

TECHNO ELECTRIC OVERSEAS PTE. LTD.
(Incorporated in Singapore)

(Company Registration No.: 202305827Z)

DIRECTORS' STATEMENT
AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM
16 FEBRUARY 2023 (DATE OF INCORPORATION) TO 31 MARCH 2024

TECHNO ELECTRIC OVERSEAS PTE. LTD.

GENERAL INFORMATION

DIRECTORS

Kedia Abhishek
Saraiya Ankit
Daniel Kurniawan
Meenu Agarwal

COMPANY SECRETARY

Gupta Sapna Mahip

REGISTERED OFFICE

3 Shenton Way
#13-05 Shenton House
Singapore 068805

AUDITORS

Everest Assurance PAC
7500A Beach Road
#14-302 The Plaza
Singapore 199591

BANKERS

ICICI Bank

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TECHNO ELECTRIC OVERSEAS PTE. LTD.

DIRECTORS' STATEMENT

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

The directors are pleased to present their statement to the members of the Company together with the audited financial statements of Techno Electric Overseas Pte. Ltd, ("the Company") for the financial period from 16 February 2023 (date of incorporation) to 31 March 2024.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2024 and of the financial performance, changes in equity and cash flows of the Company for the financial period from the date of incorporation, 16 February 2023 to 31 March 2024; 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:

Kedia Abhishek (Appointed on 16 February 2023)
Saraiya Ankit (Appointed on 16 February 2023)
Daniel Kurniawan (Appointed on 16 February 2023)
Meenu Agarwal (Appointed on 1 February 2024)

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS

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

4. DIRECTORS' INTEREST 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 director of the Company who held office at the end of the financial period had no interests in the shares or debentures of the Company and its related corporations except as stated below:

Name of Director	Number of Ordinary Shares	
	At the date of appointment	At the end of the financial period
Holding Company - Techno Electric & Engineering Company Limited		
Saraiya Ankit	216,000	216,000

5. SHARE OPTIONS

There were no share options granted during the financial period to subscribe for unissued shares of the Company.

There were no shares issued during the financial period by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial period.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

DIRECTORS' STATEMENT

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

6. AUDITORS

Pursuant to a resolution of the Board of Directors on 19 July 2023, Messrs Everest Assurance PAC, Public Accountants and Chartered Accountants of Singapore were appointed as auditors of the Company.

Messrs Everest Assurance PAC have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,



Meenu Agarwal
Director



Kedia Abhishek
Director

Singapore,
16 May 2024

Independent Auditor's Report
To the Member of Techno Electric Overseas Pte. Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Techno Electric Overseas Pte. Ltd. (the Company), which comprise the statement of financial position as at 31 March 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial period from the date of incorporation, 16 February 2023 to 31 March 2024, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)), so as to give a true and fair view of the financial position of the Company as at 31 March 2024 and of the financial performance, changes in equity and cash flows of the Company for the financial period from the date of incorporation, 16 February 2023 to 31 March 2024.

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 Company 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 set out on pages 1 to 2.

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

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report (Continued)
To the Member of Techno Electric Overseas Pte. Ltd. (Continued)

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 Company 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.

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 have been properly kept in accordance with the provisions of the Act.

Singapore,
16 May 2024

Everest Assurance PAC

EVEREST ASSURANCE PAC
Public Accountants and
Chartered Accountants

TECHNO ELECTRIC OVERSEAS PTE. LTD.

STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

(Expressed in United States Dollars)

	Note	31.3.2024 US\$
ASSETS		
Non-Current Assets		
Investment in financial assets, at FVTPL	4	9,937,509
Current assets		
Other receivables	5	178,676
Prepaid expenses		1,520
Cash and cash equivalents	6	120,472
		300,668
Total assets		10,238,177
EQUITY AND LIABILITIES		
Equity		
Share capital	7	10,000,000
Retained earnings		215,304
Total equity		10,215,304
Current liabilities		
Accrued expenses		22,873
		22,873
Total equity and liabilities		10,238,177

(The accompanying accounting policies and explanatory notes form
an integral part of the financial statements)

TECHNO ELECTRIC OVERSEAS PTE. LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024
(Expressed in United States Dollars)

	Note	16.2.2023 to 31.3.2024 US\$
Revenue	8	595,116
Expenses		
Other expenses		(129,812)
Profit before tax	9	465,304
Income tax expense	10	-
Profit for the period, representing total comprehensive income for the period		465,304

(The accompanying accounting policies and explanatory notes form
an integral part of the financial statements)

TECHNO ELECTRIC OVERSEAS PTE. LTD.

