation S\$	Motor vehicles S\$	Asset under construction S\$	Total S\$
Accumulated depreciation								
At 1 April 2024	3,527,965	6,637,522	959,491	1,331,779	307,082	1,159,263	-	13,923,102
Charges for the year	2,991,871	1,139,970	216,294	131,780	104,495	718,893	-	5,303,303
Written off	-	(646,534)	(2,230)	(1,643)	-	(33,725)	-	(684,132)
Disposal/Derecognition	(2,092,074)	(193,864)	(292)	(597)	-	(90,482)	-	(2,377,309)
Translation difference	-	2,280	285	50	-	-	-	2,615
At 31 March 2025	4,427,762	6,939,374	1,173,548	1,461,369	411,577	1,753,949	-	16,167,579
Charges for the year	2,302,296	1,110,950	219,660	105,926	108,705	679,337	-	4,526,874
Written off	-	(420,067)	(31,193)	(35,179)	-	-	-	(486,439)
Disposal/Derecognition	(3,881,660)	(321,958)	-	-	-	(297,495)	-	(4,501,113)
Translation difference	(34)	-	129	12	(2)	-	-	105
At 31 March 2026	2,848,364	7,308,299	1,362,144	1,532,128	520,280	2,135,791	-	15,707,006
Accumulated impairment								
At 1 April 2024	-	9,704	-	-	-	-	-	9,704
Reversal of provision during the year	-	(10,175)	-	-	-	-	-	(10,175)
Translation difference	-	471	-	-	-	-	-	471
At 31 March 2025 and 31 March 2026	-	-	-	-	-	-	-	-
Carrying amount								
At 31 March 2026	9,197,657	3,029,161	221,616	202,260	583,622	1,108,165	119,605	14,462,086
At 31 March 2025	9,926,304	2,453,307	399,543	266,316	669,879	1,991,873	116,662	15,823,884

Notes to the Financial Statements

For the financial year ended 31 March 2026

11. Property, plant and equipment (cont'd)

Company

	Computer & Software S\$
Cost	
At 1 April 2024	-
Addition	1,298
At 31 March 2025 and 31 March 2026	1,298
Accumulated depreciation	
At 1 April 2024	-
Depreciation	216
At 31 March 2025	216
Depreciation	433
At 31 March 2026	649
Carrying amount	
At 31 March 2026	649
At 31 March 2025	1,082

The leasehold properties are mortgaged to secure banking borrowings granted to the Group (Note 19).

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 20.

12. Investment in subsidiaries

	<u>Company</u> <u>2026</u> S\$	<u>Company</u> <u>2025</u> S\$
<u>Unquoted equity shares, at cost</u>		
At the beginning of year	19,491,106	19,116,089
Transfer from a subsidiary	-	350,000
Addition due to capitalisation of debt	-	24,999
Additions due to acquisition	-	18
Derecognition of a subsidiary	(2,160,383)	-
At the end of year	17,330,723	19,491,106
Less: Allowance for impairment loss	(1,454,798)	(24,999)
	15,875,925	19,466,107

The details of the subsidiaries as at 31 March 2026 and 31 March 2025 are as follows:

<u>Name of subsidiaries</u>	<u>Principal activities</u>	<u>Country of incorporation</u>	<u>Percentage of equity held</u> <u>2026</u> %	<u>Percentage of equity held</u> <u>2025</u> %
<u>Held by the Company</u>				
Primech A&P Pte Ltd ¹	General cleaning services	Singapore	100	100

