

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

(Company Registration No.: 202305827Z)

**DIRECTORS' STATEMENT
AUDITED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED
31 MARCH 2025**

TECHNO ELECTRIC OVERSEAS PTE. LTD.

GENERAL INFORMATION

DIRECTORS

Kedia Abhishek
Daniel Kurniawan
Choong Kok Ying
Cheong Hock Kuen

COMPANY SECRETARY

Gupta Sapna Mahip

REGISTERED OFFICE

160 Robinson Road
#26-03 Singapore Business Federation Center
Singapore 068914

AUDITORS

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

BANKERS

ICICI Bank
Maybank Singapore Branch
Bank Julius Baer & Co. Ltd.
DBS Bank Limited

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TECHNO ELECTRIC OVERSEAS PTE. LTD.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2025

The directors are pleased to present their statement to the members together with the audited financial statements of Techno Electric Overseas Pte. Ltd, ("the Company") for the financial year ended 31 March 2025.

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 2025 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended 31 March 2025; 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
Daniel Kurniawan
Choong Kok Ying (Appointed on 1 June 2024)
Cheong Hock Kuen (Appointed on 31 December 2024)

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS

Neither at the end of nor at any time during the financial year 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"), none of the directors of the Company holding office at the reporting date had any interest in the shares or debentures of the Company or any related corporations either at the beginning or end of financial year.

5. SHARE OPTIONS

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

There were no shares issued during the financial year 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 year.

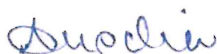
TECHNO ELECTRIC OVERSEAS PTE. LTD.

DIRECTORS' STATEMENT
For the financial year ended 31 March 2025

6. AUDITORS

Messrs Everest Assurance PAC, Public Accountants and Chartered Accountants, have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,



Kedia Abhishek
Director

Singapore,
19 May 2025



Choong Kok Ying
Director

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 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year ended 31 March 2025, 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 2025 and of the financial performance, changes in equity and cash flows 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 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,
19 May 2025



EVEREST ASSURANCE PAC
Public Accountants and
Chartered Accountants

TECHNO ELECTRIC OVERSEAS PTE. LTD.

STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

(Expressed in United States Dollars)

	Note	31.3.2025 US\$	31.3.2024 US\$
ASSETS			
Financial assets, at FVTPL	4	37,882,332	9,937,509
Financial assets, at FVTPL pledged as collateral	5	5,856,694	-
Prepaid expenses		12,498	1,520
Other receivables	6	711,446	178,676
Cash and cash equivalents	7	393,450	120,472
Total assets		44,856,420	10,238,177
EQUITY AND LIABILITIES			
Equity			
Share capital	8	40,000,000	10,000,000
Retained earnings		208,459	215,304
Total equity		40,208,459	10,215,304
Liabilities			
Loans under repurchase agreements	9	4,575,652	-
Accrued expenses		72,309	22,873
Total liabilities		4,647,961	22,873
Total equity and liabilities		44,856,420	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 year ended 31 March 2025

(Expressed in United States Dollars)

	Note	1.4.2024 to 31.3.2025 US\$	16.2.2023 to 31.3.2024 US\$
Revenue	10	2,800,265	595,116
Expenses			
Other expenses		(217,078)	(129,812)
Finance expense	11	(90,032)	-
Profit before tax	12	2,493,155	465,304
Income tax expense	13	-	-
Profit for the year/period, representing total comprehensive income for the year/period		2,493,155	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 year ended 31 March 2025
(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 (Note 8)	9,999,000	-	9,999,000
Total comprehensive income for the period	-	465,304	465,304
Dividend paid (Note 14)	-	(250,000)	(250,000)
As at 31 March 2024	10,000,000	215,304	10,215,304
Issue of additional ordinary shares (Note 8)	30,000,000	-	30,000,000
Total comprehensive income for the year	-	2,493,155	2,493,155
Dividend paid (Note 14)	-	(2,500,000)	(2,500,000)
As at 31 March 2025	<u>40,000,000</u>	<u>208,459</u>	<u>40,208,459</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 year ended 31 March 2025 (Expressed in United States Dollars)

