

NTEGRATOR
TODAY'S INTEGRATION, TOMORROW'S SOLUTION

ANNUAL REPORT 2021

**BUILDING GROWTH
THROUGH
DIVERSIFICATION**

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This annual report has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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ABOUT US

NTEGRATOR INTERNATIONAL LTD. (SGX CODE: 5HC)



Established in 2002 and listed on SGX Catalist (formerly known as SESDAQ) in 2005, Ntegrator International Ltd (“**Ntegrator**” or the “**Group**”) is today one of the leading players in the information technology and telecommunications industry in the region.

Ntegrator specializes in design, installation and implementation of data, video, fiber optics, wireless and cellular network infrastructure, and voice communication systems. The Group also provides a wide range of other services such as outside plant services, including fiber cable installation and pipe laying, project management services as well as maintenance and support services.



DESIGN

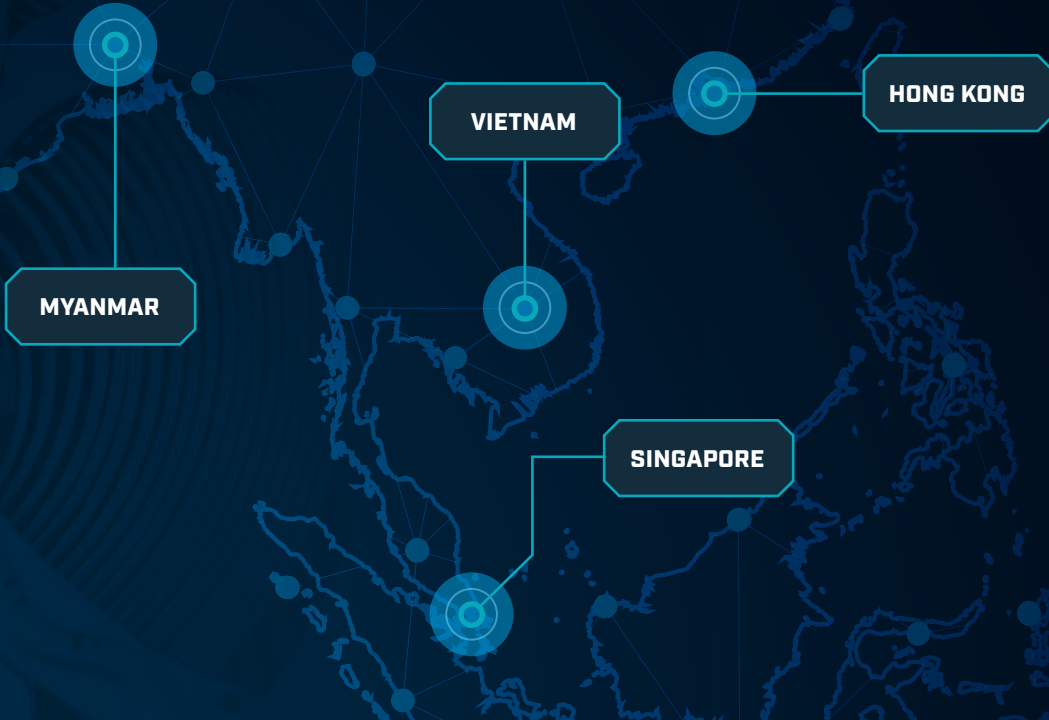


INSTALLATION



IMPLEMENTATION

ABOUT US



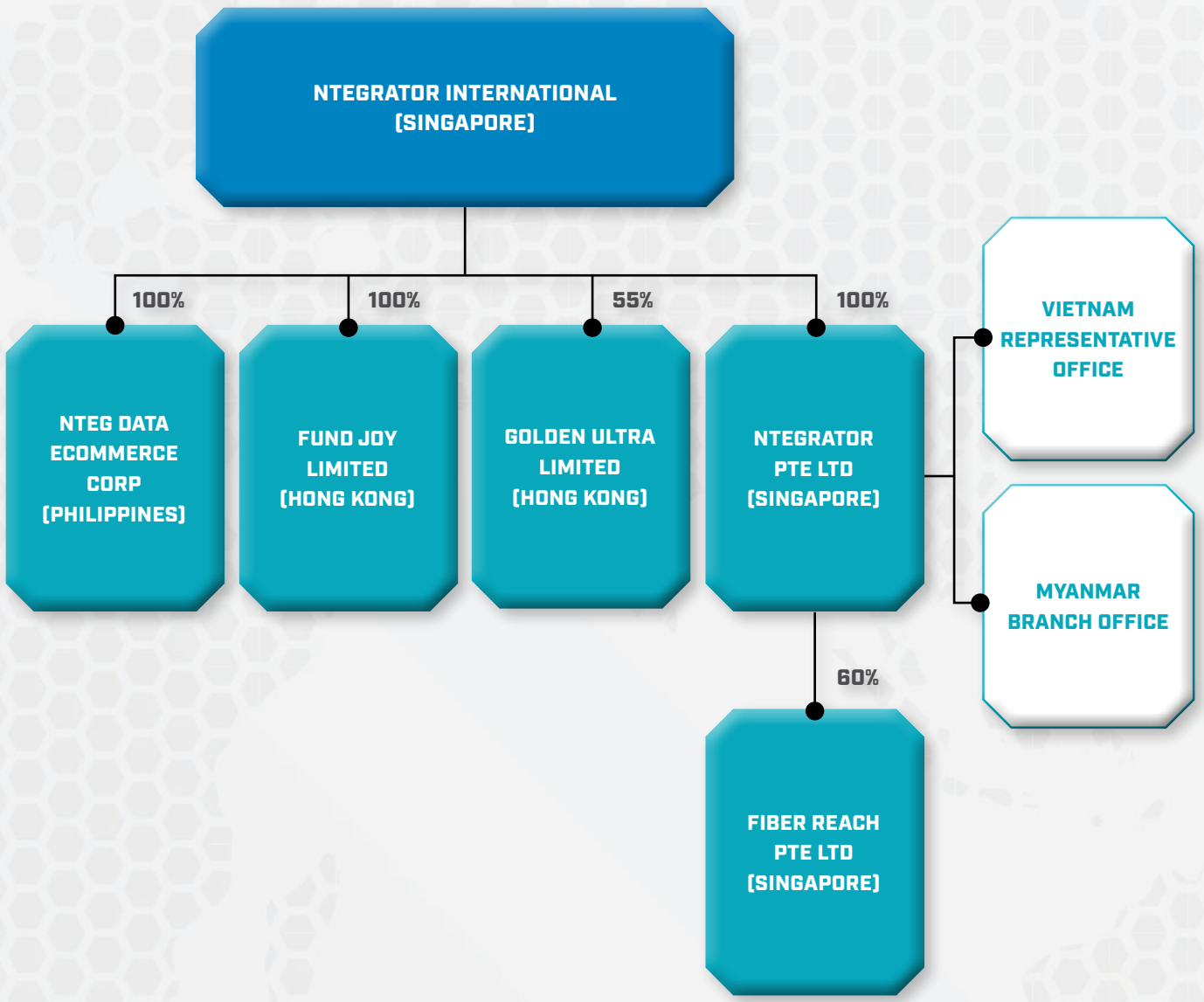
With a proven track record, the Group considers companies such as Viettel, Singtel, M1 as part of its well-established customer base. In addition, the Group is supported by suppliers with long-term relationships like Alcatel Lucent and ECI Telecom, all leading players in their respective fields.

Headquartered in Singapore, Ntegrator operates regionally, covering Singapore, Myanmar, Vietnam and Hong Kong. The Group has established a strong foothold in these markets and will continue to seek opportunities to expand geographically while growing its presence in existing markets.

Following an Extraordinary General Meeting (“EGM”) convened on 15 December 2021, the Group had received shareholders’ approval for the proposed business diversification into (a) the e-commerce business and (b) watch business.

OUR GROUP STRUCTURE

AS AT THE DATE OF THIS ANNUAL REPORT



OUR BUSINESS



PROJECT SALES

NETWORK INFRASTRUCTURE

We integrate network infrastructure which enables end-users to communicate electronically within an organization or with another organization, either within the same country or globally.

We provide end-to-end infrastructural business solutions, such as:



Network integration services, from fixed-line, e.g. Optical Dense Wavelength Division Multiplexing (“**DWDM**”), Synchronous Digital Hierarchy (“**SDH**”), Internet Protocol Digital Subscriber Line Access Multiplexer (“**IPDSLAM**”) and Asymmetric Digital Subscriber Line (“**ADSL**”) to wireless solutions like e.g. Microwave, Very Small Aperture Terminal (“**VSAT**”) and Worldwide Interoperability for Microwave Access (“**WIMAX**”)



Design, installation and implementation of data, video, fiber optics, wireless and cellular network infrastructure and



Customized solutions according to customers' needs.

VOICE COMMUNICATION SYSTEMS

We seamlessly integrate voice and data signals used in large organizations' telephone network, which include:



**PRIVATE AUTOMATIC
BRANCH EXCHANGE
[“PABX”]**



**VIDEO CONFERENCING
SYSTEMS**



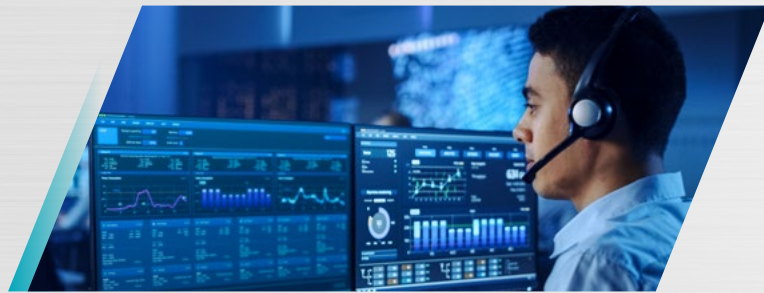
**VOICE MESSAGING,
RECORDING OR LOGGING
SYSTEMS**



**VOICE OVER INTERNET
PROTOCOL [“VOIP”]
APPLICATIONS.**

We also offer flexible and user-configurable systems for exact customization to our customers' needs, ensuring the delivery of end-to-end enterprise business solutions.

OUR BUSINESS



PROJECT MANAGEMENT & MAINTENANCE SERVICES

Our Project Management and Maintenance Services include the provision of installation and implementation services for our network infrastructure and voice communication systems. We also offer onsite and online maintenance and support services.

THESE SERVICES ARE SUPPORTED BY



24-hour fault control hotline



Hardware and software repair services



Online Customer Relationship Management ["CRM"] system services



24-hour onsite support services

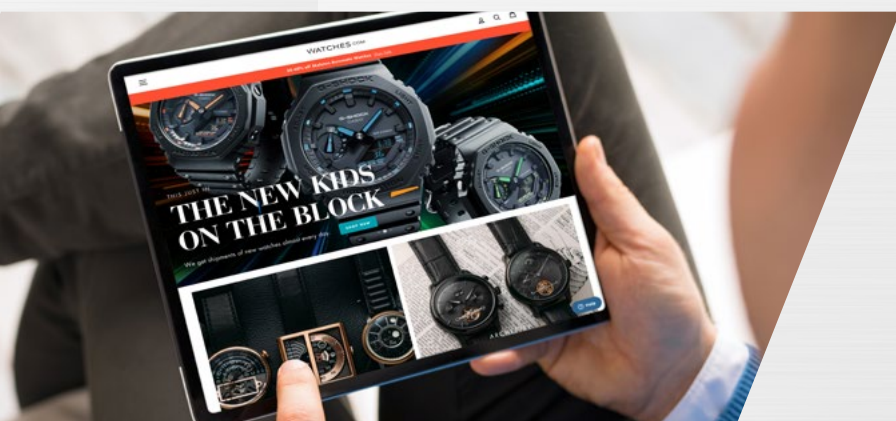
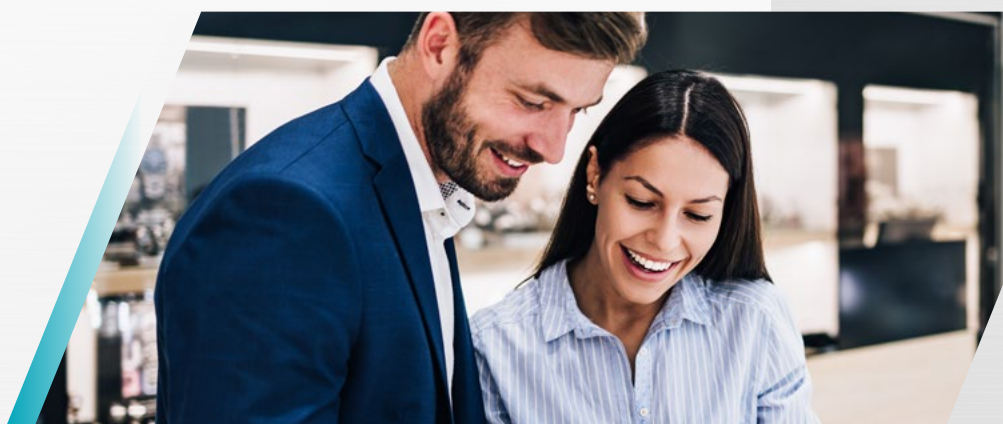


24-hour remote dial-in services

OUR BUSINESS

RETAIL

Retail segment provides for the retailing, designing, manufacturing, marketing, distributing, trading and selling of watches and watch accessories through the Group's own and third-party internet websites, applications, retail stores and online platforms.



OUR NEW ACQUISITION



BESTWATCH

On 21 April 2022, Ntegrator completed the acquisition of a 55.0% stake in Golden Ultra Limited (“**GUL**”) for an initial maximum purchase consideration of S\$19.2 million, which is subject to payments of earnout incentives to be fulfilled at future dates.

Through GUL’s wholly owned subsidiary, CKLY Trading Limited (“**CKLY**”), GUL is in the business of trading luxury watches via an online platform known as www.bestwatch.com.hk, which sells various luxury watch brands to customers in Hong Kong and other countries since 2016.



BESTWATCH.COM.HK
[HTTPS://BESTWATCH.COM.HK](https://bestwatch.com.hk)



OUR MERGERS AND ACQUISITIONS [“M&A”] PIPELINE



On 19 January 2022, Ntegrator had signed an exclusive non-binding Letter of Intent (“**LOI**”) to acquire “Watches.com”, “Watches.net”, “Watches.ca” and “Watches.co” (collectively, “**Watches.com**”) and their related underlying tangible and intangible assets for a purchase consideration of US\$11.0 million.

Based in California, USA, Watches.com is an independent (“**indie**”) online watch store founded by brothers Mitch and Andrew Greenblatt who are both unique watch enthusiasts. Since 1999, Watches.com offers rare, unique and affordable timepieces to adventurous enthusiasts. The online watch store is a reliable source for unusual modern watches and unheard brands from around the World, curating up-and-coming, trendy brands. Watches.com retails more than 60 brands of watches ranging from recognized brands like Casio, G-Shock, Fossil and Timex to exciting top selling unique brands like California Watch Co., SISU and Xeric.



WATCHES.COM

[HTTPS://WWW.WATCHES.COM/](https://www.watches.com/)

OUR M&A PIPELINE

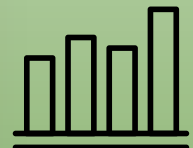


On 12 October 2021, our Group had entered into a Sales and Purchase Agreement (“SPA”) to acquire 85.0% of Gadmoble Group for an initial maximum purchase consideration of S\$17.9 million, which is subject to payments of earnout incentives to be fulfilled at future dates.

Gadmoble Group and its subsidiaries are in the business of providing information technology services, payment gateways, e-commerce solutions, big data analytics, digital advertising, value-added logistic services and developing e-commerce applications.



GADMOBLE GROUP
[HTTPS://WWW.GADMOBLE.COM/](https://www.gadmoble.com/)



CHAIRMAN STATEMENT

“Diversifying into E-Commerce and Watch Business, Growing Multiple Revenue Streams.”