Notes to the Financial Statements

For the financial year ended 31 March 2026

12. Investment in subsidiaries (cont'd)

<u>Name of subsidiaries</u>	<u>Principal activities</u>	<u>Country of incorporation</u>	<u>Percentage of equity held</u>	<u>Percentage of equity held</u>
			<u>2026</u>	<u>2025</u>
			%	%
Acteef Cleaning Specialists Pte Ltd ³	General cleaning services	Singapore	-	100
HomeHelpy Singapore Pte Ltd ¹	General cleaning and conservancy services	Singapore	100	100
Maint-Kleen Pte Ltd ¹	General cleaning services	Singapore	100	100
CSG Industries Pte Ltd ¹	Manufacturing and trading of chemical products	Singapore	80	80
Princeton International (S) Pte Ltd ¹	Trading of cleaning products and hygiene management services	Singapore	100	100
Primech AI Holdings Limited ²	Investment holding	British Virgin Islands	100	100
Primech Hong Kong Limited	Research and development and trading of robot	Hong Kong	100	100
Primech USA Inc ⁴	Distribution of robotic products	United States of America	100	-
<u>Held by Primech AI Holdings Limited</u>				
Primech AI Investments Limited ²	Investment holding	British Virgin Islands	51	51
<u>Held by Primech AI Investments Limited</u>				
Primech AI Pte Ltd ¹	Robotic-based cleaning solution equipment and services	Singapore	100	100
<u>Held by Primech A&P Pte Ltd</u>				
My All Services Sdn Bhd ²	General cleaning services	Malaysia	100	100

¹ All Singapore significant subsidiaries are audited by Paul Wan & Co, an independent member firm of Morison Global.

² Not required to audit under local requirement. The financial information included in the consolidated financial statements of the Group is based on management accounts of the subsidiary for the financial year ended 31 March 2026.

³ Struck off during the financial year ended 31 March 2026.

⁴ On 12 September 2025, the subsidiary was incorporated.

Notes to the Financial Statements

For the financial year ended 31 March 2026

13. Intangible assets

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Cost		
At the beginning of the year	-	390,209
Goodwill impairment	-	(390,209)
At the end of the year	-	-

14. Inventories

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Finished goods, at cost	-	59,462
Cost of inventories recognised as an expense in profit or loss	123,955	135,471

15. Trade and other receivables

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$	<u>Company</u> <u>2026</u> S\$	<u>Company</u> <u>2025</u> S\$
Trade receivables	18,773,809	16,883,656	-	-
Less: Allowance for expected credit losses	(535,803)	(645,543)	-	-
	18,238,006	16,238,113	-	-
Other receivables	1,053,645	2,145,126	-	-
Amount due from subsidiary	-	-	7,289,012	3,970,747
Contract assets	7,259,607	4,720,058	-	-
Deposit	860,665	1,192,711	18,384	380,613
Less: Allowance for expected credit losses	-	-	(4,568,039)	(1,765,001)
	27,411,923	24,296,008	2,739,357	2,586,359
Prepayment	901,929	782,902	37,783	46,395
Total trade and other receivables	28,313,852	25,078,910	2,777,140	2,632,754

Trade receivables are generally on 30 to 90 (2025: 30 to 90) days' credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The amount due from subsidiary subsidiaries is unsecured, interest free and repayable on demand.

Notes to the Financial Statements

For the financial year ended 31 March 2026

15. Trade and other receivables (cont'd)

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL was as follows:

	<u>Group</u> <u>2026</u>	<u>Group</u> <u>2025</u>	<u>Company</u> <u>2026</u>	<u>Company</u> <u>2025</u>
	S\$	S\$	S\$	S\$
At the beginning of year	645,543	603,456	1,765,001	1,790,000
Provision for expected credit losses	811	114,921	2,803,038	-
Reversal of allowance for expected credit losses	(110,551)	-	-	(24,999)
Written off against previous year allowance	-	(72,834)	-	-
At the end of year	<u>535,803</u>	<u>645,543</u>	<u>4,568,039</u>	<u>1,765,001</u>

The Group has factored trade receivables with carrying amount of S\$11,492,132 (2025: S\$9,060,367) to a bank in exchange for cash during the financial year ended 31 March 2026. The transaction has been accounted for as collateralized borrowing as the financial institution has full recourse to the Company in the event of default by the debtor.