	1.4.24 to 31.3.2025 US\$	16.2.2023 to 31.3.2024 US\$
Cash flows from operating activities		
Profit before tax for the year/period	2,493,155	465,304
<u>Adjustments for:</u>		
Interest income	(2,177,257)	(290,414)
Interest expense	90,032	-
Net gain on valuation of debt and equity securities	(623,008)	(304,702)
Operating cash flows before movements in working capital	(217,078)	(129,812)
Movements in Working Capital		
Prepaid expenses	(10,978)	(1,520)
Accrued expenses	49,436	22,873
Cash used in operating activities	(178,620)	(108,459)
Income tax paid	-	-
Net cash used in operating activities	(178,620)	(108,459)
Cash flows from investing activities		
Net (addition) / disposal of financial assets, at FVTPL (Note 4)	(33,178,509)	(9,632,807)
Interest received	1,644,487	111,738
Net cash used in investing activities	(31,534,022)	(9,521,069)
Cash flows from financing activities		
Proceeds from issue of additional ordinary shares	30,000,000	9,999,000
Dividend paid (Note 14)	(2,500,000)	(250,000)
Proceeds from loans under repurchase agreements	4,575,652	-
Interest paid on loans under repurchase agreements	(90,032)	-
Net cash generated from financing activities	31,985,620	9,749,000
Net increase in cash and cash equivalents	272,978	119,472
Cash and cash equivalents at beginning of year/date of incorporation	120,472	1,000
Cash and cash equivalents at the end of financial year/period (Note 7)	<u>393,450</u>	<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 year ended 31 March 2025

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:

160 Robinson Road
#26-03 Singapore Business Federation Center
Singapore 068914

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 assets and liabilities are presented in the Statement of Financial Position in their approximate order of liquidity.

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 1 April 2024. 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
Amendments to FRS 21 <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025
Amendments to FRS 109 <i>Financial Instruments</i> and FRS 107 <i>Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvement to FRSs Volume 11	1 January 2026
FRS 118 <i>Presentation and Disclosure in Financial Statements:</i>	1 January 2027
FRS 119 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027

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.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

(d) FOREIGN CURRENCIES TRANSACTIONS AND BALANCES

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

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 amortised cost, including cash and cash equivalents, debt investments with no active market, account receivables at amortised cost and other financial assets, are measured at amortised 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 amortised cost criteria or the FVTOCI criteria.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

(e) FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Recognition and derecognition (Continued)

Investments in equity instruments at FVTPL (Continued)

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.

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.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

(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.

(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) SALE AND REPURCHASE AGREEMENTS

When the Company sells a financial asset and simultaneously enters into an agreement to repurchase the same or a similar asset at a fixed price on a future date (sale and repurchase agreement), the arrangement is accounted for as a borrowing and is recognised in the statement of financial position as a payable under a sale and repurchase agreement, and the underlying asset is reclassified in the Company's statement of financial position to pledged financial assets at FVTPL.

(i) 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.

(j) 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.

(k) 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.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

(j) TAXES (Continued)

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.

(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

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

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2025

4. FINANCIAL ASSETS, AT FVTPL

	31.3.2025 US\$	31.3.2024 US\$
Financial assets at fair value through profit or loss:		
- Debt securities (quoted)	36,882,332	9,937,509
- Equity securities (quoted)	1,000,000	-
	<u>37,882,332</u>	<u>9,937,509</u>
<u>Movement during the financial year/period:</u>		
	31.3.2025 US\$	31.3.2024 US\$
Balance at the beginning of the financial year/period	9,937,509	-
Net addition / (disposal)	33,178,509	9,632,807
Pledge assets under repurchase agreements	(5,584,261)	-
Net gain on valuation of debt and equity securities (quoted)	350,575	304,702
Fair value at the end of the financial year/period	<u>37,882,332</u>	<u>9,937,509</u>

The quoted debt securities have a maturity date expiring ranging from July 2025 to June 2049. The rate of interest ranges from 4.15% to 9.85% 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. FINANCIAL ASSETS, AT FVTPL PLEDGED AS COLLATERAL