On behalf of the Board of Ntegrator International Ltd. (“Ntegrator” or the “Group”), it is my privilege to present our Annual Report 2021 (“AR2021”) for the full year ended 31 December 2021.

OUR HISTORY – A LEADING COMMUNICATIONS NETWORK SPECIALIST AND SYSTEMS INTEGRATOR

Ntegrator has its roots as a leading communications network specialist and systems integrator in the region. We are committed to offering high-tech network infrastructure and voice communication services. Established in 2002, we provide flexible, user-configurable systems and infrastructural business solutions for enterprises. Our services include the full spectrum of design, installation and implementation of data, video, fibre optics, wireless and cellular network infrastructure, including project management, maintenance and support. We were listed on the Catalist board of the Singapore Exchange Limited (“SGX”) on 26 October 2005¹. Today, we continue to serve and manage multiple projects for regional telecom service providers.

DIVERSIFYING INTO E-COMMERCE & WATCH BUSINESS

Following an Extraordinary General Meeting (“EGM”) convened on 15 December 2021, the Group had received shareholders’ approval for the proposed business diversification into (a) the e-commerce business and (b) watch business. This will enable us to diversify our revenue streams.



OUTSTANDING ORDER BOOK OF
S\$67.9 m
as of 31 December 2021

WATCHES.COM

On 19 January 2022, we had signed an exclusive non-binding Letter of Intent (“LOI”) to acquire Watches.com for US\$11.0 million. The proposed acquisition will enable our Group to diversify into the mid-tier watch market targeting a different consumer base plus securing a valuable prime internet address, gaining instant access to high Search Engine Optimization (“SEO”) and high internet traffic.

BESTWATCH.COM.HK

On 21 April 2022, Ntegrator completed the acquisition of a 55.0% stake in Golden Ultra Limited (“GUL”) for an initial maximum purchase consideration of S\$19.2 million, which is subject to payment of earnout incentives to be fulfilled at future dates. Through GUL’s wholly owned subsidiary, CKLY Trading Limited (“CKLY”), GUL is in the business of trading luxury watches via an online platform known as www.bestwatch.com.hk, which sells various luxury watch brands to customers in Hong Kong and other countries since 2016.

GADMOBE GROUP

Furthermore on 12 October 2021, our Group had entered into a SPA to acquire 85.0% of Gadmobe Group for an initial maximum purchase consideration of S\$17.9 million, which is subject to payment of earnout incentives to be fulfilled at future dates. Gadmobe Group and its subsidiaries are in the business of providing information technology services, payment gateways, e-commerce solutions, big data analytics, digital advertising, value-added logistic services and developing e-commerce applications.

¹ SESDAQ was replaced on 26 November 2007 by SGX Catalist

CHAIRMAN STATEMENT

RATIONALE FOR THESE PROPOSED ACQUISITIONS

The revolutionary technology, algorithms and big data capabilities of Gadmobe Group will propel the existing business of Ntegrator, Bestwatch.com.hk and Watches.com, enabling them to quickly identify new markets and customers across different geographic regions.

These proposed acquisitions are expected to digitalize and transform our existing and new businesses, kickstart our e-commerce efforts, diversify our revenue streams, deliver synergistic benefits across all business segments and enhance our shareholder returns in the long term.

A NEW NAME – WATCHES.COM LIMITED

On 4 March 2022, we received over 99.9% of shareholders' approval at our EGM for the proposed acquisitions of GUL and Gadmobe Group as well as for the proposed change of name from "Ntegrator International Ltd." to "Watches.com Limited". We would like to thank all our shareholders for their votes and their faith and support as we embark on a new strategic direction for the Group into e-commerce and watch business. The change of name to Watches.com Limited will reflect our new business direction better and enhance our branding as we move into omnichannel retailing business of watches.

OUR CONTRACT WINNING MOMENTUM AND ORDERBOOK

Our existing business of communications network specialist and systems integration continued to shore-up our orderbook and generate healthy contract winning momentum in 2021 and early 2022.

On 14 March 2022, we secured two contracts from a regional service provider worth a maximum of approximately S\$43.5 million including the one-year options: (i) the first contract: a two-year contract of S\$26.0 million is for the mega installation, maintenance and diversion services of fibre and copper cables in the East, West, North and Central zones in Singapore with an option by the customer to extend the contract for an additional year for S\$13.0 million; (ii) the second contract: a two-year contract of approximately S\$3.0 million is for the provision, installation and maintenance of direct exchange lines ("DEL"), air blown fibre system, fibre cable works, customer premises equipment ("CPE") and other miscellaneous related services in the Central zone in Singapore with an option by the customer to extend the contract for an additional S\$1.5 million approximately.

On 16 February 2022, we secured a contract worth approximately S\$4.0 million from a leading network service provider in the region to construct approximately 7.8km long 16-way underground pipelines in the Changi area in Singapore.

On 1 December 2021, we secured a contract extension worth S\$8.56 million from a regional telecom provider for pipe installation and maintenance works in the eastern, northern and western regions in Singapore.

On 12 November 2021, we secured a contract worth approximately S\$1.5 million from Daewoo Engineering & Construction Co Ltd and Yongnam Engineering & Construction Pte Ltd Joint Venture for civil works on cables diversion in the western region of Singapore.

On 5 October 2021, we had signed a non-binding Memorandum of Understanding ("MOU") with China Mobile for a proposed business collaboration to combine each party's knowledge, network and industry expertise to secure and develop information technology and telecommunications projects, including 5G infrastructure upgrading, in the Southeast Asian region.

On 14 June 2021, we secured two contracts worth approximately S\$2.43 million from a leading network service provider in the region: one contract is for the installation and maintenance of fibre and copper cables and an air blown fibre ("ABF") system; while the other is for the installation of pipes, construction of manholes, and maintenance of pipelines and manholes.

On 26 February 2021, we secured a contract totalling approximately S\$6.1 million from a regional service provider for the installation of pipelines and manholes, installation, maintenance and diversion services for infrastructure cables, and the service provision and maintenance of business services across the eastern, western and central parts of Singapore.

As at 31 December 2021, we reported an outstanding order book of S\$67.9 million. All orders are expected to be delivered within the next 24 months and will generate sustainable revenue streams up to FY2024. However, all orders are subject to possible cancellation, expiration, deferment, rescheduling or variations by customers.

CHAIRMAN STATEMENT

Asia Pacific's telecom network infrastructure market size will grow at a CAGR of 4.0% per annum to reach around US\$30.0 billion by 2027.²

MARKET OUTLOOK FOR TELECOM INFRASTRUCTURE

According to Global Market Insights², Asia Pacific's telecom network infrastructure market size will grow at a CAGR of 4.0% per annum to reach around US\$30.0 billion by 2027 because of rising mobile and smartphone penetration in developing countries. Major global telecom industry participants are expanding their presence in the Asia region while their government authorities are also supporting the commercialization of 5G network through different strategic initiatives. The private telecom solution provider companies are focusing on expanding the optical fibre network across the region.

With the recent rise in divestment of infrastructure assets in the telecommunication industry in the region, we are optimistic that there will be a surge in demand for the upgrading and maintenance of these assets as owners seek to window-dress these assets to maximise their valuation for eventual sale. As we see more and more traditional telecom players across the region seeking to divest their infrastructure assets, this would in turn create demand for the upgrading and maintenance of their infrastructure assets as they seek to maximize the valuation of their assets. Given our competency in the telecom infrastructure industry, we would stand to benefit from an inflow of these opportunities from both existing asset owners and new asset owners to strengthen our order book and grow our shareholder returns going forward.

In Singapore's Budget 2022 speech on 18 February 2022, Singapore's Finance Minister Mr Lawrence Wong mentioned that the Singapore Government would look at increasing broadband access speeds by about 10 times over the next few years.³ This could directly create opportunities for increased demand for telecom infrastructure upgrades among internet service providers based in Singapore.

As Vietnam aims to expedite its 5G adoption and Myanmar pushes towards a digital economy, our Group stands prime to seize these opportunities to build up our order book. We will continue to pursue opportunities in Singapore, Myanmar, Vietnam and beyond by leveraging on our established working relationships with our customers and our business partners in the region.

APPRECIATION

First and foremost, I would like to express my gratitude to all our valued customers especially our returning customers for their unwavering trust and confidence in us and our track record. This gives us a strong endorsement of our ability to deliver timely and quality works in the telecom infrastructure industry.

I would also like to take this opportunity to thank all my Board members, key management and all our staff for their hard work, relentless commitment and their contributions to the Group in these tough and challenging times while making adjustments to their work arrangements due to Covid measures. In addition, I would also like to show my appreciation for our Executive Director, Mr. Christian Kwok-Leun Yau Heilesen, for his leadership qualities and business strategies, helping to transform our Group forward from a pure-play communications network specialist and systems integrator based in Singapore and diversifying into an e-commerce and watch business driven by digitalisation and data analytics with a global marketplace.

I would also like to thank all our vendors, suppliers, working and business partners for their continual support throughout the years.

Last but not least, I would like to extend my warmest appreciation to all our shareholders for their faith and support in the strategic direction of the Group despite the challenging business climate encountered during the prolonged Covid pandemic in 2021 as we strive forward to grow their shareholder returns and to build for sustainable future together.

CHAY YIOWMIN

**Independent Non-Executive Chairman
and Independent Non-Executive Director**

28 April 2022

² <https://www.gminsights.com/industry-analysis/telecom-network-infrastructure-market>

³ <https://www.straitstimes.com/tech/tech-news/imda-approves-deal-for-starhub-to-buy-majority-stake-in-myrepublic-business>

EXECUTIVE DIRECTOR'S MESSAGE

Cost Rationalization Strategy, Earnings Accretive Acquisitions, Enhancing Shareholder Returns.

Dear Shareholders,

It is my duty and honour to address Ntegrator International Ltd.'s ("Ntegrator" or the "Group") financial performance, key challenges, corporate updates and takeaways in our Annual Report 2021 ("AR2021") for the full year ended 31 December 2021 ("FY2021") and to set our key priorities for the year ahead.

FINANCIAL REVIEW – FY2021

Despite the prolonged covid pandemic impacting businesses Worldwide, our Group revenue grew 11.2% from S\$23.1 million in FY2020 to S\$25.7 million in FY2021. In addition, we managed to almost halve our net loss after tax from S\$5.0 million in FY2020 to S\$2.9 million in FY2021.

Our gross profit surged by 186.1% from S\$1.9 million in FY2020 to S\$5.5 million in FY2021 while gross profit margin more than doubled from 8.3% in FY2020 to 21.4% in FY2021.

On a positive note, total borrowings dropped by 18.6% from S\$15.7 million as of 31 December 2020 to S\$12.8 million as of 31 December 2021.

We continue to maintain a robust balance sheet with cash and cash equivalents of approximately S\$4.8 million as of 31 December 2021. Our Group's healthy contract winning momentum in FY2021 contributed to an outstanding order book of S\$67.9 million as of 31 December 2021.

KEY CHALLENGES IN FY2021

We are encouraged by our financial performance in FY2021, as our cost rationalisation strategy had started to yield improvements.



GLOBAL WATCH MARKET IS FORECASTED TO GROW AT A CAGR OF 4.1% TO US\$78.3 BILLION BY 2026.⁵



EARNINGS ACCRETIVE ACQUISITIONS OF A MAXIMUM INITIAL APPROXIMATE TOTAL OF S\$52.1 MILLION⁹

In FY2021, our Group oversaw the following non-recurring reductions in costs, namely: (i) reduction in cost of sales due to reduction in the number of foreign labour, (ii) lesser distribution and marketing expenses mainly due to global travel restrictions and (iii) lower finance costs due to lower borrowings.

Due to our cost rationalization strategy and major reduction in losses incurred by non-controlling interests, Ntegrator was able to almost halve its net loss after tax in FY2021 versus FY2020.

The start-stop in air travel, extended lockdowns across countries and restrictions created issues with holding costs, contract delays by clients and reduction in capital expenditure by most of our clients in FY2021.

However on 24 March 2022, the Civil Aviation Authority of Singapore ("CAAS") announced the retirement of all Vaccinated Travel Lanes ("VTL") and the reopening of borders to all vaccinated travellers from 1 April 2022. We expect the gradual opening up of borders around the World and the growing vaccination rates in all countries will create more opportunities for the Group in the region going forward.

OUR M&A ACTIVITIES

The covid pandemic had made many businesses realize the need to diversify their revenue streams and reduce their reliance on one key business that may be impacted by another crisis down the road.

In FY2021, our Group had made the proposed acquisitions of Golden Ultra Limited ("GUL") and Gadmobe Group for a combined initial maximum purchase consideration of S\$37.1 million. Both proposed acquisitions are earnings accretive and once completed will enable our Group to diversify our revenue streams and enhance our shareholder returns in the long term.

EXECUTIVE DIRECTOR'S MESSAGE

Bestwatch.com.hk

GUL owns the luxury watch online platform, Bestwatch.com.hk, through its wholly-owned subsidiary, CKLY Trading Limited (“CKLY”). Based on an independent third-party valuer¹, FT Consulting Limited, Bestwatch.com.hk was valued at approximately HK\$138.3 million (or S\$24.1 million¹) as of 30 June 2021. The acquisition has been completed on 21 April 2022 and represents a premium of approximately 25.6% based on a 55.0% stake.

Gadmobe Group

Based on an independent third-party valuer², CHFT Advisory and Appraisal Ltd., Gadmobe Group was valued at approximately HK\$80.8 million (or S\$14.1 million¹) as of 30 June 2021. The proposed acquisition once completed would have represented near its valuation based on a 85.0% stake.

Watches.com

Furthermore, we have signed an exclusive non-binding Letter of Intent (“LOI”) for the 100.0% proposed acquisition of “Watches.com”, “Watches.net”, “Watches.ca” and “Watches.co” (collectively, “Domain Names” or “Watches.com”) and their related underlying tangible and intangible assets for a purchase consideration of US\$11.0 million (or S\$14.96 million³). The Domain Names are consistently ranked among the top searches on the Internet for users looking to buy watches or seeking more information about specific watches.⁴ This will in turn help to save our Group the need for heavy investments in Search Engine Optimisation (“SEO”) efforts or advertising dollars to build brand awareness or beef-up the Domain Names to our end customers.

MARKET OUTLOOK

According to Mordor Intelligence, the global watch market is forecasted to grow at a CAGR of 4.1% from US\$61.9 billion in 2020 to US\$78.3 billion by 2026.⁵

Bain & Company estimated the demand for personal luxury goods to grow at a sustained level of between 6.0% to 8.0% per annum reaching between €360.0 to €380.0 billion by 2025.⁶ The luxury watch market regained its record numbers previously reached in 2019 at a €40.0 billion market valuation.⁷ After a 50.0% jump from 2019 to 2020, online sales continued to grow by 27.0% from 2020 to 2021 to reach €62.0 billion in market value thanks to accelerated adoption rate during the prolonged covid pandemic.⁷ Omnichannel distribution especially combining monobrand stores with online presence were the key channels for 2021’s recovery and will lead growth in the midterm.⁷

Before the pandemic, China was one of the top three markets for Swiss watches, with the export share doubling since 2015 to current 14.0% of global market share.⁷ Hong Kong’s dominance as a leading export market and traditional powerhouse in Asia for swiss watches has been waning for over a decade, with its global market share decreasing from 20.0% in 2010 to around 10.0% currently.⁷ However, Hong Kong continue to provide healthy domestic demand and a gateway to Chinese buyers.

The above findings by Mordor Intelligence, Bain & Company and Deloitte research had proven justifications for our Group to move into the e-commerce and watch business. The inelastic demand of luxury watches during the covid epidemic and its subsequent V-shaped recovery during the covid pandemic provided strong encouragement and impetus for us to swiftly complete our proposed acquisitions.