16. Cash and cash equivalents

	<u>Group</u> <u>2026</u>	<u>Group</u> <u>2025</u>	<u>Company</u> <u>2026</u>	<u>Company</u> <u>2025</u>
	S\$	S\$	S\$	S\$
Cash at banks and in hand	9,253,331	11,287,592	550,205	25,662
Fixed deposit	2,266,891	2,316,817	-	-
	<u>11,520,222</u>	<u>13,604,409</u>	<u>550,205</u>	<u>25,662</u>
Less: fixed deposit pledged	(2,266,891)	(2,316,817)	-	-
Less: bank overdrafts (Note 19)	(7,648,315)	(7,246,400)	-	-
Cash and cash equivalents in the statement of cash flows	<u>1,605,016</u>	<u>4,041,192</u>	<u>550,205</u>	<u>25,662</u>

The fixed deposits bear interest ranging from 0.05% to 1.00% (2025: 0.05% to 1.00%) per annum.

The factoring loans as disclosed in Note 19 to the financial statements and other banking facilities are secured by fixed deposits and joint and several personal guarantees from some directors of the Company and a subsidiary.

Notes to the Financial Statements

For the financial year ended 31 March 2026

17. Share capital

	<u>Company</u> <u>2026</u>	<u>Company</u> <u>2025</u>	<u>Company</u> <u>2026</u>	<u>Company</u> <u>2025</u>
	Number of ordinary shares	Number of ordinary shares	S\$	S\$
<u>Issued and fully paid ordinary shares</u>				
At the beginning of year	38,417,987	35,550,000	33,047,495	30,668,424
New issuance	-	2,867,987	-	2,379,071
At the end of year	38,417,987	38,417,987	33,047,495	33,047,495
<u>Issued and fully paid preference shares</u>				
At the beginning of year	-	-	-	-
New issuance	3,000,000	-	37,908	-
At the end of year	3,000,000	-	37,908	-
			33,085,403	33,047,495

During the financial year 2024, the Company was listed on NASDAQ in October 2023 and issued 3,050,000 new ordinary shares under a placement for a total consideration of US\$12,200,000 (equivalent to S\$16,650,560), net of transaction costs amounting to US\$2,104,122 (equivalent to S\$2,871,706)

During the financial year 2024, the Company has issued:

- 2,500,000 ordinary shares for S\$2,026,050 in consideration of services rendered by a third party,
- 75,951 ordinary shares for S\$76,838 as part of a performance award for independent directors, and
- 292,036 ordinary shares for S\$276,183 as a performance award to the subsidiary's director.

During the year, the Company issued 3,000,000 preference shares (Class B shares) for S\$37,908 as equity-based compensation to one of the directors of the Company. These Class B shares carry ten vote per share without restrictions.

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.

Notes to the Financial Statements

For the financial year ended 31 March 2026

18. Reserves

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Translation reserve	(16,981)	24,360
Merger reserve	749,940	749,940
Other reserve	1,151,826	887,016
	<u>1,884,785</u>	<u>1,661,316</u>

The translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

As part of the restructuring exercise (Note 2), the Company acquired the subsidiaries under common control of the controlling shareholders for a consideration of S\$17,136,088. The consideration amount was converted into new ordinary shares of the company on 22 November 2021.

Merger reserve represents the difference between the consideration and the net assets of a subsidiary acquired under common control that was accounted for by applying the "pooling-of-interest" method.

Other reserves represent the difference between the consideration and the aggregate book value of identifiable assets and liabilities acquired at date of acquisition on entities control by a controlling shareholder.

