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

(Company Registration No.: 202305827Z)

DIRECTORS' STATEMENT
AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
31 MARCH 2026

TECHNO ELECTRIC OVERSEAS PTE. LTD.

GENERAL INFORMATION

DIRECTORS
Kedia Abhishek
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

BROKER
CGS International Securities Mauritius Ltd.

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TECHNO ELECTRIC OVERSEAS PTE. LTD.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2026

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 2026.

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 2026 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended 31 March 2026; and

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

2. DIRECTORS

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

Kedia Abhishek
Choong Kok Ying
Cheong Hock Kuen

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.

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

Choong Kok Ying
Director

Singapore,
11 May 2026

EVEREST

Everest Assurance PAC
Public Accountants and
Chartered Accountants
Co. Regn. No. 201610716D
(incorporated with limited liability)

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 2026, 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 2026, 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 2026 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.

Everest Assurance PAC

EVEREST ASSURANCE PAC
Public Accountants and
Chartered Accountants

Singapore,
11 May 2026

TECHNO ELECTRIC OVERSEAS PTE. LTD.

STATEMENT OF FINANCIAL POSITION

As at 31 March 2026
(Expressed in United States Dollars)

	Note	2026 US$	2025 US$
ASSETS			
Financial assets, at FVTPL	4	-	37,882,332
Financial assets, at FVTPL pledged as collateral	5	62,725,990	5,856,694
Prepaid expenses		1,366	12,498
Other receivables	6	797,192	711,446
Cash and cash equivalents	7	7,078	393,450
Total assets		**63,531,626**	**44,856,420**
EQUITY AND LIABILITIES			
Equity			
Share capital	8	50,000,000	40,000,000
Retained earnings		2,653,276	208,459
Total equity		52,653,276	40,208,459
Liabilities			
Bank borrowings	9	5,428,556	4,575,652
Amount due to broker	10	5,385,028	-
Other payables and accruals	11	64,766	72,309
Total liabilities		10,878,350	4,647,961
Total equity and liabilities		**63,531,626**	**44,856,420**

(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 2026
(Expressed in United States Dollars)

	Note	2026 US$	2025 US$
Investment income	12	4,423,515	2,800,265
Other income		29,709	-
Expenses			
Other expenses		(357,952)	(217,078)
Finance expense	13	(150,455)	(90,032)
Profit before tax	14	**3,944,817**	**2,493,155**
Income tax expense	15	-	-
Profit for the year, representing total comprehensive income for the year		**3,944,817**	**2,493,155**

(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 2026
(Expressed in United States Dollars)

	Share Capital US$	Retained earnings US$	Total Equity US$
As at 1 April 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 16)	-	(2,500,000)	(2,500,000)
As at 31 March 2025	40,000,000	208,459	40,208,459
Issue of additional ordinary shares (Note 8)	10,000,000	-	10,000,000
Total comprehensive income for the year	-	3,944,817	3,944,817
Dividend paid (Note 16)	-	(1,500,000)	(1,500,000)
As at 31 March 2026	50,000,000	2,653,276	52,653,276

(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 2026
(Expressed in United States Dollars)

	2026 US$	2025 US$
Cash flows from operating activities		
Profit before tax for the year	3,944,817	2,493,155
Adjustments for:		
Interest income from debt securities measured at FVTPL	(4,008,697)	(2,177,257)
Interest expense	150,455	90,032
Net gain on valuation of debt and equity securities	(414,818)	(623,008)
Operating cash flows before movements in working capital	(328,243)	(217,078)
Movements in Working Capital		
Prepaid expenses	11,132	(10,978)
Accrued expenses	(7,543)	49,436
Cash used in operating activities	(324,654)	(178,620)
Income tax paid	-	-
Net cash used in operating activities	(324,654)	(178,620)
Cash flows from investing activities		
Net addition of financial assets, at FVTPL (Note 4)	(18,572,146)	(33,178,509)
Interest received	3,922,951	1,644,487
Net cash used in investing activities	(14,649,195)	(31,534,022)
Cash flows from financing activities		
Proceeds from issue of additional ordinary shares	10,000,000	30,000,000
Dividend paid (Note 16)	(1,500,000)	(2,500,000)
Proceeds from bank borrowings	849,728	4,575,652
Margin loans raised	5,366,131	-
Interest paid on bank borrowings	(128,382)	(90,032)
Net cash generated from financing activities	14,587,477	31,985,620
Net (decrease) / increase in cash and cash equivalents	(386,372)	272,978
Cash and cash equivalents at beginning of year	393,450	120,472
Cash and cash equivalents at the end of financial year (Note 7)	7,078	393,450