OUR NEW BUSINESS STRATEGY

The proposed acquisitions of Watches.com, Bestwatch.com.hk and Gadmobe Group will be complementary and synergistic with one another. Bestwatch.com.hk focus on the trading and retail of luxury watches while Watches.com target the mid-tier watch market and independent brand collectors providing an e-marketplace for merchants and buyers. Gadmobe Group provide the digitalisation of these platforms, payment gateway services, algorithms and big data analytics to drive-up the sales for merchants and direct more and more watch buyers around the World to these platforms.

1 Prepared in accordance with RICS Valuation – Professional Standards published by the Royal Institution of Chartered Surveyors and International Valuation Standards published by the International Valuation Standards Council.

2 Prepared in accordance with RICS Valuation – Professional Standards published by the Royal Institution of Chartered Surveyors (“RICS”) and the International Valuation Standards (“IVS”) published by the International Valuation Standards Council.

3 Based on prevailing exchange rate of S\$1.36:US\$1.00 on 4 April 2022

4 Daily Searches for “Watches” or “Watch” on Google and Yahoo

5 <https://www.mordorintelligence.com/industry-reports/watch-market>

6 <https://www.bain.com/about/media-center/press-releases/2021/luxury-report-2021/>

7 <https://www2.deloitte.com/content/dam/Deloitte/ch/Documents/consumer-business/deloitte-ch-en-swiss-watch-industry-study-2021.pdf>

EXECUTIVE DIRECTOR'S MESSAGE

These proposed acquisitions will also transform our cashflow model. Our existing business of system integration and communications network specialist payment cycles usually receives full payment upon delivery of services or contract which helps to explain our high trade and other receivables amount on our balance sheet of approximately S\$20.0 million as of 31 December 2021. Comparatively, our proposed acquisitions' business model is of a cash business deriving income from both merchants and buyers alike where for an example we are allowed to retain cash in the system to authenticate the watches on behalf of the buyers before remitting the full amount back to the merchant after deducting our fees to complete the sale process. For the mid-tier watches, we are also allowed to retain the merchants' inventory for faster delivery purposes and better customer experience, this will help us strengthen our current asset base on the balance sheet as well.

CAPITAL RAISING EXERCISE

Since coming on Board in FY2021, we had raised a total of approximately S\$3.79 million in the equity market including the warrants via three private investors for general working capital and to fund acquisitions and new business opportunities.⁸

Apart from our working capital needs in expanding our business strategy and developing our omnichannel platform which necessitates the opening of retail shops with security features, our proposed acquisitions collectively will require a maximum initial funding of approximately S\$52.1 million⁹.

We had sought shareholders' approval at an Extraordinary General Meeting ("EGM") convened on 11 April 2022 to propose a Share Consolidation of every three existing shares held by shareholders into one Consolidated share and to propose fifteen renounceable Rights Shares for every one Consolidated Share held by Entitled Shareholders and two free detachable Series A Warrants, two free detachable Series B Warrants, two free detachable Series C Warrants, two free detachable Series D Warrants and two free detachable Series E Warrants for every fifteen Rights Share subscribed (collectively known as "**Share Consolidation and Rights Issue Exercise**").¹⁰ In the maximum subscription scenario of the Rights Shares being fully subscribed, our Group would raise approximately S\$88.9 million in gross proceeds.

The Rights Issue Exercise was structured in a manner when fully subscribed and warrants being fully exercised would enable us to complete our proposed acquisitions and provide ample working capital for our business expansion needs while allowing shareholders to participate on the upside in different flexible ways as they deem beneficial to their investment strategies.

KEY PRIORITIES FOR FY2022

We will continue to face the same challenges in FY2022. In addition to the prolonged covid pandemic, our operating environment maybe impacted by ongoing geopolitical risks in Hong Kong and a prolonged Ukraine-Russia conflict which may lead to economic difficulties in Europe causing ripple effects over to Asia. For instance, the escalated cost of oil had already driven up operation and travelling expenses.

We will strive forward into FY2022 to (1) improve and retain our core business of system integration and communications network specialist, (2) streamline our cost drivers, (3) optimise our corporate overheads to turnaround our financial performance, (4) continue to generate healthy contract winning momentum, (5) tap into the capital markets to raise funds for our proposed acquisitions, (6) strengthen our balance sheet and (6) to continue to hunt for more earnings accretive acquisitions.

Internally, we will continue to (1) drive efforts in optimisation and digitalisation throughout the Group, (2) sharpen our risk management and compliance, (3) restructure our cost base and (4) upgrade our Environment, Social and Governance ("**ESG**") policies and practices to meet global standards.

I would like to thank all our shareholders for their continual support and unwavering faith in this new strategic direction that we intend to undertake. We move into a pivotal moment in our Group's history to radically transform our business through business diversification, to capture multiple revenue streams, to build a more sustainable long-term future and to enhance our shareholder returns going forward.

Yours truly,

MR CHRISTIAN KWOK-LEUN YAU HEILESEN
Executive Director

28 April 2022

⁸ Please refer to the company announcements on SGX Net dated 25 May 2021, 20 October 2021, 23 December 2021 and 28 January 2022 for more information

⁹ S\$19.2 million (Bestwatch.com.hk) + S\$17.9 million (Gadmobe Group) + S\$14.96 million³ (Watches.com)

¹⁰ Please refer to the EGM circular on SGX Net dated 19 March 2022 for more information

OUR BOARD OF DIRECTORS

MR CHAY YIOWMIN

Independent Non-Executive Chairman and Independent Non-Executive Director

Appointed in September 2021, Redesignated as Independent Non-Executive Chairman in February 2022.

Chairman of Audit Committee, Member of Remuneration and Nominating Committee

Mr Chay is currently the chief executive officer of Chay Corporate Advisory Pte. Ltd., a boutique corporate advisory firm. He is also the Chairman and Independent Non-Executive Director of Metech International Limited, Independent Non-Executive Director of UMS Holdings Limited and Raffles Infrastructure Holdings Limited, and a Non-Executive Director of 8I Holdings Limited. Between 2013 and 2015, Mr Chay was the Lead Independent Director of Advance SCT Limited. Mr Chay was also a Non-Executive Director of Libra Group Limited from 2019 to 2020.

Since graduating in 1998, Mr Chay has accumulated many years of public accounting experience in Singapore and the United Kingdom with a number of reputable international accounting firms, including PricewaterhouseCoopers LLP, Deloitte and Touche LLP, Moore Stephens LLP and BDO LLP, the latter of which he was the advisory partner heading the Corporate Finance Practice from 2012 to 2019. Prior to joining BDO LLP, Mr Chay was an assurance partner from 2010 to 2012, specialising in financial services and shipping.

Mr Chay holds a Bachelor of Accountancy and a Master of Business from Nanyang Technological University, and a Master of Business Administration from the University of Birmingham. Mr Chay is also a Fellow Chartered Accountant (FCA Singapore) of the Institute of Singapore Chartered Accountants (ISCA), an Associate Chartered Accountant (ACA) of the Institute of Chartered Accountants in England and Wales (ICAEW) and a Chartered Valuer and Appraiser (CVA) of the Institute of Valuers and Appraisers of Singapore (IVAS).

Mr Chay currently sits on the Singapore steering committee of the Professional Risk Managers' International Association (PRMIA), and the Standards and Technical Committee of IVAS, the latter of which Mr Chay is also a programme instructor. Mr Chay is also an active Grassroots Leader, serving as Chairman of Punggol Park Community Centre Management Committee (CCMC), Auditor of Fernvale Citizens Consultative Committee (CCC), Treasurer of Fernvale CCC Community Development and Welfare Fund, and Assistant treasurer of Kebun Baru CCC. Mr Chay is also a member of the Kebun Baru Inter-Racial and Religious Confidence Circles. Mr Chay was awarded the Pingat Bakti Masyarakat (Public Service Medal) (PBM) by the President of the Republic of Singapore on 9 August 2016.

MR CHRISTIAN KWOK-LEUN YAU HEILESEN

Executive Director

Appointed in May 2021

Mr Heilesen is presently an Executive Director at SGX-listed Incredible Holdings Ltd. He was an Internet entrepreneur and founded an internet and mobile value-added services company in August 2003. He discovered the potential of online business when he was working part-time after school in his hometown, Copenhagen, Denmark. In 1999, Mr Heilesen started using his own network of high traffic websites to bring traffic to Fortune 500 advertisers through affiliate programs such as Commission Junction and Websponsors. After graduating from college in 2002, Mr Heilesen decided to leave Copenhagen and to further develop online business opportunities in Hong Kong. Mr Heilesen has 10 years of experience dealing with corporate finance, investment activities and banking facilities.

MR HAN MENG SIEW

Executive Director

Appointed in July 2004

Mr Han was last re-elected to the Board on 26 April 2018. Mr Han brings with him 40 years of experience in the telecommunications industry.

Mr Han started his career in the telecoms industry with Singapore Telecommunications Limited (“**Singtel**”) in 1981. Thereafter in 1987, he moved to Teledata (Singapore) Ltd (“**Teledata**”) serving as General Manager, and subsequently promoted to Managing Director. He was instrumental in the turnaround of Teledata, guiding it to its SGX-ST listing in 1994.

Mr Han holds a Bachelor of Engineering from the National University of Singapore and a Graduate Diploma in Business Administration from the Singapore Institute of Management.

OUR BOARD OF DIRECTORS

MR LEUNG KWOK KUEN JACOB

Independent Non-Executive Director

Appointed in May 2021

Chairman of Remuneration and Nominating Committee, Member of Audit Committee

Mr Leung Kwok Kuen Jacob is presently the Non-Executive and Non-Independent Director of SGX-listed Incredible Holdings Ltd. since 2015. Mr Leung has extensive experience in administrative management. From 2003 to April 2016, he assisted the incorporation of Eternal Pearl Securities Limited (“**Eternal Pearl**”) in Hong Kong, a licensed corporation to conduct type 1 (dealing in securities) and type 2 (dealing in futures contracts) regulated activities under the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong (the “**SFO**”). Since the incorporation of Eternal Pearl, Mr Leung has been the Administrative Manager and responsible for overseeing its support operations, planning, organizing and implementing its administrative systems.

MS ZHOU JIA LIN

Independent Non-Executive Director

Appointed in May 2021

Member of Audit, Remuneration and Nominating Committee

Ms Zhou is presently the Non-Executive and Non-Independent Director of SGX-listed Incredible Holdings Ltd since 2010. Having worked as a director of Pinnacle Investment Hong Kong from 1998 to 2002 where she first started, she later undertook corporate finance projects and assisted in looking for viable businesses to invest in. Her many years of involvement in investment businesses brought her to expand and diversify her existing investment portfolio into Incredible Group. In her investment portfolio, she has a wide network with corporate finance professionals, capital advisors and bankers exploring other potential tie-ups, acquisitions, investments, and alternative investment opportunities both in China and overseas.

MR LEUNG YU TUNG STANLEY

Independent Non-Executive Director

Appointed in May 2021

Member of Audit, Remuneration and Nominating Committee

Mr Leung Yu Tung Stanley, a Chartered Accountant of Hong Kong Institute Certified Public Accountants and Association of Chartered Certified Accountants (ACCA), graduated from the Hong Kong Polytechnic University with Bachelor of Arts (Hons) Accountancy in 2003 and Master of Professional Accounting in 2010. He is presently an Independent Director of SGX-listed Incredible Holdings Ltd since 2017. Mr Leung has extensive audit and accounting experience.

MR TAO YEOH CHI

Independent Non-Executive Director

Appointed in December 2021

Mr Tao is currently a director of STT Communications (Shanghai) Co. Ltd. He began his career in the Singapore public service sector, where he held senior positions in various ministries. He later joined a few multinational companies before starting his own business. Presently, he is an Independent Non-Executive Director of SGX-listed, Alset International Ltd.

Mr Tao holds a Bachelor of Engineering (First Class Honours) and a Bachelor of Arts (Economics) from Newcastle University, Australia.

OUR KEY MANAGEMENT

MR KENNETH SW CHAN KIT

Financial Controller

Joined in 2002

Mr Sw is responsible for the Group's financial activities. As one of the pioneer staff who joined Ntegrator International Ltd since its inception in 2002, he has developed, built and implemented the region-wide financial framework, processes and procedures which support the Group's operations.

Mr Sw started his career with Matsushita Electronics (S) Pte Ltd and has, in the course of more than 30 years in the financial field, moved up to positions of higher responsibilities, both at HQ and regional levels. He has held positions as Finance Manager and Chief Financial Officer in various organisations, including Sembawang Engineering Pte Ltd, Teledata (Singapore) Ltd, e-Cop Pte Ltd and Intrawave Pte Ltd.

Mr Sw is a Fellow of the Association of Chartered Certified Accountants and non-practicing fellow member of the Institute of Singapore Chartered Accountants.

MR VINCENT VINU EDWARD

General Manager, Network Infrastructure (Singapore)

Joined in 2002

Another pioneer staff, Mr Edward currently oversees the sales and marketing activities of the Group's network infrastructure products and services in Singapore. Previously a Project Engineer with Sembawang Corporation Limited, Mr Edward joined Teledata in the same capacity. He was seconded to Plexus Technology Pte Ltd in 1999 as its Group Manager.

Mr Edward holds a Master of Science in System Design and Management from the National University of Singapore and a Bachelor's in Engineering (Honours) from Aberdeen University.

MR JIMMY CHANG JOO WHUT

Executive Officer

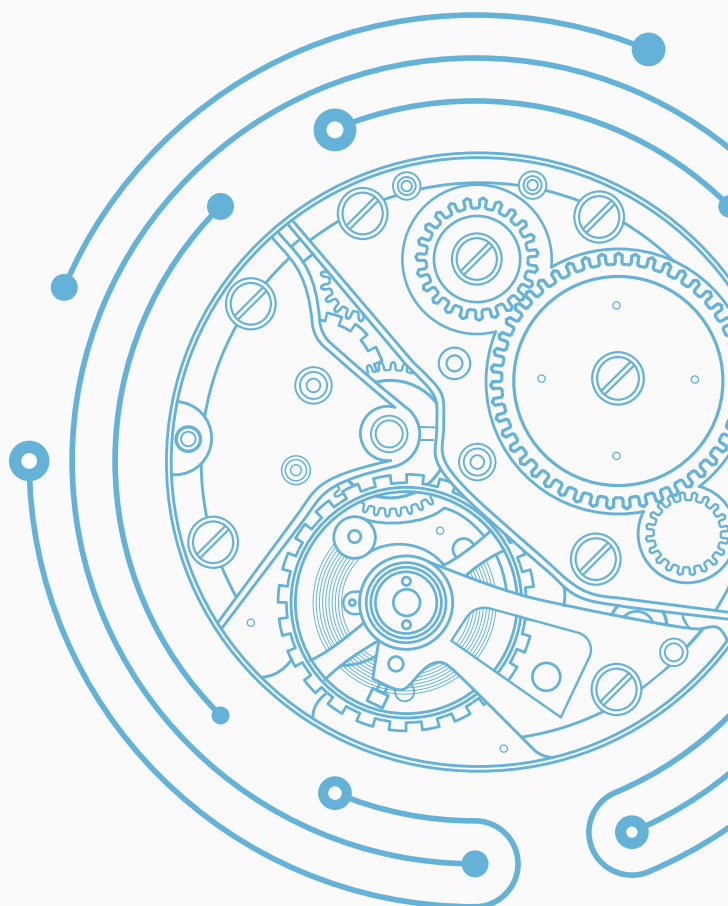
Joined in 2002

Mr Chang was appointed Director on 1 July 2002. He has been our Managing Director since the establishment of the Group in 2002, responsible for the day-to-day operations and overseeing the overall business, development and engineering support of our Group.

Mr Chang initially began his career in the telecommunications industry at Singtel in 1980. After a five-year stint at Wandel & Goltermann Ltd, Mr Chang joined Teledata in 1993, moving on to be an Executive Director cum General Manager of Plexus Technology Pte Ltd, a subsidiary of Teledata, in 1996.