	31.3.2025 US\$	31.3.2024 US\$
Financial assets at fair value through profit or loss:		
- Debt securities (quoted)	<u>5,856,694</u>	<u>-</u>
<u>Movement during the financial year/period:</u>		
	31.3.2025 US\$	31.3.2024 US\$
Balance at the beginning of the financial year/period	-	-
Pledge assets under repurchase agreements	5,584,261	-
Net gain on valuation of debt securities (quoted)	272,433	-
Fair value at the end of the financial year/period	<u>5,856,694</u>	<u>-</u>

The Company has entered into obligations under repurchase agreements (Note 9) and the securities under repurchase agreements are treated as pledged assets. As at 31 March 2025, borrowings amounting to US\$4,575,652 (2024: US\$ Nil) were backed by the above securities sold under repurchase agreements.

Financial assets, at FVTPL pledged as collateral is denominated in United States dollar only.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

6. OTHER RECEIVABLES

	31.3.2025 US\$	31.3.2024 US\$
Accrued interest income	<u>711,446</u>	<u>178,676</u>

Other receivable is denominated in United States dollar.

7. CASH AND CASH EQUIVALENTS

	31.3.2025 US\$	31.3.2024 US\$
Cash at bank	228,990	11,024
Call deposit at bank	164,202	-
Cash with broker	<u>258</u>	<u>109,448</u>
	<u>393,450</u>	<u>120,472</u>

Cash and cash equivalents are denominated in the following currencies:

	31.3.2025 US\$	31.3.2024 US\$
United States Dollars	392,460	120,217
Singapore Dollars	<u>990*</u>	<u>255*</u>
	<u>393,450</u>	<u>120,472</u>

* Amount in original currency is SGD 1,329 (2024: SGD 343), which is equivalent to USD 990 (2024: USD 255) stated above.

8. SHARE CAPITAL

	31.3.2025 No. of shares	US\$	31.3.2024 No. of shares	US\$
Issued and fully paid ordinary shares:				
At the beginning of financial year / at date of incorporation	10,000,000	10,000,000	1,000	1,000
Issue new share capital	<u>30,000,000</u>	<u>30,000,000</u>	<u>9,999,000</u>	<u>9,999,000</u>
At the end of financial year	<u>40,000,000</u>	<u>40,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u>

During the year ended 31 March 2025, the Company issued additional 30,000,000 (2024: 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 year ended 31 March 2025

9. LOANS UNDER REPURCHASE AGREEMENTS

	31.3.2025 US\$	31.3.2024 US\$
Loans under repurchase agreements	<u>4,575,652</u>	<u>-</u>

Above represents overnight interest-bearing repurchase agreements with interest ranging from 5.43% to 5.68% per annum.

Loans under repurchase agreements were secured by financial assets, at FVTPL pledged as collateral (Note 5).

As at the authorisation date of this financial statements, the loans were fully settled with the repurchase of the collateralised debts securities.

10. REVENUE

	1.4.2024 to 31.3.2025 US\$	16.2.2023 to 31.3.2024 US\$
Interest income from debt securities	2,177,257	213,643
Interest income from fixed deposits	-	76,771
Net gain on valuation of debt and equity securities	<u>623,008</u>	<u>304,702</u>
	<u>2,800,265</u>	<u>595,116</u>

11. FINANCE EXPENSE

	1.4.2024 to 31.3.2025 US\$	16.2.2023 to 31.3.2024 US\$
Interest on loans under repurchase agreements	<u>90,032</u>	<u>-</u>

12. PROFIT BEFORE TAX

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

	1.4.2024 to 31.3.2025 US\$	16.2.2023 to 31.3.2024 US\$
Directors' fee	40,246	18,391
Legal and professional fees	15,069	67,199
Management fee	102,332	18,555
Foreign exchange loss	<u>779</u>	<u>545</u>

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2025

13. INCOME TAX EXPENSE

	1.4.2024 to 31.3.2025 US\$	16.2.2023 to 31.3.2024 US\$
<u>Income Statement:</u>		
Current income tax	-	-

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:

	1.4.2024 to 31.3.2025 US\$	16.2.2023 to 31.3.2024 US\$
Accounting profit before tax	2,493,155	465,304
Income tax at statutory tax rate of 17%	423,836	79,102
Effect of tax incentive	(423,836)	(79,102)
Income tax expense recognised in profit or loss	-	-

The Company has been approved by the Monetary Authority of Singapore ("MAS") under Section 130 of the Income Tax Act 1947 and the relevant Regulations. Subject to certain conditions being met on an annual basis including a minimum capital deployment requirement of SGD 10 million, 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 Section 130 Tax Exemption Scheme.