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

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

1. 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 2025. 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

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

The following are new / revised / amendments to FRSs issued by the Accounting Standards Council of Singapore up to 31 March 2026 which are effective for annual reporting periods beginning after 1 April 2025:

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

(c) STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

Management anticipates that the adoption of the aforementioned revised/new standards, with the exception of FRS 118 Presentation and Disclosure in Financial Statements, will not have a material impact on the financial statements of the Company in the period of their initial adoption.

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 and the notes.

In addition, narrow-scope amendments have been made to FRS 7 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.

Although FRS 118 will not impact the recognition or measurement of items in the financial statements, its impact on presentation and disclosure is expected to be pervasive with the introduction of new requirements. The Company is in the process of analysing the new disclosure requirements and to assess if changes are required to their internal information systems.

(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

<u>Financial assets</u>

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).

(e) FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets (Continued)

Recognition and derecognition (Continued)

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.

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.

(e) FINANCIAL INSTRUMENTS (CONTINUED)

Impairment (Continued)

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.

(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) DUE FROM AND DUE TO BROKER

Balances due from broker consist of cash balances held with the brokers at the Statement of Financial Position date and amounts receivable for securities transactions that have not been settled.

Balances due to broker represent payables for securities transactions that have been contracted for but not yet settled, as well as interest-bearing margin loans utilised to finance the purchase of investments. Margin loans are recognised initially at fair value, net of transaction costs incurred, and are subsequently measured at amortised cost using the effective interest method. Interest expense on margin loans is recognised in the Statement of Profit or Loss.

(j) INVESTMENT INCOME

Investment income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured. The following specific recognition criteria must also be met before income is recognised:

Interest income

Interest income from financial assets measured at amortised cost is recognised as it accrues in profit or loss, using the effective interest method. Interest income from financial assets measured at fair value through profit or loss (FVTPL) is recognised in profit or loss based on the contractual interest rate.

Net gain on valuation of financial assets at fair value through profit or loss (FVTPL)

Gains or losses arising from changes in the fair value of financial assets measured at FVTPL (which includes both quoted debt and equity securities) are recognised directly in profit or loss in the period in which they arise. Upon disposal, the difference between the net sales proceeds and the carrying amount is recognised in profit or loss.

Dividend income

Dividend income from equity investments is recognised in profit or loss when the Company's right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(k) 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.

(l) 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 of 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.

(m) 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.

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4. FINANCIAL ASSETS, AT FVTPL

	2026	2025
	US$	US$
Financial assets at fair value through profit or loss:		
- Debt securities (quoted)	-	36,882,332
- Equity securities (quoted)	-	1,000,000
	-	37,882,332

Movement during the financial year:

	2026	2025
	US$	US$
Balance at the beginning of the financial year	37,882,332	9,937,509
Net addition	18,572,146	33,178,509
Pledge assets under bank borrowings	(56,740,240)	(5,584,261)
Net gain on valuation of debt and equity securities (quoted)	285,762	350,575
Fair value at the end of the financial year	-	37,882,332

The quoted debt securities have a maturity date expiring ranging from July 2026 to December 2042. The rate of interest ranges from 3.10% 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

	2026	2025
	US$	US$
Financial assets at fair value through profit or loss:		
- Debt securities (quoted)	48,623,440	5,856,694
- Equity securities (quoted)	14,102,550	-
	62,725,990	5,856,694

Movement during the financial year:

	2026	2025
	US$	US$
Balance at the beginning of the financial year	5,856,694	-
Pledge assets under repurchase agreements	56,740,240	5,584,261
Net gain on valuation of debt securities (quoted)	129,056	272,433
Fair value at the end of the financial year	62,725,990	5,856,694

The Company has entered into obligations under bank borrowings (Note 9) and the securities under bank borrowings are treated as pledged assets. As at 31 March 2026, bank borrowings amounting to US$5,428,556 (2025:US$4,575,652) were backed by the above securities sold or repayment of debts.