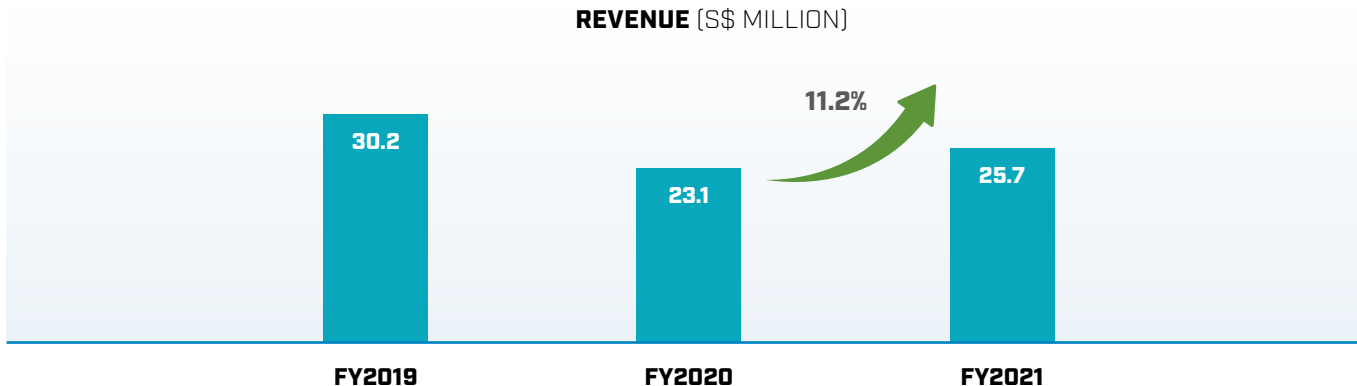
Mr Chang has an Industrial Technician Certificate in Electrical Engineering from the Singapore Technical Institute and a Diploma in Telecommunications from City & Guild in London.

He also serves as a School Advisory Committee Member of Pierce Secondary School.

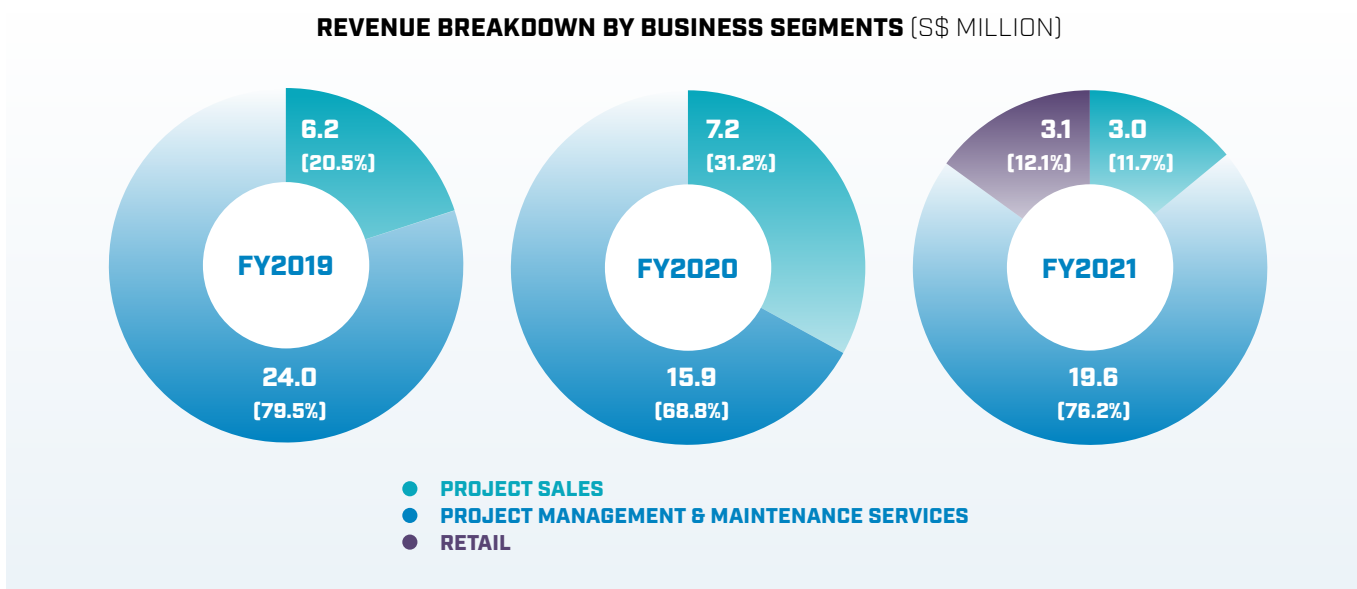


FINANCIAL HIGHLIGHTS

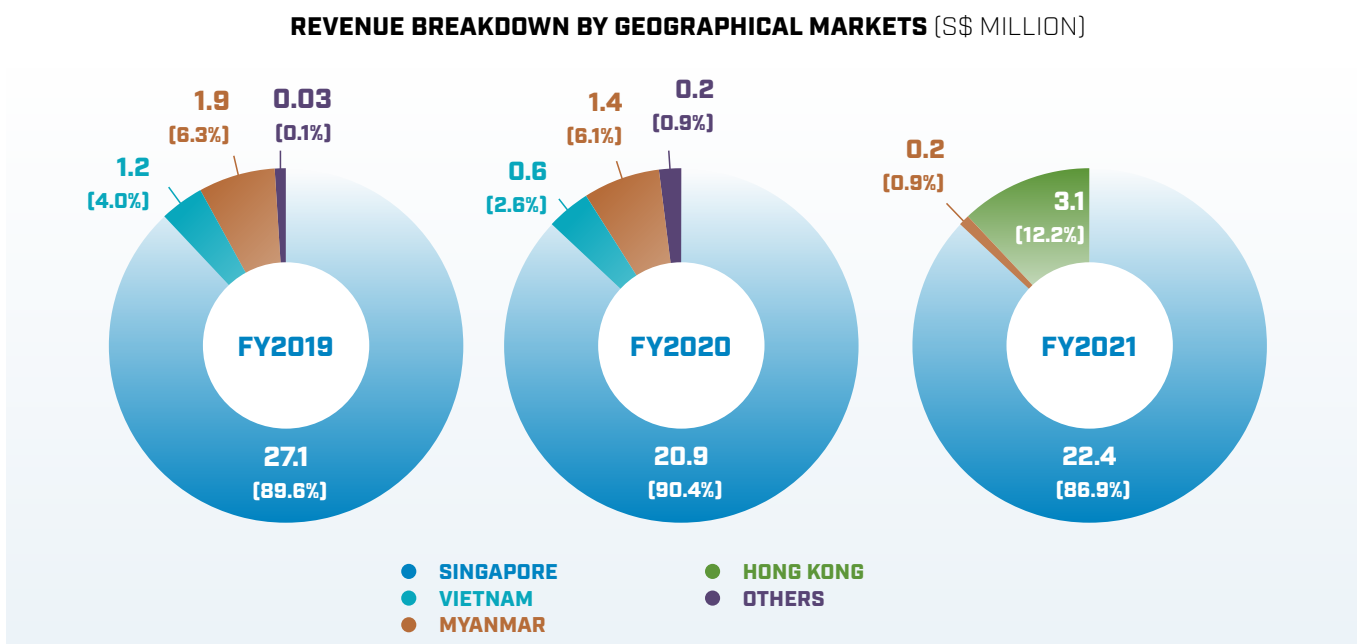
REVENUE (S\$ MILLION)



REVENUE BREAKDOWN BY BUSINESS SEGMENTS (S\$ MILLION)

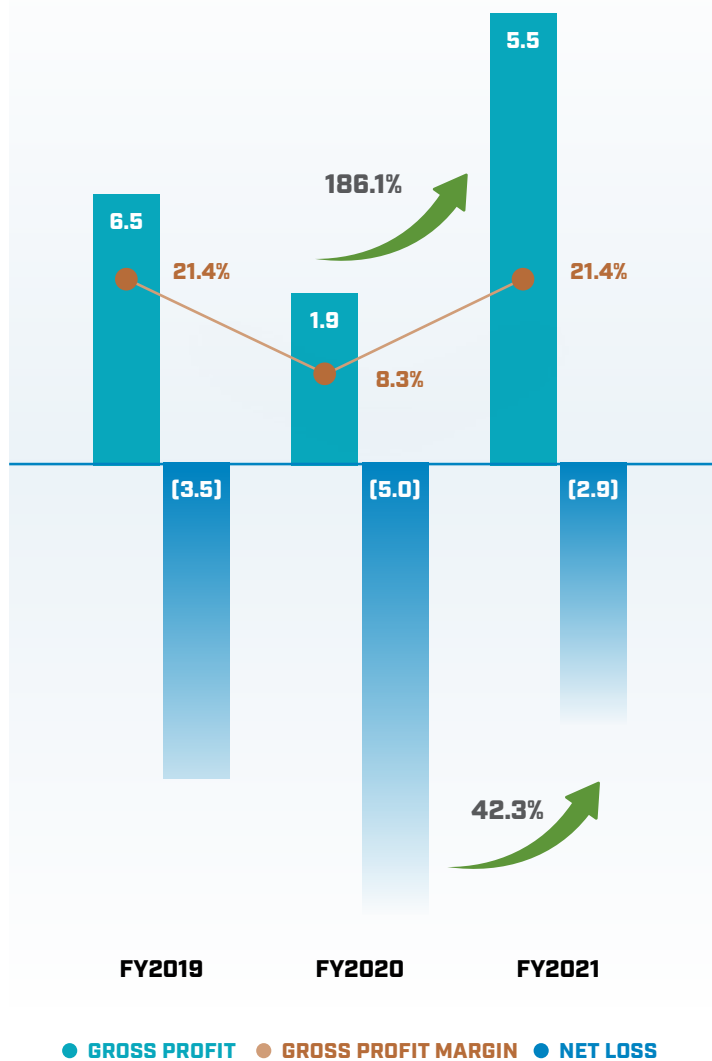


REVENUE BREAKDOWN BY GEOGRAPHICAL MARKETS (S\$ MILLION)

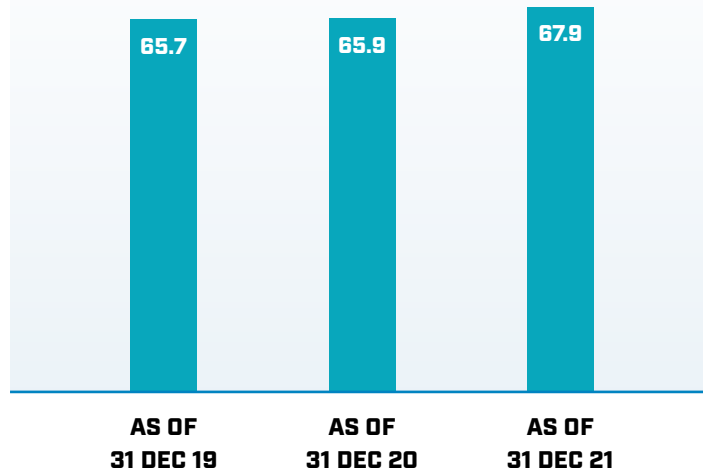


FINANCIAL HIGHLIGHTS

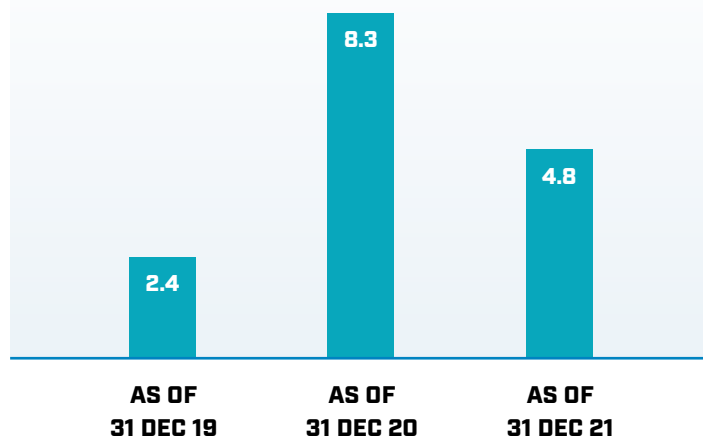
GROSS PROFIT, GROSS PROFIT MARGIN & NET LOSS AFTER TAX (S\$ MILLION)



ORDERBOOK (S\$ MILLION)



CASH AND CASH EQUIVALENTS (S\$ MILLION)



NET ASSET VALUE PER SHARE (CENTS)

AS OF 31 DEC 19	AS OF 31 DEC 20	AS OF 31 DEC 21
1.32	0.84	0.68
Total number of issued shares (excluding treasury shares)		
1,065,395,234	1,065,395,234	1,464,458,714

CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**”) of Ntegrator International Ltd (the “**Company**”) is committed to maintaining a high standard of corporate governance. This report describes the Company’s corporate governance practices with specific reference to the principles and provisions of the 2018 Code of Corporate Governance (the “**2018 Code**”), as required under Rule 710 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”).

The Board confirms that, as at the date of this report, the Company has complied with the principles and provisions of the 2018 Code and its related practice guide, guidelines from the Code of Corporate Governance 2012 which are still in effect, where applicable. Where there are any deviations from the provisions of the 2018 Code, appropriate explanations have been provided in this report.

BOARD MATTERS

Principle 1: The Board’s Conduct of Affairs

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

Directors are expected to objectively discharge their fiduciary duties and responsibilities at all times in the best interests of the Company and ensure proper accountability within the Company.

Provision 1.1

The principal functions of the Board are:

- a. providing entrepreneurial leadership, setting corporate objectives and approving the Group’s key business strategies, human resources and financial objectives;
- b. ensuring that the necessary resources are in place for the Company to meet its strategic objectives;
- c. approving the annual budget, major investments and divestments, and funding proposals;
- d. overseeing the processes for evaluating the adequacy and effectiveness of internal controls (including financial, operational, compliance and information technology controls) and risk management systems annually;
- e. setting appropriate tone-from-the-top and desired organisational culture;
- f. setting the Company’s values and standards, including ethical standards to ensure obligations to shareholders and other stakeholders are met including safeguarding of shareholders’ interests and the Company’s assets;
- g. identifying key stakeholder groups and recognize the importance of their perception on the Company’s standing and reputation;
- h. approving the nominations of Directors and appointments of key management personnel;
- i. approving financial statements, half year and full year results and relevant announcements;
- j. working with the Management for the long-term success of the Company, reviewing the Management’s performance and holding the Management accountable for performance;
- k. assuming responsibility for corporate governance and compliance with the Companies Act and the rules and requirements of regulatory bodies; and
- l. considering sustainability issues, e.g. environmental and social factors as part of the Group’s strategic foundation.

In a conflict of interest situation, a Director recuses/abstains himself from discussions and decisions involving the matter/issue of conflict.

CORPORATE GOVERNANCE REPORT

The Directors are familiar with the Group's business and governance practices and have been briefed on their duties and responsibilities as Directors of a listed company. In addition, Directors are regularly briefed on changes to Accounting Standards, Companies Act, Listing Rules and Corporate Governance rules/regulations by the External Auditor, Company Secretary and Sponsor.

Provision 1.2

To keep abreast with latest developments in corporate, financial, accounting, legal, industry-specific knowledge and other compliance requirements, Directors (including first time directors) are also encouraged to attend training courses/seminars funded by the Company.

During FY2021, briefings were provided by the external auditors to the Audit Committee members and the Board on the new developments and changes in accounting standards. The Management routinely update the Board at Board meetings on business and strategic developments relating to the Company's business operations and the industry that the Company is operating in.

New Directors, when appointed to the Board, would be briefed on the Group's business activities and its strategic directions as well as statutory and other duties, responsibilities and obligations as a Director. Formal letters are issued upon appointment, to further explain their duties and obligations.