19. Borrowings

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$	<u>Company</u> <u>2026</u> S\$	<u>Company</u> <u>2025</u> S\$
<u>Non-current</u>				
Bank borrowings	5,330,037	5,808,202	-	-
Convertible bond	2,618,080	-	2,618,080	-
	<u>7,948,117</u>	<u>5,808,202</u>	<u>2,618,080</u>	<u>-</u>
<u>Current</u>				
Bank borrowings	514,575	2,053,160	-	-
Bank overdraft	7,648,315	7,246,401	-	-
Factoring loans	4,936,864	2,073,001	-	-
	<u>13,099,754</u>	<u>11,372,562</u>	<u>-</u>	<u>-</u>
Total borrowings	<u>21,047,871</u>	<u>17,180,764</u>	<u>2,618,080</u>	<u>-</u>

Notes to the Financial Statements

For the financial year ended 31 March 2026

19. Borrowings (cont'd)

Factoring loans and bank overdraft

The factoring loans with recourse granted by a financial institution to the Group. The factoring loans have a maturity ranging from 67 days to 120 days from the invoice date and bear interest at 1.5% per annum over the bank's cost of funds (2025: 1.5% per annum over the bank's cost of funds) as conclusively determined by the bank from time to time. The bank overdraft balance bears interest at 0.5% per annum over the bank's prevailing prime lending rate (2025: 0.5% per annum below the bank's prime lending rate) as published from time to time.

The factoring loans and bank overdraft are secured by:

- a) corporate guarantee by the Company;
- b) joint and several personal guarantee from some directors of the Company and a subsidiary;
- c) all monies debenture over all present and future assets of a subsidiary;
- d) fixed deposit of S\$2,266,891; and
- e) security over receivables of certain subsidiaries.

Term loans

The term loans are secured by:

- a) corporate guarantee by the Company;
- b) joint and several personal guarantee from some directors of the Company and a subsidiary;
- c) all monies debenture over all present and future assets of a subsidiary;
- d) secured over assignment deed and mortgage over certain leasehold properties as disclosed in Note 11; and
- e) fixed deposit of S\$2,266,891.

The secured bank loans consist of:

- mortgage loan with an outstanding amount of S\$5.5 million which bears the interest rate at 1.8% per annum over the Singapore Overnight Rate Average (SORA) reference rate.
- term loans with an outstanding amount of S\$0.3 million which bears the interest at 3% per annum over the Singapore Overnight Rate Average (SORA) reference rate.

Convertible bond

On 31 December 2025, the Company entered into a Securities Purchase Agreement ("SPA") with an institutional investor, pursuant to which the Company agreed to issue and sell a series of senior unsecured convertible promissory notes ("CPN") in the aggregate principal amount of US\$4,000,000, which are convertible into the Company's ordinary shares. Each CPN will bear interest at a rate of 7% per annum. In January 2026, the Company issued a US\$2,000,000 CPN to this institutional investor.

Notes to the Financial Statements

For the financial year ended 31 March 2026

20. Leases

Group as a lessee

The Group has lease contracts for buildings, equipment and motor vehicles. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets. There are lease contracts that include extension option as stated below.

The Group also has certain leases with lease terms of 12 months. The Group applies the 'short-term lease' recognition exemptions for these leases.

Carrying amount of right-of-use assets classified within property, plant and equipment

<u>Group</u>	<u>Leasehold buildings</u> S\$	<u>Office equipment</u> S\$	<u>Motor vehicles</u> S\$	<u>Total</u> S\$
At 1 April 2024	2,881,304	63,128	2,352,160	5,296,592
Additions	1,487,560	542,029	242,130	2,271,719
Modification	5,653	-	-	5,653
Transfer to property, plant and equipment	-	-	(30,786)	(30,786)
Disposal/Derecognition	(40,157)	(4,994)	(64,000)	(109,151)
Depreciation	(2,708,275)	(107,038)	(656,698)	(3,472,011)
At 31 March 2025	1,626,085	493,125	1,842,806	3,962,016
Additions	1,678,601	464,058	225,297	2,367,956
Transfer to property, plant and equipment	-	-	(17,865)	(17,865)
Disposal/Derecognition	(3,038)	(19,537)	(426,669)	(449,244)
Depreciation	(1,925,854)	(214,380)	(630,722)	(2,770,956)
At 31 March 2026	1,375,794	723,266	992,847	3,091,907