STATEMENT OF CHANGES IN EQUITY

*For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024
(Expressed in United States Dollars)*

	Share Capital US\$	Retained earnings US\$	Total Equity US\$
Issue of ordinary shares on date of incorporation, 16 February 2023	1,000	-	1,000
Issue of additional ordinary shares	9,999,000	-	9,999,000
Total comprehensive income for the period	-	465,304	465,304
Dividend paid (Note 11)	-	(250,000)	(250,000)
As at 31 March 2024	<u>10,000,000</u>	<u>215,304</u>	<u>10,215,304</u>

*(The accompanying accounting policies and explanatory notes form
an integral part of the financial statements)*

TECHNO ELECTRIC OVERSEAS PTE. LTD.

STATEMENT OF CASH FLOWS

*For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024
(Expressed in United States Dollars)*

	16.2.2023 to 31.3.2024 US\$
Cash flows from operating activities	
Profit before tax for the period	465,304
<u>Adjustments for:</u>	
Interest income	(76,771)
Net gain on valuation of debt securities	(304,702)
Operating cash flows before movements in working capital	<u>83,831</u>
Movements in Working Capital	
Other receivables	(178,676)
Prepaid expenses	(1,520)
Accrued expenses	22,873
Cash used in operating activities	<u>(73,492)</u>
Income tax paid	-
Net cash used in operating activities	<u>(73,492)</u>
Cash flows from investing activities	
Purchase of debt securities (Note 4)	(9,632,807)
Interest received	76,771
Net cash used in investing activities	<u>(9,556,036)</u>
Cash flows from financing activities	
Proceeds from issue of ordinary shares	9,999,000
Dividend paid (Note 11)	(250,000)
Net cash generated from financing activities	<u>9,749,000</u>
Net increase in cash and cash equivalents	119,472
Cash and cash equivalents at date of incorporation	1,000
Cash and cash equivalents at the end of financial period (Note 6)	<u>120,472</u>

*(The accompanying accounting policies and explanatory notes form
an integral part of the financial statements)*

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

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

1. CORPORATE INFORMATION

The Company is domiciled and incorporated in the Republic of Singapore. The registered office address of the Company is:

3 Shenton Way
#13-05 Shenton House
Singapore 068805

The principal activity of the Company is that of an investment holding company.

The Company's immediate and ultimate holding company is Techno Electric & Engineering Company Limited, a company incorporated in India.

2. MATERIAL ACCOUNTING POLICY INFORMATION

(a) BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)). SFRS(I) is equivalent to the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a historical cost basis, except where otherwise disclosed in the notes hereto.

All financial information is presented in United States dollars which is also the Company's functional currency and has been rounded to the nearest dollar, unless otherwise stated.

(b) ADOPTION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on 16 February 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

(c) STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
<i>Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current</i>	1 January 2024
<i>Amendments to FRS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants</i>	1 January 2024
<i>Amendments to FRS 7 Statement of Cash Flows and FRS 107 Financial Instruments: Disclosures: Supplier Finance Arrangements</i>	1 January 2025
<i>Amendments to FRS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

(d) FOREIGN CURRENCIES TRANSACTIONS AND BALANCES

The Company's financial statements are presented in United States Dollars (US\$), which is also its functional currency.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

(d) FOREIGN CURRENCIES TRANSACTIONS AND BALANCES (Continued)

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the end of the financial period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the financial period are recognised in profit or loss.

(e) FINANCIAL INSTRUMENTS

Financial assets

Recognition and derecognition

All regular way purchases or sales of financial assets are initially measured at fair value.

Financial assets are classified into the following categories: financial assets at amortised cost, investments in equity instruments at fair value through other comprehensive income (FVTOCI) and Financial assets at fair value through profit or loss (FVTPL).

Financial assets at amortised cost

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, debt investments with no active market, account receivables at amortized cost and other financial assets, are measured at amortized cost, which equals to gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognised in profit or loss.

Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in other equity.

Investments in equity instruments at FVTPL

Financial asset is classified as at FVTPL when the financial asset is mandatorily measured as at FVTPL, including investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss does not incorporate any dividend or interest earned on the financial asset.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

(e) FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Recognition and derecognition (Continued)

Impairment

The Company recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. 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 required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

If the Company has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Company recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

Offset

Financial assets and liabilities are offset and the net amount presented on the statement of financial position when, and only when the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company 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 fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

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

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

(f) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and cash with broker which are subject to an insignificant risk of changes in value.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

(g) SHARE CAPITAL

Ordinary shares are classified as equity and dividends on ordinary shares are recognised in the period in which they are declared.

(h) REVENUE RECOGNITION

Revenue is measured based on the consideration to which the Company 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 Company 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 over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Revenue from investment trading activities

Changes in fair values of trading financial assets at fair value through profit or loss are recognised as revenue when the changes in fair value arise. On disposal, the difference between the sales proceeds and the carrying amount is recognised as revenue in the income statement.