The Company will arrange and fund the requisite training as prescribed by the SGX-ST under Rule 406(3) (a) and Practice Note 4D of the Catalist Rules within one year from the date of appointment for any newly appointed directors who do not possess any prior experience as a director of a Singapore public listed company.

The Board has adopted internal guidelines on matters reserved for the Board's approval including, the following material transactions, which have been clearly communicated to the Management in writing:

Provision 1.3

- strategies and objectives of the Group;
- investment and divestment;
- funding and major capital investment;
- acceptance of term loans and lines of credit from banks and financial institutions;
- announcement of half-year and full-year results;
- Chairman's statement, corporate governance report and issue of Annual Report;
- issuance of shares; and
- proposal of/declaration of dividends.

To assist the Board in discharging its duties, the Board delegates specific functions to its Board Committees, namely, the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**"). Each Board Committee operates within its own Terms of Reference which set out in writing the composition, duties, authority and responsibilities of each committee. Board Committees remain accountable to the Board.

Provision 1.4

Catalist Rule 406(3)(c)

Catalist Rule 406(3)(e)

Details of the respective Board Committees are set out in the following sections:

Catalist 1204(10B)

(i) Nominating Committee (Principle 4);

(ii) Remuneration Committee (Principle 6); and

(iii) Audit Committee (Principle 10).

CORPORATE GOVERNANCE REPORT

The Board conducts regular scheduled meetings during the year. When required, ad-hoc meetings are conducted to address significant issues or approve major transactions.

Provision 1.5

The Company's Constitution allows Board meetings to be conducted by way of telephone conferencing or any other electronic means of communications. When a physical meeting is not possible, timely communication with the Directors is achieved through electronic means and circulation of written resolutions for approval.

The attendance of the Directors at meetings of the Board and Board Committees, as well as the frequency of such meetings in the financial year ended 31 December 2021 ("FY2021") are summarised in the table below:

Directors	Board			
	Meetings	AC Meetings	RC Meeting	NC Meeting
No. of Meetings Held in FY2021	4	2	1	1
Chay Yiowmin ⁽¹⁾	0	0	0	0
Christian Kwok-Leun Yau Heilesen ⁽²⁾	1	1*	0	0
Leung Kwok Kuen Jacob ⁽³⁾	1	1	0	0
Leung Yu Tung Stanley ⁽⁴⁾	1	1	0	0
Zhou Jia Lin ⁽⁵⁾	1	1	0	0
Tao Yeoh Chi ⁽⁶⁾	0	0	0	0
Han Meng Siew	4	2*	1*	1*
Jimmy Chang Joo Whut ⁽⁷⁾	3	1	1*	1*
Charles George St. John Reed ⁽⁸⁾	2	1	1	1
Lai Chun Loong ⁽⁹⁾	2	1	1	1
Lee Keen Whye ⁽¹⁰⁾	2	1	1	1

* By invitation

Notes:

- (1) Mr Chay Yiowmin was appointed as Lead Independent Director of the Company with effect from 10 September 2021. Mr Chay Yiowmin was re-designated as Independent Non-Executive Chairman and Independent Non-Executive Director of the Company with effect from 9 February 2022.
- (2) Mr Christian Kwok-Leun Yau Heilesen was appointed as an Executive Director of the Company with effect from 21 May 2021.
- (3) Mr Leung Kwok Kuen Jacob was appointed as Independent Non-Executive Chairman and Independent Non-Executive Director of the Company with effect from 21 May 2021. Mr Leung Kwok Kuen Jacob was re-designated as Independent Non-Executive Director of the Company with effect from 9 February 2022.
- (4) Mr Leung Yu Tung Stanley was appointed as an Independent Non-Executive Director of the Company with effect from 21 May 2021.
- (5) Ms Zhou Jia Lin was appointed as Independent Non-Executive Director of the Company with effect from 21 May 2021.
- (6) Mr Tao Yeoh Chi was appointed as Independent Non-Executive Director of the Company with effect from 15 December 2021.
- (7) Mr Jimmy Chang Joo Whut retired as Executive Director and Managing Director of the Company at the annual general meeting of the Company held on 28 April 2021.
- (8) Mr Charles George St. John Reed was removed as Lead Independent Director of the Company with effect from 21 May 2021 pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 21 May 2021.
- (9) Mr Lai Chun Loong retired as Independent Non-Executive Director of the Company at the annual general meeting of the Company held on 28 April 2021.
- (10) Mr Lee Keen Whye retired as Independent Non-Executive Director of the Company at the annual general meeting of the Company held on 28 April 2021.

CORPORATE GOVERNANCE REPORT

The Board is accountable to shareholders while the Management is accountable to the Board. The Management presents to the Board half-year and full-year financial statements and such other reports, prior to meetings and as when required. As the Group's business is based on projects and contracts, the Management provides the Board with regular updates and status of such projects/contracts either verbally, in writing or, at meetings.

Provision 1.6

Reports on the Company's performance and business activities and appropriate detailed management accounts together with explanation and information are provided to every Board member in a timely manner and, as and when required by the Board, to enable the Board to make a balanced and informed assessment of the Group's performance, financial position and prospects. Such information includes background information, copies of disclosure documents, management reports, budgets, forecasts, financial statements, variance analysis and related documents in respect of matters brought before the Board for discussion. In respect of the budget, any material variances between projections and results will be disclosed and explained.

To keep the Board abreast with the Group's business, the Management meet or communicate (via electronic means) with the Independent Non-Executive Directors regularly to keep them updated and apprised of Group strategies, on-going projects, business environment and related developments that may impact the Group.

All Directors have direct and independent access to the senior management and to the Company Secretary and are entitled to request from the Management and be provided with such additional information as needed to make informed decisions, in a timely manner.

Provision 1.7

The Directors, whether individually or collectively, may in furtherance of their duties, seek and obtain independent professional advice as and when the need arises, at the expense of the Company.

The appointment of the Company Secretary and any change thereof is a matter for the Board as a whole. The Company Secretary attends all Board and Board Committee meetings and ensures that the Board procedures are followed, and that applicable rules and regulations are complied with. The Company Secretary is responsible for ensuring good information flow within the Board and its Board Committees and between the Management and Non-Executive Directors; advising the Board on all governance matters, as well as facilitating orientation and assisting with professional development.

Principle 2: Board Composition and Guidance

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

The Board comprises seven (7) Directors, a majority of which are Independent Non-Executive Directors. The Chairman is independent.

Provision 2.2

The composition of the Board is as follows:

Provision 2.3

Executive Directors

Christian Kwok-Leun Yau Heilesen
Han Meng Siew

CORPORATE GOVERNANCE REPORT

Independent Non-Executive Directors

Chay Yiowmin (Independent Non-Executive Chairman and Independent Non-Executive Director)
Leung Kwok Kuen Jacob
Leung Yu Tung Stanley
Zhou Jia Lin
Tao Yeoh Chi

An “independent director” is one who is independent in conduct, character and judgement, and has no relationship with the issuer, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director’s independent business judgement in the best interests of the issuer. Provision 2.1
Catalist Rule 406(3)(d)

In determining the independence of each Independent Non-Executive Director, the Board and the NC also consider Rules 406(3)(d)(i) and (ii) of the Catalist Rules, which took effect on 1 January 2019. Pursuant to Rules 406(3)(d)(i) and (ii) of the Catalist Rules, the Board and the NC consider that a director is not independent under any of the following circumstances:

- (i) if he is employed by the Company or any of its related corporations for the current or any of the past three (3) financial years; and
- (ii) if he has an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three (3) financial years, and whose remuneration is determined by the RC of the Company.

In assessing objectivity and independent judgement, the NC had taken into account the approach, character, integrity and attitude of each Independent Non-Executive Director in dealing with affairs of the Company and, in particular each of his business, contractual or, other relationships which could be perceived to interfere with the exercise of the Director’s independent business judgement. This assessment is further supported by the written confirmation of independence in which each Independent Non-Executive Director is required to complete and submit to the NC for review.

Based on the review, the NC was of the view that Mr Chay Yiowmin, Mr Leung Kwok Kuen Jacob, Mr Leung Yu Tung Stanley, Ms Zhou Jia Lin and Mr Tao Yeoh Chi have each demonstrated independence of mind and objective judgement in discussion of matters and issues relating to the Group.

The Independent Non-Executive Directors have confirmed that they are independent in conduct, character and judgement as prescribed under the Catalist Rules and Code of Corporate Governance. None of them are related to, nor they have any relationship (whether familial, business, financial, employment, or otherwise) with, the Company, its related corporations, its substantial shareholders or its officers or are in any circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement.

The Board and NC have also considered the new Rule 406(3)(d)(iii) of the Catalist Rules which came into effect on 1 January 2022. Pursuant to Rule 406(3)(d)(iii) of the Catalist Rules, the continued appointment of an individual as an independent director after he has been a director for an aggregate period of more than nine (9) years (whether before or after listing) is subject to approval in separate resolutions by (A) all shareholders; and (B) shareholders, excluding the directors, chief executive officer, and their associates. For the purpose of the resolution referred to in (B), the directors and the chief executive officer of the Company, and their respective associates, shall not accept appointment as proxies unless specific instructions as to voting are given.

As at the date of this Corporate Governance Report, none of the current Independent Non-Executive Directors have served on the Board beyond nine (9) years from the date of his first appointment.

CORPORATE GOVERNANCE REPORT

The Board comprises Directors who are professionals with core competencies, such as business or management expertise, finance and strategic planning experience, customer and industry-based exposure and knowledge. As a group, the Board provides an appropriate balance and diversity of skills, experience and knowledge that each Director brings in harnessing Group strategy and objective.

Provision 2.4

Details of the Directors' academic/professional qualification and other appointments are set out on pages 16 and 17 of the Annual Report.

Taking into account the nature and scope of the Group's operations and the requirements of its business, the NC and the Board are of the view that the current size and composition of the Board and the Board Committees are appropriate to facilitate effective decision making.

The Company recognizes the benefits of having a diverse Board and has in FY2019 adopted a Board Diversity Policy which sets out the approach to achieve diversity of the Board. The Board Diversity Policy aims to ensure that the Board is composed of appropriately qualified people with a broad range of experience relevant to the business to achieve effective corporate governance and sustained commercial success of the Company. In addition, the Board Diversity Policy endeavours to ensure that the Board has the appropriate balance of skills, experience and diversity of perspectives required to support the execution of the Company's business strategies and is operating effectively.

Pursuant to Rule 710(A) of the Catalist Rules effective from 1 January 2022 and as part of the Company's progressive goal towards Board diversity, the Board will further work towards maintaining and enhancing its Board Diversity Policy so as to ensure that it addresses gender, skills and experience, and any other relevant aspects of diversity, and will also describe such policy in its Annual Report for the financial year ending 31 December 2022.

The Board's policy in selecting candidates for Board appointments will be based on merit and candidates will be considered against a range of objective criteria, including but not limited to gender, age, ethnicity, culture and educational background, industry and business experience, professional experience, skills and knowledge, with due regard for the benefits of diversity on the Board.

The NC is responsible for reviewing and monitoring the implementation of the Board Diversity Policy and will recommend appropriate changes to the Board for consideration and approval, where necessary.

The Independent Non-Executive Directors constructively challenge and assist with the development of the Management's business proposals and review and monitor the Management's performance in meeting agreed goals and objectives.

Where appropriate and necessary, the Independent Non-Executive Directors, led by the Independent Non-Executive Chairman, would meet without the presence of the Executive Directors and the Management, and the chairman of such meetings will provide feedback to the Board, as appropriate.

Provision 2.5

Principle 3: Chairman and Chief Executive Officer

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

The Company does not have a Chief Executive Officer. The Company has tasked its Executive Director, Mr Christian Kwok-Leun Yau Heilesen, to oversee the day-to-day management of the Company and the Group's affairs. Mr Chay Yiowmin is the Independent Non-Executive Chairman and is responsible for the workings of the Board and ensures the Board's compliance with the corporate governance process.

Provision 3.1

Accordingly, the roles of Mr Chay Yiowmin and Mr Christian Kwok-Leun Yau Heilesen are separate to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.

CORPORATE GOVERNANCE REPORT

There is distinct division of responsibilities between the Mr Chay Yiowmin, the Independent Non-Executive Chairman of the Company and Mr Christian Kwok-Leun Yau Heilesen, an Executive Director of the Company, who are not related to one another and have no close family ties and are not immediate family members. Provision 3.2
Catalist Rule 1204(10A)

Mr Christian Kwok-Leun Yau Heilesen, an Executive Director, assumes executive responsibilities for the Company's business while Mr Chay Yiowmin, the Independent Non-Executive Chairman, assumes responsibility for the management of the Board.

In particular, the Independent Non-Executive Chairman's duties include:

- (a) leading the Board to ensure its effectiveness on all aspects of its role;
- (b) setting the agenda and ensures that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (c) promoting a culture of openness and debate at the Board;
- (d) ensuring that the Directors receive complete, adequate and timely information;
- (e) ensuring effective communication with shareholders;
- (f) encouraging constructive relations within the Board and between the Board and Management;
- (g) facilitating the effective contribution of Non-Executive Directors in particular; and
- (h) promoting high standards of corporate governance.

Mr Christian Kwok-Leun Yau Heilesen makes key decisions on the management and operations of the Group and is responsible for the conduct of the business and affairs of the Group, supported by the key management.

In compliance with Provision 3.3 of the 2018 Code, the Company had appointed Mr Leung Kwok Kuen Jacob as the Independent Non-Executive Chairman of the Company with effect from 21 May 2021, and subsequently re-designated Mr Chay Yiowmin as the Independent Non-Executive Chairman of the Company with effect from 9 February 2022. The Independent Non-Executive Chairman, will co-ordinate and lead the Independent Non-Executive Directors to provide non-executive perspective and contribute to a balance of viewpoints on the Board. He is also the main liaison on Board issues between the Independent Non-Executive Directors and the Management. Provision 3.3

The Independent Non-Executive Chairman is also available to shareholders where they have concerns and for which contact through the normal channels of communication with the Management is inappropriate or inadequate.

When necessary, the Company will co-ordinate informal meetings for the Independent Non-Executive Directors to meet without the presence of the Executive Directors and/or the Management to discuss matters such as the Group's financial performance, corporate governance initiatives, Board processes, succession planning as well as leadership development and the remuneration of the Executive Directors. Such meetings have also been carried out in FY2021. Led by the Independent Non-Executive Chairman, the Independent Non-Executive Directors meet amongst themselves without the presence of the other Directors where necessary and the Independent Non-Executive Chairman will provide feedback to the Board after such meetings.

CORPORATE GOVERNANCE REPORT

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

Nominating Committee

Provision 4.2

The NC comprises four (4) Directors, all of whom are Independent Non-Executive Directors, namely –

Leung Kwok Kuen Jacob (Chairman)
Leung Yu Tung Stanley
Zhou Jia Lin
Chay Yiowmin

The objective of the NC is to ensure that there is a formal and transparent process in the nomination, appointment and re-appointment of Directors to the Board and in the assessment of the effectiveness and contribution of the Board and its members to the welfare, strategic growth and development of the Company.

Provision 4.1

Catalist Rule 406(3)(e)

The key duties of the NC are as follows:

- (a) to review the Board structure, size and composition and makes recommendations to the Board with regards to any adjustments that are deemed necessary;
- (b) to review annually the independence of each Director with reference to the criteria set out in the Catalist Rules and the 2018 Code;
- (c) to determine whether a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly, when a Director has multiple Board representations;
- (d) to review succession plans for Directors, in particular, the Chairman, the Chief Executive Officer (if any) and key management personnel;
- (e) to develop a process and criteria for evaluation of the performance of the Board, its Board Committees and Directors;
- (f) to review training and professional development programmes for the Board, its Directors and key management personnel;
- (g) to review all nominations for new appointments and re-appointments of Directors and put forth their recommendations for approval by the Board; and
- (h) to assess the effectiveness of the Board as a whole and its Board Committees and Directors.