Lease liabilities

<u>Group</u>	<u>2026</u> S\$	<u>2025</u> S\$
Current liabilities	1,845,546	2,139,121
Non-current liabilities	1,069,563	1,440,994
	<u>2,915,109</u>	<u>3,580,115</u>

Notes to the Financial Statements

For the financial year ended 31 March 2026

20. Leases (cont'd)

Lease liabilities (cont'd)

The carrying amounts of lease liability (included under borrowings) and the movements during the year are disclosed elsewhere in the financial statements and the maturity analysis of lease liability is disclosed in Note 26.

Amount recognised in profit or loss

	<u>Group</u> <u>2026</u>	<u>Group</u> <u>2025</u>
	S\$	S\$
Depreciation of right-of-use asset	2,628,037	3,472,011
Interest expense on lease liability	159,893	270,035
Lease expense not capitalised in lease liabilities:		
- Expense relating to short-term lease	530,923	522,595
Total amount recognised in profit or loss	<u>3,318,853</u>	<u>4,264,641</u>

Total cash outflow

The Group had total cash outflow for leases in 2026 was S\$3,059,466 (2025: S\$3,825,237).

Extension options

The Company has several lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension options are reasonably certain to be exercised.

21. Deferred tax liabilities

	<u>Group</u> <u>2026</u>	<u>Group</u> <u>2025</u>
	S\$	S\$
At the beginning of year	296,187	299,188
Tax charged to profit or loss (Note 10)	(46,375)	(3,001)
Reversal pertaining to asset disposed	(32,413)	-
At the end of year	<u>217,399</u>	<u>296,187</u>

Deferred tax liabilities arise mainly as a result of difference between carrying amount and tax written down value of plant and equipment and unabsorbed capital allowances carried forward.

Notes to the Financial Statements

For the financial year ended 31 March 2026

22. Trade and other payables

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$	<u>Company</u> <u>2026</u> S\$	<u>Company</u> <u>2025</u> S\$
Trade payables	2,147,401	1,423,206	-	-
Other payables	362,151	238,632	297,518	204,224
Amount due to subsidiary	-	-	10,472,174	7,968,140
Accrued operating expenses	8,860,112	9,524,092	172,751	385,062
	11,369,664	11,185,930	10,942,443	8,557,426
GST payables	2,478,172	2,458,143	257,229	260,300
Deferred grants	47,321	114,468	-	-
Total trade and other payables	13,895,157	13,758,541	11,199,672	8,817,726

Trade payables are non-interest bearing and are normally settled within 30 to 90 (2025: 30 to 90) days.

Non-trade amounts due to a subsidiary and a related party are unsecured, interest-free and are repayable on demand.

23. Significant related party transactions

Compensation of key management personnel

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Salaries, compensation and bonuses	3,387,678	2,871,115
Employer's contributions to Central Provident Fund	81,044	97,303
Other short-term benefits	713,037	1,189,809
	4,181,759	4,158,227

Key management personnel are directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company and its subsidiaries, directly or indirectly.

24. Commitment and contingencies

Contingencies

The Group has guaranteed to their clients the performance of cleaning service contracts. No liability is expected to arise.

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Guarantees provided by bank and financial institution	13,927,600	11,275,823

Notes to the Financial Statements

For the financial year ended 31 March 2026

25. Fair value of assets and liabilities

Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

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

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Assets and liabilities not measured at fair value

Cash at bank and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amount of these receivables and trade payables approximate their fair values as they are subject to normal trade credit terms.

Borrowings

The carrying amounts of borrowings approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

26. Financial risk management

The Group's and the Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk).