Interest Income

Interest income is recognised as it accrues, using the effective interest method.

(i) PROVISIONS

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are reviewed at the balance sheet date and adjusted to reflect the current best estimate. A provision is reversed only if it is no longer probable that an outflow of economic resources will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using an appropriate pre-tax rate that reflects 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.

(j) TAXES

Income tax expense on the profit or loss for the financial period comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for certain temporary differences, viz., the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and joint ventures to the extent that they probably will not be reversed in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they are reversed, based on the laws that have been enacted by the balance sheet date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that related tax benefits will be realised.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

(k) RELATED PARTY

A related party is defined as follows:

- (i) A person or a close member of that person's family is related to the Company if that person:
 - a) Has control or joint control over the Company;
 - b) Has significant influence over the Company; or
 - c) Is a member of the key management personnel of the Company or of a parent of the Company.
- (ii) An entity is related to the Company if any of the following applies:
 - a) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - b) 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);
 - c) Both entities are joint ventures of the same third party;
 - d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - e) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - f) The entity is controlled or jointly controlled by a person identified in (i) above; or
 - g) A person identified in (i)a) above 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).

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. INVESTMENT IN FINANCIAL ASSETS, AT FVTPL

	31.3.2024
	US\$
Financial assets at fair value through profit or loss:	
- Debt securities (quoted)	9,937,509
<u>Movement during the financial period:</u>	
	31.3.2024
	US\$
Balance at the beginning of the financial period	-
Additions	9,632,807
Net gain on valuation of debt securities (quoted) (Note 8)	304,702
Fair value at the end of the financial period	9,937,509

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

4. INVESTMENT IN FINANCIAL ASSETS, AT FVTPL (Continued)

The quoted debt securities have a maturity date expiring ranging from July 2025 to July 2029. The rate of interest ranges from 4.15% to 6.125% per annum.

Financial assets at FVTPL are managed by the independent fund managers.

Investment in financial assets, at FVTPL is denominated in United States dollar only.

5. OTHER RECEIVABLES

31.3.2024
US\$

Accrued interest income	178,676
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Other receivable is denominated in United States dollar.

6. CASH AND CASH EQUIVALENTS

31.3.2024
US\$

Cash at bank	11,024
Cash with broker	109,448
	120,472

Cash and cash equivalents are denominated in the following currencies:

31.3.2024
US\$

United States Dollars	120,217
Singapore Dollars	255*
	120,472

* Amount in original currency is SGD 343, which is equivalent to USD 255 stated above.

7. SHARE CAPITAL

	31.3.2024 Number of shares	US\$
<u>Issued and Fully Paid-up Capital</u>		
At date of incorporation	1,000	1,000
Additional issue during the financial period	9,999,000	9,999,000
At end of financial period	10,000,000	10,000,000

During the period ended 31 March 2024, the Company issued additional 9,999,000 ordinary shares at US\$1 each to make additional investments.

The holders of ordinary shares are entitled to receive dividends as and when declared and are entitled to one vote per share at meetings of the Company. All shares rank equally with regards to residual assets of the Company. The ordinary shares have no par value.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

8. REVENUE

	16.2.2023 to 31.3.2024 US\$
Interest income from debt securities	213,643
Interest income from fixed deposits	76,771
Net gain on valuation of debt securities (Note 4)	304,702
	<u>595,116</u>

9. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging the following:

	16.2.2023 to 31.3.2024 US\$
Directors' fee	18,391
Legal and professional fees	67,199
Management fee	18,555
Foreign exchange loss	<u>545</u>

10. INCOME TAX EXPENSE

	16.2.2023 to 31.3.2024 US\$
<u>Income Statement:</u>	
Current income tax	<u>-</u>

Relationship between tax expense and accounting loss

The current financial period income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% to profit/loss before income tax as a result of the following:

	16.2.2023 to 31.3.2024 US\$
Accounting profit before tax	<u>465,304</u>
Income tax at statutory tax rate of 17%	79,102
Effect of tax incentive	<u>(79,102)</u>
Income tax expense recognised in profit or loss	<u>-</u>

The Company has been approved by the Monetary Authority of Singapore ("MAS") under Section 13O of the Income Tax Act 1947 and the relevant Regulations. Subject to certain conditions being met on an annual basis, the Company may enjoy Singapore corporate income tax exemption on "specified income" derived from "designated investments" for the life of the Company. The tax exemption does not apply in the year when the relevant conditions are not met. Losses from "designated investments" are correspondingly disregarded. The terms "specific income" and "designated investments" are defined in the relevant income tax regulations. The fund manager of the Company will ensure that the Company fulfils its reporting obligations under the S13O Tax Exemption Scheme.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

11. DIVIDEND

On 26 March 2024, the Company declared an interim dividend of US\$ 0.025 per share amounting to a total of US\$ 250,000 for the financial period ended 31 March 2024.