During the year, the NC met once to review the size and composition of the Board and the independence of the Independent Non-Executive Directors and to consider and recommend to the Board retiring Directors standing for election at the AGM, amongst its other duties.

CORPORATE GOVERNANCE REPORT

In the event that a vacancy on the Board arises, the NC will evaluate the balance of skills, knowledge and experience on the Board in order to identify the essential and desirable competencies of the candidate.

Provision 4.3

The search for new Directors will first be initiated through contacts or, recommendations of Board members and/or business associates, or through external sources. The NC assesses the suitability of candidate based on several factors, including Board composition and diversity, and each candidate's competencies, skills, knowledge, experience, ability and willingness to commit time to the Company, before making a recommendation to the Board for appointment. The Board would consider the above factors in identifying potential director nominees, including from a diversity perspective, so as to work towards achieving an appropriate balance and diversity of skills, experience, gender and knowledge of the Board. Upon the appointment of new Directors, arrangements will be made for the new Directors to attend various briefings with the management team.

Under the Constitution of the Company, all Directors are subject to re-nomination and re-election at least once every 3 years. Mr Han Meng Siew and Mr Christian Kwok-Leun Yau Heilesen will retire by rotation pursuant to Regulation 122 of the Company's Constitution at the forthcoming AGM of the Company and have offered themselves for re-election. Mr Chay Yiowmin and Mr Tao Yeoh Chi will retire pursuant to Regulation 123 of the Company's Constitution at the forthcoming AGM and have offered themselves for re-election. Further details on the Directors standing for re-election at the upcoming AGM of the Company are set out on pages 45 to 52 of the Annual Report.

Each of the Directors (being a NC and/or Board member) had recused himself from deliberating and voting on his own nomination for re-election at the AGM.

None of the Directors have appointed any alternate director.

The Independent Non-Executive Directors have confirmed that:

Provision 4.4

- (a) They are independent in conduct, character and judgement, and they do not have a relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement in the best interests of the Company.
- (b) They are not being employed by the Company or any of its related corporations for the current or any of the past three (3) financial years.
- (c) They do not have an immediate family member (being a spouse, child, adopted child, step-child, sibling and parent) who is, or has been in any of the past three (3) financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC.

The Board, as recommended by the NC, has reviewed and determined that the Independent Non-Executive Directors are independent in accordance with the Catalist Rules and the 2018 Code.

CORPORATE GOVERNANCE REPORT

The NC ensures that new Directors are aware of their duties and obligations.

Provision 4.5

The NC has reviewed the individual Director assessment conducted for FY2021 and the Directors' overall conduct and participation at the Board meetings in FY2021 to assess the performance of each individual Directors. The NC, after taking into account the individual Director's assessment results and the Director's participation of meetings, has reviewed and is satisfied that all the Directors who sit on multiple boards have been able to and have devoted sufficient time and attention to the affairs of the Company and have adequately carried out their roles and discharged their duties as Directors of the Company, notwithstanding their multiple board representations and directorships in other listed companies. In deriving at this conclusion, the NC also took into consideration the fact that all Directors with multiple Board representation were available as and when the Company required the Directors to attend to the affairs of the Company.

The NC and Board believe that setting a maximum number of listed company board representations is not meaningful as Directors should be assessed through qualitative factors such as competencies, contribution to discussions, attendance and time commitment in dealing with the Company's affairs.

Key information regarding Directors and their profiles are set out on pages 16 and 17 of the Annual Report. The shareholdings and interests of each Director are set out in the Directors' Statement under the relevant section on page 74 of the Annual Report.

Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

The NC has in place a formal performance evaluation process where the effectiveness of the Board as a whole and each of the Board Committees is assessed. This annual evaluation exercise provides an opportunity to obtain constructive feedback from each Director or Board Committee member on whether the Board or Board Committee's procedures and processes allowed Directors to discharge their duties effectively during the financial year under review and to propose changes which may be made to enhance Board/Board Committee effectiveness as a whole.

Provision 5.1

Provision 5.2

Board performance evaluation for FY2021 was conducted by having all Directors complete a questionnaire covering the following areas/performance criteria:

- Board structure;
- Strategy and performance;
- Governance – Board Risk Management & Internal Controls; and
- Board Function – Information to the Board, Board Procedures, CEO/Top Management and Standards of Conduct.

In evaluating its performance, the Board also took into account the attendance, contribution and participation of each Director at Board meetings.

Performance evaluations of the Board Committees, namely the AC, NC and RC for FY2021 were also conducted by having all the Board Committee members complete a separate questionnaire in respect of each Board Committee. The performance criteria includes, amongst others:

- The respective Board Committees' structure, size and expertise;
- Accountability and performance;
- Board Committee Function – Information to the Board Committees, processes, relationship with or reporting to the Board and Standards of Conduct;
- Attendance, contribution and participation of each member at Board Committee meetings; and
- Communications with shareholders.

CORPORATE GOVERNANCE REPORT

In addition to the Board and the Board Committees performance evaluations, a peer to peer evaluation in respect of FY2021 was carried out. The performance of all Directors, including the Chairman, were individually reviewed by their fellow Directors by completing a questionnaire, taking into consideration, amongst others, the Director's business and industry knowledge, commitment, contributions and performance at the Board and Board Committee meetings (including attendance, preparedness, participation and candour), communication skills and interaction with fellow Directors, senior management and auditors.

For each of the performance evaluations of the Board, Board Committees and Directors, a summary of findings is prepared by the Company Secretary based on the completed questionnaires and is reviewed and deliberated by the NC before submitting to the Board. The Chairman of the NC confers with the Chairman of the Board on the findings and appropriate follow-up actions are taken as necessary.

No external facilitator was engaged by the Company for the above evaluations.

The NC, having reviewed the performance of the Board, Board Committees and Directors, is of the view that the performance of the Board as a whole, each Board Committee and, the contribution of each Director to the effectiveness of the Board has been satisfactory.

REMUNERATION MATTERS

Principle 6: Procedures for Development Remuneration Policies

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No director is involved in deciding his or her own remuneration.

Remuneration Committee (RC)

Provision 6.1

The RC comprises four (4) members, all of whom are Independent Non-Executive Directors. The composition of the RC is as follows:

Provision 6.2

Leung Kwok Kuen Jacob (Chairman)
Leung Yu Tung Stanley
Zhou Jia Lin
Chay Yiowmin

The role of the RC is to review and recommend to the Board a framework of remuneration for the Board and key management personnel of the Group. It determines specific remuneration packages and reviews for each Director and key management personnel of the Company. It also approves guidelines on salary, bonus, and other terms and conditions for senior management.

The RC's review covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, and benefits-in-kind and termination terms (if any) to ensure they are fair.

Provision 6.3

No external consultant was engaged in FY2021.

Provision 6.4

CORPORATE GOVERNANCE REPORT

Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company

The Group's remuneration policy comprises a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is determined, after taking into consideration the performance of the Group and the individual employee, as well as the general economic climate.

Provision 7.1

The Executive Director, Mr Han Meng Siew, has a service contract with the Company may be terminated by either party giving three (3) months' notice, do not receive Directors' fees and are subject to annual review. Their remuneration package comprises salary, annual wage supplement and a share of profits based on the Group's performance. The performance-related benefits are to align their interests with those of the shareholders and other stakeholders, for the long-term success of the Company, and link rewards to corporate and individual performance.

In its review, the RC ensures that the remuneration of the Directors and key management personnel commensurate with their performance and value-add to the Group, giving due regard to the sustainability of performance, value creation and strategic objectives of the Company and/or the Group.

The RC also reviews the Company's obligations arising in the event of termination of the Executive Directors' and key management personnel's contract of service, to ensure that such contract of service contain fair and reasonable termination clauses which are not overly generous.

Independent Non-Executive Directors receive Directors' fees, which are subject to shareholders' approval at the AGM. The fees take into account their contribution, responsibilities, effort and time accorded in discharging their duties and, market practices.

Provision 7.2

The fee structure for Independent Non-Executive Directors comprising the following components:

- (1) a basic fee for each Independent Non-Executive Director; and
- (2) a percentage of basic fee for each additional role on Board Committees.

No Director is involved in determining his own remuneration.

In setting the remuneration package for Executive Directors and key management personnel of the Group, the pay and employment conditions within the industry and in comparable companies are taken into account to maintain an appropriate and competitive level of remuneration that will attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term. The RC may seek external professional advice on compensation and other employment-related matters, as and when required.

Provision 7.3

The Board is of the view that as the Group pays an annual cash incentive based on the performance of the Group/Company (and not on possible future results) and with targets set for Executive Directors and key management personnel, claw back provisions in the service contracts may not be relevant or, appropriate.

CORPORATE GOVERNANCE REPORT

Principle 8: Disclosure on Remuneration

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

Directors' Remuneration

Provision 8.1

Name of Directors	Total Remuneration	Base/Fixed Salaries, including CPF	Variable or performance related income or bonus	Director's	
				Fees	Total
Chay Yiowmin ⁽¹⁾	S\$16,667	0%	0%	100%	100%
Christian Kwok-Leun Yau Heilesen ⁽²⁾	S\$279,174	100%	0%	0%	100%
Leung Kwok Kuen Jacob ⁽³⁾	S\$25,000	0%	0%	100%	100%
Leung Yu Tung Stanley ⁽⁴⁾	S\$25,000	0%	0%	100%	100%
Zhou Jia Lin ⁽⁵⁾	S\$25,000	0%	0%	100%	100%
Tao Yeoh Chi ⁽⁶⁾	S\$2,000	0%	0%	100%	100%
Han Meng Siew	S\$517,210	92.4%	7.6%	0%	100%
Jimmy Chang Joo Whut ⁽⁷⁾	S\$0	0%	0%	0%	100%
Charles George St. John Reed ⁽⁸⁾	S\$0	0%	0%	0%	100%
Lai Chun Loong ⁽⁹⁾	S\$0	0%	0%	0%	100%
Lee Keen Whye ⁽¹⁰⁾	S\$0	0%	0%	0%	100%

Notes:

- (1) Mr Chay Yiowmin was appointed as Lead Independent Non-Executive Director of the Company with effect from 10 September 2021. Mr Chay Yiowmin was re-designated as Independent Non-Executive Chairman and Independent Non-Executive Director of the Company with effect from 9 February 2022.
- (2) Mr Christian Kwok-Leun Yau Heilesen was appointed as Executive Director of the Company with effect from 21 May 2021. Remuneration obtained from Subsidiary in Hong Kong.
- (3) Mr Leung Kwok Kuen Jacob was appointed as Independent Non-Executive Chairman and Independent Non-Executive Director of the Company with effect from 21 May 2021. Mr Leung Kwok Kuen Jacob was re-designated as Independent Non-Executive Director of the Company with effect from 9 February 2022.
- (4) Mr Leung Yu Tung Stanley was appointed as an Independent Non-Executive Director of the Company with effect from 21 May 2021.
- (5) Ms Zhou Jia Lin was appointed as Independent Non-Executive Director of the Company with effect from 21 May 2021.
- (6) Mr Tao Yeoh Chi was appointed as Independent Non-Executive Director of the Company with effect from 15 December 2021.
- (7) Mr Jimmy Chang Joo Whut retired as Executive Director and Managing Director of the Company at the annual general meeting of the Company held on 28 April 2021. Upon the cessation as Executive Director and Managing Director of the Company, Mr Jimmy Chang Joo Whut remains as a key management personnel of the Company.
- (8) Mr Charles George St. John Reed was removed as Lead Independent Director of the Company with effect from 21 May 2021 pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 21 May 2021.
- (9) Mr Lai Chun Loong retired as Independent Non-Executive Director of the Company at the annual general meeting of the Company held on 28 April 2021.
- (10) Mr Lee Keen Whye retired as Independent Non-Executive Director of the Company at the annual general meeting of the Company held on 28 April 2021.

The Directors have not been granted any stock options, share-based incentives and awards, and other long-term incentives in FY2021.

CORPORATE GOVERNANCE REPORT

Remuneration of top 4 Key Management Personnel who are not Directors

The breakdown showing the level and mix of remuneration of the top four (4) key management personnel (who are not Directors or the CEO of the Company) during FY2021 is set out below:

Remuneration Bands & Name of Key Management Personnel	Base/Fixed salaries, including CPF	Variable or performance related income or bonus	Benefits in kind	Total
Between S\$250,000 to S\$500,000				
Jimmy Chang Joo Whut	92.3%	7.7%	0%	100%
Kenneth Sw Chan Kit	92.2%	7.8%	0%	100%
Below S\$250,000				
Vincent Vinu Edward	100%	0%	0%	100%
Raymond Chia Kok Hian ⁽¹⁾	100%	0%	0%	100%

Note:

(1) Mr Raymond Chia Kok Hian resigned as General Manager, Network Infrastructure (Regional), of the Company with effect from 20 March 2022.

For FY2021, the aggregate total remuneration paid to the top four (4) key management personnel disclosed in the table above (who are not Directors or the CEO) amounted to approximately S\$1.1 million.

Details of Directors' interests in shares are set out on page 74 of the Annual Report.

There were no employees who were substantial shareholders, or who were immediate family members of any Director or substantial shareholder in FY2021. Provision 8.2

There were no termination, retirement or post-employment benefits granted to Directors and the top four (4) key management personnel (who are not Directors) in FY2021. Provision 8.3

There are no remuneration and other payments and benefits paid by the Company and its subsidiaries to the Directors and key management personnel of the Company in FY2021.

Ntegrator Share Option Scheme

The Company has adopted an employee share option scheme (the “**Ntegrator Employee Share Option Scheme**”), which was approved by Shareholders on 15 December 2021.

Since the commencement of the Ntegrator Employee Share Option Scheme, no share options have been granted by the Company.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Control

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

The Board is responsible for the governance of risk and sets the tone and direction for the Group in the way risks are managed in the Group's businesses. The Board has ultimate responsibility for approving the strategy of the Group in a manner which addresses stakeholders' expectations and does not expose the Group to an unacceptable level of risk.

Provision 9.1

The Board approves the key risk management policies and ensures a sound system of risk management and internal controls and monitors performance against them. In addition to determining the approach to risk governance, the Board sets and instils the right risk focused culture throughout the Group for effective risk governance.

The Group's Risk Management Framework which identifies key risks within the Group's businesses, is aligned with the ISO 31000:2018 Risk Management framework. The Risk Management Framework is reviewed by the AC and approved by the Board.

The AC oversees risk governance which includes the following roles and responsibilities:

- proposes the risk governance approach and risk policies for the Group to the Board;
- reviews the risk management methodology adopted by the Group;
- reviews the strategic, financial, operational, regulatory, compliance, information technology and other emerging risks relevant to the Group identified by Management; and
- reviews Management's assessment of risks and Management's action plans to mitigate such risks.

Yang Lee & Associates, a professional service firm, is engaged to assist the AC with its oversight of risk management and to facilitate the maintenance of the Group's enterprise risk management framework which covers operational, financial, compliance and information technology risks. Under the framework, risk registers with related treatment plans on risks faced by the Group are maintained, tracked by the responsible managers and reported to the Board.

Based on risks identified, assurance activities such as control self-assessments and internal audits are planned with a set of measurement criteria and targets established for each assurance activity covered. Results of assurance activities are presented to the AC annually to support the opinion under Catalyst Rule 1204(10). Based on the results of assurance activities, the Group had met the targets established for FY2021.

Catalist Rule 1204(10)

Based on the internal controls established and risk management framework maintained by the Group, work performed by the internal and external auditors, and reviews performed by the Management, the various Board Committees and the Board, and assurance activities conducted, the Board (with concurrence of the AC) is satisfied that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective. No material weaknesses of internal controls and risk management systems were identified in respect of FY2021.