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Group's and the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

Notes to the Financial Statements

For the financial year ended 31 March 2026

26. Financial risk management (cont'd)

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group and the Company. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. The Group and the Company perform ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group and the Company have determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Group and the Company have developed and maintained the Group's and the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Group's and the Company's own trading records to rate its major customers and other debtors. The Group and the Company consider available reasonable and supportive forward-looking information which includes the following indicators:

The Group and the Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Group and the Company categorise a receivable for potential write-off when a debtor fails to make contractual payments more than 90 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

Notes to the Financial Statements

For the financial year ended 31 March 2026

26. Financial risk management (cont'd)

Credit risk (cont'd)

The Group's and the Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognition of expected credit losses (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Group's and the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

Group	Category	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
<u>2026</u>					
Trade receivables	Note 1	Lifetime ECL (simplified)	18,773,809	(535,803)	18,238,006
Other receivables	I	12-month ECL	1,914,310	-	1,914,310
				<u>(535,803)</u>	
<u>2025</u>					
Trade receivables	Note 1	Lifetime ECL (simplified)	16,883,656	(645,543)	16,238,113
Other receivables	I	12-month ECL	3,337,837	-	3,337,837
				<u>(645,543)</u>	

Notes to the Financial Statements

For the financial year ended 31 March 2026

26. Financial risk management (cont'd)Credit risk (cont'd)

<u>Company</u>	<u>Category</u>	<u>12-month or lifetime ECL</u>	<u>Gross carrying amount</u> S\$	<u>Loss allowance</u> S\$	<u>Net carrying amount</u> S\$
<u>2026</u>					
Amount due from subsidiary	I	12-month ECL	7,289,012	(4,568,039)	2,720,973
Other receivables	I	12-month ECL	18,384	-	18,384
				<u>(4,568,039)</u>	
<u>2025</u>					
Amount due from subsidiary	I	12-month ECL	3,970,747	(1,765,001)	2,205,746
Other receivables	I	12-month ECL	380,613	-	380,613
				<u>(1,765,001)</u>	

Trade receivables (Note 1)

For trade receivables, the Group and the Company have applied the simplified approach in FRS109 to measure the loss allowance at lifetime ECL. The Group and the Company determine the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

Group

	Trade receivables					Total S\$
	Not past due S\$	Days past due			91 and above S\$	
		1 to 30 S\$	31 to 60 S\$	61 to 90 S\$		
2026						
Trade receivables	13,494,690	3,683,084	639,995	3,957	952,083	18,773,809
ECL	-	-	-	-	(535,803)	(535,803)
						18,238,006
2025						
Trade receivables	11,281,610	4,131,132	689,019	23,435	758,460	16,883,656
ECL	-	-	-	-	(645,543)	(645,543)
						16,238,113

Information regarding the loss allowance movement of the Group's trade receivables is disclosed in Note 15.

Notes to the Financial Statements

For the financial year ended 31 March 2026

26. Financial risk management (cont'd)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

Exposure to credit risk

The Group and the Company have no significant concentration of credit risk. The Group and the Company have credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Other receivables

The Group and 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 concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group and the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

Liquidity risk

Liquidity risk refers to the risk that the Group and the Company will encounter difficulties in meeting its short-term 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. It is managed by matching the payment and receipt cycles. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of balances with related companies. The Group and the Company finance its working capital requirements through a combination of funds generated from operations and funding from related companies. The directors are satisfied that funds are available to finance the operations of the Group and the Company.

Notes to the Financial Statements

For the financial year ended 31 March 2026

26. Financial risk management (cont'd)Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of reporting period based on contractual undiscounted repayments obligations.