Amount due to broker (Note 10) amounting to US$5,385,028 (2025: US$ Nil) were secured by the above securities sold or repayment of debts.

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

6. OTHER RECEIVABLES

	2026	2025
	US$	US$
Accrued interest income	797,192	711,446

Other receivable is denominated in United States dollar.

7. CASH AND CASH EQUIVALENTS

	2026 US$	2025 US$
Cash at bank	6,820	228,990
Call deposit at bank	-	164,202
Cash with broker	258	258
	7,078	393,450

Cash and cash equivalents are denominated in the following currencies:

	2026 US$	2025 US$
United States Dollars	6,090	392,460
Singapore Dollars	988*	990*
	7,078	393,450

* Amount in original currency is SGD 1,271 (2025: SGD 1,329), which is equivalent to USD 988 (2025: USD 990) stated above.

8. SHARE CAPITAL

	2026		2025	
	No. of shares	US$	No. of shares	US$
Issued and fully paid ordinary shares:				
At the beginning of financial year	40,000,000	40,000,000	10,000,000	10,000,000
Issue new share capital	10,000,000	10,000,000	30,000,000	30,000,000
At the end of financial year	50,000,000	50,000,000	40,000,000	40,000,000

During the year ended 31 March 2026, the Company issued additional 10,000,000 (2025: 30,000,000) 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.

9. BANK BORROWINGS

	2026 US$	2025 US$
Loans under repurchase agreements	-	4,575,652
Financing agreement 1	3,848,760	-
Financing agreement 2	1,579,796	-
	5,428,556	4,575,652

<u>Loan under repurchase agreements</u>

The loans under repurchase agreements with overnight interest-bearing rate ranging from 5.43% to 5.68% per annum.

<u>Financing agreement 1</u>

The loan under financing agreement 1 with overnight interest-bearing rate at 4.62% per annum for term of 7 days rollover.

9. BANK BORROWINGS (CONTINUED)

Financing agreement 2

The loan under financing agreement 2 with overnight interest-bearing rate at 4.53% to 4.62% per annum for term of 7 days rollover.

All the bank borrowings were secured by financial assets, at FVTPL pledged as collateral (Note 5).

10. AMOUNT DUE TO BROKER

	2026 US$	2025 US$
Amount due to broker (Margin loan payable)	5,385,028	-

The amount due to broker represents a short-term, interest-bearing margin loan facility provided by the Company's prime broker. Interest is charged on the outstanding daily balance of the margin loan at a variable rate, which was approximately 4.3% per annum during the financial year.

The margin loan is repayable on demand and is fully secured by a pledge over the Company's investment portfolio held in the prime brokerage account. As at 31 March 2026, financial assets at fair value through profit or loss with a total market value of US$32,079,807 have been pledged as collateral against this loan facility.

11. OTHER PAYABLES AND ACCRUALS

	2026 US$	2025 US$
Other payable (management fee payable - Note 17)	35,681	-
Accrued expenses	29,085	72,309
	64,766	72,309

12. INVESTMENT INCOME

	2026 US$	2025 US$
Interest income from debt securities measured at FVTPL	4,008,697	2,177,257
Net gain on valuation of debt and equity securities	414,818	623,008
	4,423,515	2,800,265

13. FINANCE EXPENSE

	2026 US$	2025 US$
Interest on margin loan payable	45,140	-
Interest on bank borrowings	105,315	90,032
	150,455	90,032

14. PROFIT BEFORE TAX

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

	2026 US$	2025 US$
Directors' fee (Note 17)	39,672	40,246
Legal and professional fees	59,386	15,069
Management fee (Note 17)	145,758	102,332
Custodian fee	57,242	1,345
Foreign exchange loss	9,597	779

15. INCOME TAX EXPENSE

	2026 US$	2025 US$
Income Statement:		
Current income tax	-	-

Relationship between tax expense and accounting loss

The current financial year 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:

	2026 US$	2025 US$
Accounting profit before tax	3,944,817	2,493,155
Income tax at statutory tax rate of 17%	670,619	423,836
Effect of tax incentive	(670,619)	(423,836)
Income tax expense recognised in profit or loss	-	-

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 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 13O Tax Exemption Scheme.

16. DIVIDEND

On 13 March 2026, the Company declared an interim dividend of US$0.03 (2025: US$0.0625) per share amounting to a total of US$1,500,000 (2025: US$2,500,000) for the financial year ended 31 March 2026.