CORPORATE GOVERNANCE REPORT

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

In respect of FY2021, the Board has received the following assurance:

Provision 9.2

- (a) Written confirmation from the Executive Director, Mr Christian Kwok-Leun Yau Heilesen, and the Financial Controller that the financial records have been properly maintained and the financial statements of the Company for FY2021 give a true and fair view of the Company's operations and finances; and
- (b) Written confirmation from the Executive Director, Mr Christian Kwok-Leun Yau Heilesen, the Financial Controller and relevant key management personnel that the Company's risk management and internal controls (including financial, operational, compliance and information technology controls) systems are adequate and effective.

Principle 10: Audit Committee

The Board has an Audit Committee ("AC") which discharges its duties objectively.

The AC comprises four (4) Directors, all of whom are Independent Non-Executive Directors. The composition of the AC is as follows:

Provision 10.2

Chay Yiowmin (Chairman)
Leung Yu Tung Stanley
Leung Kwok Kuen Jacob
Zhou Jia Lin

All AC members possess extensive business and financial management expertise or experience and at least 2 of them (including the AC Chairman) have recent and relevant accounting or related financial management expertise or experience.

The duties of the AC include:

Provision 10.1

- (a) reviewing significant financial reporting issues and judgements so as to ensure the integrity of financial statements of the Company and any announcements relating to the Company's financial performance; Catalist Rule 406(3)(e)
- (b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls, and risk management systems (such review can be carried out with the assistance of any competent third parties);
- (c) reviewing the assurance from the Executive Director and the Financial Controller on the financial records and financial statements;
- (d) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;
- (e) making recommendations to the Board on the proposals to shareholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

CORPORATE GOVERNANCE REPORT

- (f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; and
- (g) reviewing the Whistle blowing policy and procedures for raising such concerns to ensure disclosure and clear communications to employees, which is sent to individual employees on an annual basis.

None of the AC members or the AC Chairman are former partners or, Directors of the Company's existing auditors. Provision 10.3

The AC assists the Board in its oversight of financial, risk, audit and compliance matters. Provision 10.4

The AC reviews the scope of work and the effectiveness of both the Internal and External Auditors and the assistance given by the Company's officers to the External Auditors. It meets with the Company's Internal Auditors and External Auditors to review their audit plans and discuss the results of their respective examinations and their evaluation of the Group's operations and system of internal accounting controls to the Board annually.

The AC also reviewed transactions with interested persons and related parties (if any), and recommended the appointment or re-appointment of External Auditors, after taking into consideration the External Auditors' performance and Audit Quality Indicators relating to the External Auditors at firm level and audit engagement level and the Group's requirements.

The internal audit function of the Group is outsourced to Yang Lee & Associates ("YLA" or "IA"), an independent and professional service firm. YLA is a professional service firm that specialises in the provision of Internal Audit, Enterprise Risk Management and Sustainability Reporting advisory services. The firm was set up in the year 2005 and currently maintains a diverse outsourced internal audit portfolio of SGX-ST listed companies across different industries including distribution, manufacturing, services, food & beverage, trading, retail and property development industries.

The IA is adequately resourced and guided by the International Standards for the Professional Practice of Internal Auditing (IIA Standards), issued by the Institute of Internal Auditors. YLA is a corporate member of the Institute of Internal Auditors Singapore and is staffed with professionals with relevant qualifications such as the Certified Internal Auditor qualification with the Institute of Internal Auditors.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by the Management and full discretion to invite any personnel to attend its meetings and, reasonable resources to enable it to function properly.

The IA reports directly to the AC. The IA has unfettered access to all the Company's documents, records, properties and personnel, including access to the AC, and has appropriate standing within the Group. The AC approves the appointment, termination, evaluation and compensation of the IA.

The AC reviews and approves the internal audit scope and plan to ensure that there is sufficient coverage of the Group's activities. It also oversees the implementation of the internal audit plan and ensures that the Management provides the necessary co-operation to enable the IA to perform its function.

The IA completed one (1) review of the Group in FY2021 in accordance with the internal control plan approved by the AC under the Group Risk Management Framework. The findings and recommendations of the IA, Management's responses, and Management's implementation of remedial actions have been reviewed by the AC.

The IA engagement team comprises two directors, a manager and supported by two associates. Each of the two Directors has more than 20 years of relevant experience whilst the Manager has more than 10 years of relevant experience.

The AC annually reviews the independence, adequacy and effectiveness of the internal audit function to ensure that the internal audits are performed effectively. The AC is satisfied that the IA is independent, effective, has the necessary resources to adequately perform its functions and staffed by qualified and experienced personnel.

CORPORATE GOVERNANCE REPORT

The AC meets the Internal Auditors and External Auditors without the presence of Management at least once a year.

Provision 10.5

The External Auditors provide regular updates and periodic briefing to the AC on changes or amendments to accounting standards to enable AC members keep abreast with such changes and their corresponding impact, if any, on financial statements.

The AC performed independent reviews of the financial statements of the Company and the Group and any announcement relating to the Company's performance. No significant issues were noted by the AC.

The AC reviewed audit and non-audit fees and the independence of the External Auditors. No non-audit services were provided by the External Auditors in FY2021. The AC has received confirmation of independence from the External Auditors and is satisfied that the External Auditors are independent.

The Company has complied with Catalist Rules 712 and 715 in respect of the appointment and re-appointment of External Auditors. Catalist Rule 716 is not applicable to the Company.

Whistle-Blowing Policy

The Company has a Whistle-Blowing Policy managed by the Audit Committee who is responsible for oversight and monitoring of the policy which serves to encourage and to provide a channel for staff of the Group, to report and to raise in good faith and in confidence, any concerns about possible improprieties in matters of financial reporting or other matters. This Policy is to ensure that arrangements are in place, for the independent investigation of such matters and concerns raised on financial or other improprieties, and for appropriate follow-up action.

The objectives of the Whistle-Blowing Policy are:

- to ensure that the identity of the whistleblower is kept confidential
- to communicate the Company's expectation of employees of the Group in detecting fraudulent activities or malpractices;
- to guide employees on the course of action when addressing their concerns or suspicions of fraudulent activities or malpractices;
- to provide a process for investigations of whistleblowing reports made in good faith by an independent function and management reporting; and
- to establish the policies for protecting whistle-blowers against reprisal by any person internal or external of the Group.

There were no reports through whistle-blowing in FY2021.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings

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

The Company disseminates material information simultaneously through press releases via SGXNet and electronic mail to the media. Press releases, interim and full-year financial results and annual reports which are posted on SGX's website are also available on the Company's website. All shareholders of the Company receive the Annual Report and Notice of general meetings, within the statutory period. In order to gather views or inputs and address shareholders' concerns, shareholders are given the opportunity to voice their views and to direct questions regarding the Group to the senior management and the Directors, including the Chairman and Chairmen of Board Committees, prior to the general meetings. The Company will provide its response to all substantial and relevant questions received from shareholders within the relevant timelines prescribed by the SGX-ST.

Provision 11.1

CORPORATE GOVERNANCE REPORT

In relation to the forthcoming AGM, which will be held by way of electronic means in light of Covid-19 restriction orders in Singapore, alternative arrangements, including pre-registration for the live webcast and pre-submission of questions prior to the AGM, will be put in place to facilitate shareholders' participation in the AGM.

At general meetings, resolutions are voted on by poll and poll voting procedures are explained by the independent scrutineer. The results, including the number of votes cast for and against each resolution, are announced via SGXNet.

At general meetings, separate resolutions are proposed for each substantially separate issue to avoid bundling of resolutions unless the resolutions are inter-dependent and linked to form one significant proposal.

Provision 11.2

The Directors understand the importance of attending the general meetings to be available to attend to shareholders' queries and to communicate with shareholders, including addressing pre-raised questions under the current Covid-19 situation. Insofar as possible, all Directors attend general meetings of the Company to address such questions. The Company's legal advisors (if necessary), the AC Chairman, the NC Chairman and the RC Chairman are also present to assist the Directors in addressing such questions. The Company's External Auditors are also present to address shareholders' queries about the conduct of the audit and the preparation and content of the auditors' report.

Provision 11.3

The Directors' attendance at the general meetings of the Company held in FY2021 are set out in the table below:

Name of Director	Annual General Meeting		Extraordinary General Meeting	
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
Chay Yiowmin ⁽¹⁾	1	0	2	1
Christian Kwok-Leun Yau Heilesen ⁽²⁾	1	0	2	1
Leung Kwok Kuen Jacob ⁽³⁾	1	0	2	1
Leung Yu Tung Stanley ⁽⁴⁾	1	0	2	1
Zhou Jia Lin ⁽⁵⁾	1	0	2	1
Tao Yeoh Chi ⁽⁶⁾	1	0	2	1
Han Meng Siew	1	1	2	2
Jimmy Chang Joo Whut ⁽⁷⁾	1	1	2	0
Charles George St. John Reed ⁽⁸⁾	1	1	2	1
Lai Chun Loong ⁽⁹⁾	1	1	2	0
Lee Keen Whye ⁽¹⁰⁾	1	1	2	0

Notes:

- (1) Mr Chay Yiowmin was appointed as Lead Independent Non-Executive Director of the Company with effect from 10 September 2021. Mr Chay Yiowmin was re-designated as Independent Non-Executive Chairman and Independent Non-Executive Director of the Company with effect from 9 February 2022.
- (2) Mr Christian Kwok-Leun Yau Heilesen was appointed as Executive Director of the Company with effect from 21 May 2021.
- (3) Mr Leung Kwok Kuen Jacob was appointed as Independent Non-Executive Chairman and Independent Non-Executive Director of the Company with effect from 21 May 2021. Mr Leung Kwok Kuen Jacob was re-designated as Independent Non-Executive Director of the Company with effect from 9 February 2022.
- (4) Mr Leung Yu Tung Stanley was appointed as Independent Non-Executive Director of the Company with effect from 21 May 2021.
- (5) Ms Zhou Jia Lin was appointed as Independent Non-Executive Director of the Company with effect from 21 May 2021.
- (6) Mr Tao Yeoh Chi was appointed as Independent Non-Executive Director of the Company with effect from 15 December 2021.
- (7) Mr Jimmy Chang Joo Whut retired as Executive Director and Managing Director of the Company at the annual general meeting of the Company held on 28 April 2021.
- (8) Mr Charles George St. John Reed was removed as Lead Independent Director of the Company with effect from 21 May 2021 pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 21 May 2021.
- (9) Mr Lai Chun Loong retired as Independent Non-Executive Director of the Company at the annual general meeting of the Company held on 28 April 2021.
- (10) Mr Lee Keen Whye retired as Independent Non-Executive Director of the Company at the annual general meeting of the Company held on 28 April 2021.

CORPORATE GOVERNANCE REPORT

Corporations which provide nominee services are permitted to appoint more than 2 proxies so that shareholders who hold shares through such corporations can attend and participate in shareholders' meetings as proxies.

Provision 11.4

At present, the Company has not adopted any procedures for shareholders to vote in absentia and will review this option when guidelines for such procedures are developed, in the future. However, pursuant to Regulation 88 of the Company's Constitution, the Directors may, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow shareholders who are unable to vote in person at any General Meeting the option to vote in absentia.

Minutes of general meetings are made available to shareholders present at the relevant meeting, upon request. In addition, the minutes of AGMs/general meetings of shareholders, incorporating substantial and relevant comments or queries from shareholders and responses from the Board, the Management and/or the Auditors, are published via SGXNet and on the Company's website. For the forthcoming AGM, minutes of the meeting will be published via SGXNet and on the Company's website within one (1) month after the meeting, pursuant to the Order (as defined below).

Provision 11.5

Due to the current Covid-19 restriction orders in Singapore for large group gatherings and pursuant to the Covid-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 ("**Order**"), the Company's forthcoming AGM will be held by way of electronic means on 13 May 2022. Alternative arrangements relating to (i) attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio only stream), (ii) submission of questions in advance of the AGM, (iii) addressing of substantial and relevant questions prior to the AGM and (iv) voting by appointing the Chairman of the Meeting as proxy, are set out in the Notice of AGM dated 28 April 2022, published via SGXNet and on the Company's website. Shareholders are advised to refer to the Notice of AGM for further details.

The Company currently, does not have a formal dividend policy. Before proposing any dividend, the Board considers factors such as earnings, financial results and position, capital requirements, cash flows and business development plans. The Board will review the adoption of a dividend policy when a more stable trend of profitability is established.

Provision 11.6

Catalist Rule 704(24)

No dividend was declared or recommended for FY2021 due to the losses incurred by the Group.

CORPORATE GOVERNANCE REPORT

Principle 12: Engagement with Shareholders

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

The Board places strong emphasis on investor relations for the Company to maintain high standard of transparency so as to promote better investor communications. The Company's corporate website is a key source of information for the investment community and Shareholders are kept apprised of any changes in the Company's business and information that would likely affect the value of the Company's shares on a timely basis.

Provision 12.1

The Company is fully committed to corporate governance and transparency by disclosing to its stakeholders, including its Shareholders, as much relevant information as is possible, in a timely, fair and transparent manner as well as to hearing its Shareholders' views and addressing their concerns.

All material information on the performance and development of the Group and of the Company are also disclosed in a timely, accurate and comprehensive manner through SGXNet, press releases and the Company's website. The Company does not practice selective disclosure of material information. All materials on the Company's financial results are available on the Company's website – www.nTEGRATOR.com

In addition, to further encourage and promote communications with Shareholders and the investment community, Shareholders and the investment community are invited to send emails queries to the senior management at ir@nTEGRATOR.com.

The Company has put in place a formal investor relations policy (“**IR Policy**”) which outlines the processes and practices that the Company adopts to ensure effective communication with shareholders and the investment community, in a timely manner. The IR Policy is available on the Company's website at www.nTEGRATOR.com. In addition, to further encourage and promote communications with Shareholders and the investment community, Shareholders and the investment community are invited to send email queries to the senior management at ir@nTEGRATOR.com.

Provision 12.2

Provision 12.3

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders

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

The Company has implemented appropriate channels to identify and engage with its material stakeholders. It recognises the importance of having intimate knowledge of its business and regular interactions with its stakeholders to determine material issues for its business. Such arrangements include maintaining the Company's website, which is kept updated with current information to facilitate communication and engagement with stakeholders.

Provision 13.1

The Company has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include customers, employees, regulators, shareholders and suppliers. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders such as through the Company's website. The Company welcomes the stakeholders to write to ir@nTEGRATOR.com wherein the senior management will address the stakeholders' queries as appropriate.

CORPORATE GOVERNANCE REPORT

The Company periodically assesses focus areas where the Company can have the greatest economic, environmental and social impact, as well as areas that are most important to its stakeholders. The Company has made efforts to seek the opinions of its stakeholders through various means. In FY2021, the Company has maintained the Company's website to keep the stakeholders updated of developments as disclosed under Provision 12.1 above and was available to answer queries from stakeholders through ir@ntegrator.com. Provision 13.2

The Company maintains a corporate website at www.ntegrator.com to communicate and engage with its stakeholders. Provision 13.3

COMPANY'S COMPLIANCE OF EXPLANATION

Catalist Rule

Dealing in Company's Securities

1207(19)

The Group has adopted a Code of Best Practices for Dealings in Securities (the "**Code of Best Practices**") which defines the Group's policy on dealings in securities of the Company and implications of insider trading. To comply with Rule 1207(19)(b) and in line with our Code of Best Practices, Directors and key management personnel of the Group who have access to price-sensitive and confidential information are not permitted to deal in securities of the Company during the periods commencing one (1) month before the announcement of the Group's annual or half-year results and ending on the date of the announcement of such results, or when they are in possession of unpublished price-sensitive information on the Group. In addition, Directors and key management personnel of the Group are not allowed to deal in the Company's shares or, securities, on short-term considerations.

Directors and Key Management Personnel are required to confirm annually that they have complied with the Code of Best Practices with regards to their securities transactions.

Sustainability Reporting

711A

The Group recognises the importance of sustainability that creates long-term value to our stakeholders by embracing opportunities and managing risks derived from the environment, social developments and governance. The Group is committed towards implementing sustainable practices in order to achieve the right balance between the needs of the wider community and the requirements of stakeholders and business growth. Our 2021 Sustainability Report can be found at pages 53 to 71 of this Annual Report.