<u>Group</u>	<u>Within 1 year S\$</u>	<u>Within 2 to 5 years S\$</u>	<u>More than 5 years S\$</u>	<u>Total S\$</u>
<u>2026</u>				
Trade and other payables	11,369,664	-	-	11,369,664
Lease liabilities	1,920,015	1,065,968	38,692	3,024,675
Borrowings	13,458,911	4,775,255	4,591,899	22,826,065
	<u>26,557,431</u>	<u>5,841,223</u>	<u>4,630,591</u>	<u>37,220,404</u>

<u>2025</u>				
Trade and other payables	11,185,930	-	-	11,185,930
Lease liabilities	2,282,287	1,460,428	25,971	3,768,686
Borrowings	11,234,710	2,217,648	5,752,152	19,204,510
	<u>24,702,927</u>	<u>3,678,076</u>	<u>5,778,123</u>	<u>34,159,126</u>

<u>Company</u>	<u>Within 1 year S\$</u>	<u>Within 2 to 5 years S\$</u>	<u>Total S\$</u>
<u>2026</u>			
Trade and other payables	10,942,443	-	10,942,443
Borrowings	191,159	2,853,367	3,044,526
	<u>10,942,443</u>	<u>2,853,367</u>	<u>13,986,969</u>

<u>2025</u>			
Trade and other payables	8,557,426	-	8,557,426

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group's and Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Notes to the Financial Statements

For the financial year ended 31 March 2026

26. Financial risk management (cont'd)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from their cash and cash equivalents and borrowings.

The Group does not expect any significant effect on the Group's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

At the reporting date, if the interest rates had been 50 basis points higher/lower with all other variables held constant, the Group's loss before tax would have been S\$105,239 (2025: S\$79,654) higher/lower, arising mainly as a result of higher/lower interest income/expenses on floating rate cash at bank and floating rate bank borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was as follows:

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
<u>Variable rate instruments</u>		
Borrowings	21,047,871	15,930,764

The sensitivity analysis is based on changes in the interest rates of variable rate financial instruments.

Notes to the Financial Statements

For the financial year ended 31 March 2026

27. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	<u>Group</u> <u>2026</u> S\$	<u>Group</u> <u>2025</u> S\$
Financial assets measured at amortised cost		
Trade and other receivables	20,152,316	19,575,950
Cash and cash equivalents	11,520,222	13,604,409
Total financial assets measured at amortised cost	<u>31,672,538</u>	<u>33,180,359</u>
Financial liabilities measured at amortised cost		
Trade and other payables	11,369,664	11,185,930
Lease liabilities	2,915,109	3,580,115
Borrowings	21,047,871	17,180,764
Total financial liabilities measured at amortised cost	<u>35,332,644</u>	<u>31,946,809</u>
	<u>Company</u> <u>2026</u> S\$	<u>Company</u> <u>2025</u> S\$
Financial assets measured at amortised cost		
Trade and other receivables	2,739,357	2,586,359
Cash and cash equivalents	550,205	25,662
Total financial assets measured at amortised cost	<u>3,289,562</u>	<u>2,612,021</u>
Financial liabilities measured at amortised cost		
Trade and other payables	10,942,443	8,557,426
Borrowings	2,618,080	-
Total financial liabilities measured at amortised cost	<u>13,560,523</u>	<u>8,557,426</u>

28. Capital management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Group and the Company comprises issued share capital and retained earnings.

The Group and the Company 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 and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group and the Company is not subject to any externally imposed capital requirements. No changes were made to the objectives, policies or processes during the financial years ended 31 March 2026 and 31 March 2025.

Notes to the Financial Statements

For the financial year ended 31 March 2026

29. Events after the reporting period

In April 2026, a subsidiary of the Company entered into an option-to-purchase agreement with a third party for the disposal of 23 and 25 Ubi Crescent, a property used by the Group as headquarters. The transaction was complete in July 2026.

In May 2026, a subsidiary of the Company entered into a lease agreement for the new headquarters at 60 MacPherson Road, Siemens Centre, #04-08, Singapore 348615, for a term of approximately three (3) years.

In July 2026, the Company issued a U\$2,000,000 convertible promissory note to an institutional investor.