12. RELATED PARTY TRANSACTIONS

The following transactions are the significant related party transactions entered into by the Company on terms agreed between the parties:

	16.2.2023 to 31.3.2024 US\$
Transactions with fund management company	
Management fee	18,555
Consultancy services	<u>25,000</u>
Compensation of key management personnel	
Directors' fee	<u>18,391</u>

13. FINANCIAL INSTRUMENTS BY CATEGORIES

At the reporting date, the aggregate carrying amounts of financial instruments were as follows:

	31.3.2024 US\$
Financial assets measured at fair value through profit or loss	
Debt securities (quoted)	<u>9,937,509</u>
Financial assets measured at amortised cost	
Other receivables	178,676
Cash and cash equivalents	<u>120,472</u>
Total financial asset measured at amortised cost	<u>299,148</u>
Financial liabilities measured at amortised cost	
Accrued expenses	<u>22,873</u>
Total financial liabilities measured at amortised cost	<u>22,873</u>

14. FINANCIAL RISK MANAGEMENT

The Company's management may use natural hedges or closely monitor the Company's business risk exposures in connection with its financial assets and financial liabilities and adopt the appropriate measures including the use of other financial instruments when considered necessary to reduce any potential financial risk exposures or losses.

(a) Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company.

Bank balances, fixed deposits and investments are held in financial institutions with high credit ratings.

The carrying amount of financial assets recorded in the financial statements, net of any provision for losses, represents the Company's maximum exposure to credit risk.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

14. FINANCIAL RISK MANAGEMENT (Continued)

(b) Liquidity Risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds.

The Company monitors and maintains a level of cash and bank balances deemed adequate by the management to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the Company's financial liabilities is within the next 12 months after the end of the reporting period.

(c) Interest rate risk

The Company's exposure to interest rate risks relate primarily to its investment in debt securities and fixed deposit placements with financial institutions. The Company's policy is to obtain the most favourable interest rate available without exposing itself to any unnecessary risk. Interest rate risk is managed by placing debt securities and fixed deposits on varying maturities and terms. Based on the current interest rate level, any future variations in interest rates are not expected to have significant impact on the Company's results.

(d) Foreign currency risk

The financial assets and financial liabilities of the Company are primarily denominated in United States dollars. Hence, the Company has no significant exposure to foreign currency risk.

15. FAIR VALUES OF FINANCIAL INSTRUMENTS

(a) Fair value hierarchy

The Company 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 markets for identical assets or liabilities that the Company can assess 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 (i.e., from prices) or indirectly (i.e., derived from prices); and

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

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.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024

15. FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the reporting date:

	31.3.2024			
	Fair value measurements at the reporting date using			Total
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
	US\$	US\$	US\$	US\$
Financial assets				
At fair value through profit or loss -				
Debt securities (quoted) (Note 4)	9,937,509	-	-	9,937,509

(c) Assets and liabilities not measured at fair value

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value -

Cash and cash equivalents, other receivables and other payables

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

16. CAPITAL MANAGEMENT

The capital of the Company consists of issued share capital and retained earnings.

The objectives of the Company when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, issue new shares, obtain new borrowings, redeem existing borrowings or sell assets to reduce borrowings.

The Company is not subject to externally imposed capital requirements.

17. COMPARATIVE FIGURES

The financial statements cover the period since incorporation on 16 February 2023 to 31 March 2024. These being the first set of accounts, there are no comparative figures.

18. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 16 May 2024.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

DETAILED STATEMENT OF PROFIT OR LOSS

*For the financial period from 16 February 2023 (date of incorporation) to 31 March 2024
(Expressed in United States Dollars)*

		APPENDIX A
		16.2.2023 to 31.3.2024 US\$
Revenue		595,116
Less:	<u>Other expenses</u>	
	Accounting fee	5,750
	Administration fee	900
	Annual subscription fee	189
	Annual filing fee	900
	Audit fee	7,212
	Bank charges	1,754
	Directors' fee	18,391
	Foreign exchange loss	545
	General expenses	357
	GST expense	4,030
	Incorporation fee	2,150
	Legal and professional fees	67,199
	Management fee	18,555
	Registration fee	380
	Tax filing fee	1,500
		129,812
Profit before tax		465,304
Less:	Income tax expense	-
Profit for the period		465,304

This statement does not form part of the audited statutory financial statements of the Company.