17. RELATED PARTY TRANSACTIONS

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

	2026 US$	2025 US$
Balance with fund management company		
Amount due to fund management	35,681	-
Transactions with fund management company		
Management fee	145,758	102,332
Compensation of key management personnel		
Directors' fee	39,672	40,246

18. FINANCIAL INSTRUMENTS BY CATEGORIES

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

	2026 US$	2025 US$
Financial assets measured at fair value through profit or loss		
Financial assets, at FVTPL	-	37,882,332
Financial assets, at FVTPL pledged as collateral	62,725,990	5,856,694
Total financial assets measured at fair value through profit or loss	62,725,990	43,739,026
Financial assets measured at amortised cost		
Other receivables	797,192	711,446
Cash and cash equivalents	7,078	393,450
Total financial asset measured at amortised cost	804,270	1,104,896
Financial liabilities measured at amortised cost		
Bank borrowings	5,428,556	4,575,652
Amount due to broker	5,385,028	-
Other payables and accruals	64,766	72,309
Total financial liabilities measured at amortised cost	10,878,350	4,647,961

19. 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.

19. 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 is exposed to the risk that the fair value or future cash flows of its financial instruments will fluctuate as result of changes in market interest rates. The Company's exposure to interest rate risks relate primarily to its investment in debt securities. 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 on varying maturities and terms.

Management has determined that a fluctuation in interest rates of 50 (31 March 2025: 50) basis points is reasonably possible, considering the economic environment in which the Company operates. The table below sets out the effect on the Company's profit or loss of a reasonably possible increase of 50 basis points in interest rates at 31 March 2026 and 31 March 2025.

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

	2026 US$	2025 US$
Financial assets		
Financial assets, at FVTPL - Debt securities (quoted)	48,623,440	42,739,026
Financial liabilities		
Bank borrowings	5,428,556	4,575,652
Amount due to broker	5,385,028	-
	10,813,584	4,575,652
Net financial assets	37,809,856	38,163,374

At the reporting date, if the interest rate had been 50 basis points higher/lower with all other variables held constant, the Company's profit before tax would have been US$189,049 (31 March 2025: US$190,817) higher/lower, arising mainly as a result of higher/lower interest income/expenses.

(d) Market price risk

Market price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market.

The Company's investments in listed corporate debt securities are fixed-income instruments. The Company expects price fluctuations for these investments to arise principally from interest rate or credit risk. As a result, the Company is not subject to significant market price risk on these investments.

19. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) 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.

20. 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.

(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:

	31.3.2026			
	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 pledged as collateral (Note 5)	62,725,990	-	-	62,725,990

20. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

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

	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

(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 and accruals

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

Bank borrowings and amount due to broker

The carrying amounts of bank borrowings and amount due to broker approximate their fair values as they are subject to interest rates close to market rate of interests with bank.

21. 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 15. As at financial year 31 March 2026 and 31 March 2025, and throughout the respective financial years, the Company has fulfilled the minimum capital deployment requirement.

22. 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 11 May 2026.

TECHNO ELECTRIC OVERSEAS PTE. LTD.

DETAILED STATEMENT OF PROFIT OR LOSS

For the financial year ended 31 March 2026
(Expressed in United States Dollars)

APPENDIX A

		2026 US$	2025 US$
Investment income		4,423,515	2,800,265
Add:	Other income	29,709	-
Less:	Other expenses		
	Accounting fee	1,000	1,750
	Administration fee	6,750	1,235
	Annual filing fee	4,331	1,106
	Audit fee	14,951	8,189
	Bank charges	478	27,199
	Commission expense	-	660
	Custodian fee	57,242	1,345
	Directors' fee	39,672	40,246
	Foreign exchange loss	9,597	779
	General expenses	279	-
	GST expense	15,683	8,461
	Legal and professional fees	59,386	15,069
	Management fee	145,758	102,332
	Registration fee	300	-
	Travelling expense	2,525	-
	Tax filing fee	-	8,707
		357,952	217,078
Less:	Finance expense		
	Interest on margin loan payable	45,140	-
	Interest expense on bank borrowings	105,315	90,032
		150,455	90,032
Profit before tax		**3,944,817**	**2,493,155**
Less:	Income tax expense	-	-
Profit for the year		**3,944,817**	**2,493,155**

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