14. DIVIDEND

On 18 March 2025, the Company declared an interim dividend of US\$ 0.0625 (2024: US\$ 0.025) per share amounting to a total of US\$2,500,000 (2024: US\$ 250,000) for the financial year ended 31 March 2025.

15. RELATED PARTY TRANSACTIONS

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

	1.4.2024 to 31.3.2025 US\$	16.2.2023 to 31.3.2024 US\$
Transactions with fund management company		
Management fee	102,332	18,555
Consultancy services	-	25,000
Compensation of key management personnel		
Directors' fee	40,246	18,391

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2025

16. FINANCIAL INSTRUMENTS BY CATEGORIES

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

	31.3.2025 US\$	31.3.2024 US\$
Financial assets measured at fair value through profit or loss		
Financial assets, at FVTPL	37,882,332	9,937,509
Financial assets, at FVTPL pledged as collateral	5,856,694	-
Total financial assets measured at fair value through profit or loss	43,739,026	9,937,509
Financial assets measured at amortised cost		
Other receivables	711,446	178,676
Cash and cash equivalents	393,450	120,472
Total financial asset measured at amortised cost	1,104,896	299,148
Financial liabilities measured at amortised cost		
Loans under repurchase agreements	4,575,652	-
Accrued expenses	72,309	22,873
Total financial liabilities measured at amortised cost	4,647,961	22,873

17. 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.

(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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2025

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.

(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.

(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:

	31.3.2025			
	Fair value measurements at the reporting date using			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
	US\$	US\$	US\$	US\$
Financial assets				
At fair value through profit or loss -				
Financial assets, at FVTPL (Note 4)	37,882,332	-	-	37,882,332
Financial assets, at FVTPL pledged as collateral (Note 5)	5,856,694	-	-	5,856,694
	43,739,026	-	-	43,739,026

TECHNO ELECTRIC OVERSEAS PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2025

18. FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) Assets and liabilities measured at fair value (Continued)

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

Loans under repurchase agreements

The carrying amounts of loans under repurchase agreements approximate their fair values as they are subject to interest rates close to market rate of interests with bank.

19. 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 has a minimum capital deployment requirement in order to benefit from the tax exemption as disclosed in Note 13. As at financial year ended 31 March 2025 and 31 March 2024, and throughout the respective financial years, the Company has fulfilled the minimum capital deployment requirement.

20. COMPARATIVE FIGURES

The financial statements for the current year are for the period from 1 April 2024 to 31 March 2025. The comparative covers the financial period from date of incorporation on 16 February 2023 to 31 March 2024. Accordingly, the comparative figures are not entirely comparable.

21. 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 19 May 2025.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

DETAILED STATEMENT OF PROFIT OR LOSS

For the financial year ended 31 March 2025

(Expressed in United States Dollars)

		APPENDIX A	
		1.4.2024 to 31.3.2025 US\$	16.2.2023 to 31.3.2024 US\$
Revenue		2,800,265	595,116
Less:	<u>Other expenses</u>		
	Accounting fee	1,750	5,750
	Administration fee	1,235	900
	Annual subscription fee	-	189
	Annual filing fee	1,106	900
	Audit fee	8,189	7,212
	Bank charges	27,199	1,754
	Commission expense	660	-
	Custodian fee	1,345	-
	Directors' fee	40,246	18,391
	Foreign exchange loss	779	545
	General expenses	-	357
	GST expense	8,461	4,030
	Incorporation fee	-	2,150
	Legal and professional fees	15,069	67,199
	Management fee	102,332	18,555
	Registration fee	-	380
	Tax filing fee	8,707	1,500
		217,078	129,812
Less:	<u>Finance expense</u>		
	Interest expense on loans under repurchase agreements	90,032	-
Profit before tax		2,493,155	465,304
Less:	Income tax expense	-	-
Profit for the year / period		2,493,155	465,304

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