ENTERPRISE RISK MANAGEMENT POLICIES AND PROCESSES

The Company's enterprise risk management policies are summarised as follows:

Technological Changes

We are dependent on principals to improve and innovate products to meet the changing market trends. We will study the market trends and assess customers' changing needs and obtain new technology-based products to meet their demands. We will also keep abreast of the developments in our industry and the technical know-how.

Political, Regulatory and Economic

The unexpected changes in the regulatory requirements, political instability and economic uncertainties in the countries in which we have a presence may affect our revenue and margin. We will assess this inherent risk on a regular basis.

CORPORATE GOVERNANCE REPORT

Credit Risk

We are exposed to credit risk and such risk is managed through assessment of customer credit-worthiness. Special payment arrangements are reviewed on a case-by-case basis and will be secured by export letters of credits.

Suppliers

We procure and supply machinery/equipment to customers which are sourced from reputable suppliers or, manufacturers approved by customers. These machinery/equipment which may fail to meet customers' expectation or operating requirements are covered by manufacturers' warranties.

Key Management Personnel

Our business performance depends on the business strategy developed by the Management. The inability to retain qualified personnel may affect our business performance given that we are a service provider. We offer competitive remuneration packages to our staff as well as a challenging working environment.

Business Continuity

The Company recognises that business disruption is a key risk to effective business operations and delivery of business services, and may potentially affect our customers. We monitor for emerging threats that may disrupt our operations and address crises and emergencies through implementation of appropriate prevention, preparedness and response and recovery programmes that seek to mitigate the risks of disruption and catastrophic loss to our operations, people, information databases and other assets, and to ensure that key business functions can continue normal operations in the event of a major disruption. Such risks can arise from adverse natural events like flooding or, from pandemic outbreaks.

The Covid-19 pandemic has continued to disrupt societies and economies. The Company has been monitoring the situation and evaluating its operations to ensure business continuity and the safety of employees. Implementation of all the necessary safety measures (such as, provision of hand sanitisers and contactless infrared thermometers, stepping up of the cleaning and disinfection of our premises and conduct of temperature screenings upon entry into our premises) are still in place. Our foreign workers have been split into different dormitories and rooms and they have been divided into different teams to support our customers who are providers of the essential services.

Material Contracts

Catalist Rule 1204(8)

Other than the Service Agreement with our Executive Director, Messrs Han Meng Siew, there were no material contracts in FY2021 which are required to be disclosed under Catalist Rule 1204(8).

Interested Person Transactions (“IPTs”)

The Group has set up procedure to record and report IPTs. All IPTs are reported in a timely manner to the Audit Committee and the Group ensures that all such transactions are conducted on an arm's length basis and are not prejudicial to the interests of the Company and its minority Shareholders.

CORPORATE GOVERNANCE REPORT

Save as disclosed in the table below, there were no IPTs exceeding S\$100,000 in value in FY2021:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 806 of the Catalyst Rules)	Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 806 of the Catalyst Rules (excluding transactions less than S\$100,00)
Golden Ultra Limited	Golden Ultra Limited is an associate of Mr Heilesen, who is a director and controlling shareholder of the Company, holding indirectly 171,314,500 ordinary shares of the Company, representing approximately 10.94% of the issued share capital of the Company as at the date of this annual report.	Transaction A ⁽ⁱ⁾ HK\$110 million (equivalent to approximately S\$19.2 million)	Nil
Incredible Holdings Limited	Incredible Holdings Limited is an associate of Mr Heilesen, who is a director of the Company.	Transaction B ⁽ⁱⁱ⁾ S\$42.3 million	Nil
Incredible Holdings Limited	Incredible Holdings Limited is an associate of Mr Heilesen, who is a director of the Company.	Transaction C ⁽ⁱⁱⁱ⁾ S\$10.6 million	Nil

Notes:

(i) Transaction A - Proposed Acquisition of 55% of the Issued Share Capital of Golden Ultra Limited

As announced on 12 October 2021, the Company had entered into a share purchase agreement with Mr Heilesen (the "Golden Ultra Vendor") in relation to, *inter alia*, the acquisition of 550 ordinary shares in Golden Ultra Limited (the "Target"), representing 55% of the issued share capital of Golden Ultra Limited.

The aggregate maximum value to be paid by the Company in connection with the Proposed Acquisition of 55% of the Issued Share Capital of Golden Ultra Limited is approximately HK\$110 million (equivalent to approximately S\$19.2 million) comprising the consideration of HK\$82.5 million (equivalent to approximately S\$14.4 million) to be paid to the Golden Ultra Vendor by way of promissory notes and a maximum earnout incentive of HK\$27.5 million (equivalent to approximately S\$4.8 million) assumed to be paid by the Company to the Golden Ultra Vendor in accordance with the formula and conditions detailed in the announcement.

(ii) Transaction B - Proposed Issuance

Please refer to Notes to the condensed interim consolidated financial statements – Note 28: "Events Occurring After Reporting Date" for further information on the Proposed Issuance.

The aggregate value of the Proposed Issuance consists of the aggregate principal amount of 0% perpetual convertible bonds of S\$9,000,000 and the proceeds from the exercise of the warrants on 23 December 2021 and 28 January 2022.

(iii) Transaction C - Proposed Subscription

Please refer to Notes to the condensed interim consolidated financial statements – Note 28: "Events Occurring After Reporting Date" for further information on the Proposed Subscription.

The aggregate maximum value to be paid by the Company in connection with the Proposed Subscription is approximately S\$10.6 million (comprising the aggregate principal amount of the perpetual bonds of S\$6,900,000, the aggregate principal amount of perpetual convertible bonds of S\$2,100,000 and the aggregate exercise price payable upon exercise of all of the warrants of S\$1,600,000) and the estimated costs and expenses to be incurred in connection with the Proposed Subscription of S\$50,000 shall be funded through fund raising exercises such as an issue of additional equity securities by way of a rights issue, a private placement or otherwise including the Proposed Issuance to Incredible Holdings Limited as announced on 1 January 2022.

CORPORATE GOVERNANCE REPORT

Continuing Sponsors

No non-sponsor fees were paid to the Sponsor, PrimePartners Corporate Finance Pte. Ltd. in FY2021.

Key information of Directors to be re-elected

Name of Director	Han Meng Siew	Christian Kwok-Leun Yau Heilesen	Chay Yiowmin	Tao Yeoh Chi
Date of appointment	15 July 2004	21 May 2021	10 September 2021	15 December 2021
Date of last re-appointment	28 April 2021	Not Applicable	Not Applicable	Not Applicable
Age	66	38	47	69
Country of principal residence	Singapore	Hong Kong	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	<p>The Board of Directors, having considered the recommendation of the Nominating Committee, and having reviewed the qualifications and experience of Mr Han Meng Siew, is of the view that he has the requisite experience and capabilities to assume the responsibilities as an Executive Director of the Company.</p> <p>Accordingly, the Board of Directors has approved the re-appointment of Mr Han Meng Siew, as an Executive Director of the Company.</p>	<p>The Board of Directors, having considered the recommendation of the Nominating Committee and assessed the qualifications and working experience of Mr Christian Kwok-Leun Yau Heilesen, is of the view that he has the requisite experience and capabilities to assume the responsibilities as an Executive Director of the Company.</p> <p>Accordingly, the Board of Directors has approved the re-appointment of Mr Christian Kwok-Leun Yau Heilesen as an Executive Director of the Company.</p>	<p>The Board of Directors, having considered the recommendation of the Nominating Committee and having reviewed the qualifications and working experience and suitability of Mr Chay Yiowmin, is of the view that Mr Chay Yiowmin has the requisite experience and capability to assume the responsibility as the Independent and Non-Executive Chairman of the Company.</p> <p>Accordingly, the Board of Directors approved the re-designation of Mr Chay Yiowmin as the Independent and Non-Executive Chairman of the Company.</p>	<p>The Board of Directors, having considered the recommendation of the Nominating Committee, and having reviewed the qualifications and experience of Mr Tao Yeoh Chi, is of the view that he has the requisite experience and capabilities to assume the responsibilities as an Independent Non-Executive Director of the Company.</p> <p>Accordingly, the Board of Directors has approved the reappointment of Mr Tao Yeoh Chi, as an Independent Non-Executive Director of the Company.</p>
Whether the appointment is executive and if so, please state the area of responsibility	Executive, Mr Han Meng Siew is responsible for the day to day operation of the Group	Executive, Mr Heilesen will be responsible for all day-to-day management decisions and for implementing the Company's long and short term plans.	Non-Executive	Non-Executive

CORPORATE GOVERNANCE REPORT

Name of Director	Han Meng Siew	Christian Kwok- Leun Yau Heilesen	Chay Yiowmin	Tao Yeoh Chi
Job title (e.g. Lead ID, AC Chairman, AC member, etc)	Executive Director	Executive Director	Independent Non-Executive Chairman, Chairman of the Audit Committee, a member of the Nominating Committee and Remuneration Committee	Independent Non-Executive Director
Professional memberships/ qualifications	<p>Bachelor of Engineering from the National University of Singapore</p> <p>Graduate Diploma in Business Administration from the Singapore Institute of Management</p>	Graduated from high school	<p>Mr Chay holds a Bachelor of Accountancy and a Master of Business Technology from Nanyang Technological University, and a Master of Business Administration from the University of Birmingham.</p> <p>Mr Chay is also a Fellow Chartered Accountant (FCA Singapore) of the Institute of Singapore Chartered Accountants (ISCA), an Associate Chartered Accountant (ACA) of the Institute of Chartered Accountants in England and Wales (ICAEW) and a Chartered Valuer and Appraiser (CVA) of the Institute of Valuers and Appraisers of Singapore (IVAS).</p>	<p>BA (Economics)</p> <p>BA (Mechanical Engineering) Honours 1st</p>

CORPORATE GOVERNANCE REPORT

Name of Director	Han Meng Siew	Christian Kwok-Leun Yau Heilesen	Chay Yiowmin	Tao Yeoh Chi
Working experience and occupation(s) during the past 10 years	Mr Han has 40 years of experience in the telecommunications industry. He was first appointed Director of the Company on 15 July 2004.	November 2015 – Present Executive Director, Incredible Holdings Ltd.	January 2009 to May 2012 Moore Stephens LLP Assurance Partner November 2012 to March 2019 BDO LLP Advisory Partner, Corporate Finance Practice March 2019 to Current Chay Corporate Advisory Pte Ltd Chief Executive Officer	Universe Group (Singapore) Pte Ltd (in the midst of striking off) (2007 to Present) Singapore V-World Project Management Pte Ltd (Struck Off) (2007 to 2021) Jinri Technology Pte Ltd (Struck Off) (2007 to 2012)
Shareholding interest in the Company and its subsidiaries	Direct interest in 11,390,640 shares and deemed interest in 16,491,000 shares (held by his spouse) in the Company	Christian Kwok-Leun Yau Heilesen is the sole shareholder and director of Mission Well Limited and is deemed interested in 120,142,900 ordinary shares in the capital of the Company held by Mission Well Limited through CDP and 51,171,600 ordinary shares in the capital of the Company held by Mission Well Limited through HSBC (Singapore) Nominees Pte Ltd.	Nil	Nil
Any relationship (including immediate family member relationships) with any existing director, existing executive officer, the Company and/or substantial shareholder of the Company or any of its principal subsidiaries	No	No	No	No
Conflict of Interest (including any competing business)	No	No	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) submitted to the Company?	Yes	Yes	Yes	Yes

CORPORATE GOVERNANCE REPORT

Name of Director	Han Meng Siew	Christian Kwok- Leun Yau Heilesen	Chay Yiowmin	Tao Yeoh Chi
Other Principal Commitments and Directorships	<p><u>Past (for the last 5 years)</u></p> <p>Director of: - Vincent, Han & Associates International Pte. Ltd. (Struck off)</p> <p>Principal Commitments: - None</p>	<p><u>Past (for the last 5 years)</u></p> <p>Director of: - None</p> <p>Principal Commitments: - None</p>	<p><u>Past (for the last 5 years)</u></p> <p>Director of: - Citicode Ltd (fka Advance SCT Limited) - R.S. Platou Finans Singapore Pte Ltd (Struck Off) - Alchemist Enterprise (S) Pte Ltd (Struck Off) - Seafox Asia Pacific Management Pte Ltd - Seafox Asia Pacific Pte Ltd - Chaspark Maritime Holdings Pte Ltd - Chaspark Maritime Pte Ltd - Global Air Compass Singapore Pte Ltd (Struck Off) - He Rui Feng Trading (Singapore) Pte Ltd (Struck Off) - Harbour Pte Ltd (Struck Off) - BDO Corporate Finance Pte Ltd (Struck Off) - Dahua Technology Singapore Pte Ltd - Jampur Far East Pte Ltd - TSU Investment Pte Ltd - Libra Group Limited - Nelson G Advisory Pte Ltd - CCA Fund Services Pte Ltd - American Ethane Capital Pte Ltd - Voxpace Pte Ltd - Vanfoankang Investment Pte Ltd (Struck Off) - Vanfo Hino Holdings Pte Ltd</p> <p>Principal Commitments: - None</p>	<p><u>Past (for the last 5 years)</u></p> <p>Director of - University of Newcastle Singapore Pte Ltd - Sapphire Corporation Limited</p> <p>Principal Commitments: - None</p>

CORPORATE GOVERNANCE REPORT

Name of Director	Han Meng Siew	Christian Kwok- Leun Yau Heilesen	Chay Yiowmin	Tao Yeoh Chi
	<u>Present</u>	<u>Present</u>	<u>Present</u>	<u>Present</u>
	Director of: - Ntegrator Pte Ltd - Fiber Reach Pte Ltd - myHealth Sentinel Holdings Pte Ltd - myHealth Pte Ltd - Ntegrator International Ltd Principal Commitments: - None	Director of: - Ntegrator International Limited Principal Commitments: - None	Director of: - Raffles Infrastructure Holdings Limited - Ntegrator International Ltd - UMS Holdings Limited - Metech International Limited - 8I Holdings Limited - Ksenja Pte Ltd - Xemaco Group Pte Ltd - Roxana Shipping Pte Ltd - 2YSL Pte Ltd - Wanglongxingye Holdings Pte Ltd - Vanbo Investments Pte Ltd - Vanbo Management Pte Ltd - Moon Pay Pte Ltd - Chay Corporate Advisory Sdn Bhd Principal Commitments: - Chay Corporate Advisory Pte Ltd	Director of: - Global Resources & Consultants Pte Ltd - Universe Group (Singapore) Pte Ltd (in the midst of striking off) - STT Communications (Shanghai) Co Ltd - Eratat Lifestyle Limited (in liquidation) - Alset International Ltd - Ntegrator International Ltd Principal Commitments: - None

General Statutory Declaration of Directors

A) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No
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CORPORATE GOVERNANCE REPORT

Name of Director	Han Meng Siew	Christian Kwok- Leun Yau Heilesen	Chay Yiowmin	Tao Yeoh Chi
B) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	Yes Eratat Lifestyle Limited is in liquidation under compulsory winding up.
C) Whether there is any unsatisfied judgment against him?	No	No	No	No
D) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No
E) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No
F) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Han Meng Siew	Christian Kwok- Leun Yau Heilesen	Chay Yiowmin	Tao Yeoh Chi
G) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No
H) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No
I) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No
J) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-	No	No	No	No
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Han Meng Siew	Christian Kwok- Leun Yau Heilesen	Chay Yiowmin	Tao Yeoh Chi
K) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	Yes The Board of Metech International Limited (“MIL”) (“Metech Board”), which Chay Yiowmin is currently the Independent Non-Executive Chairman of, received a letter from SGX dated 5 June 2020 and was given an opportunity to make representations in respect of the matters set out in a Notice of Compliance dated 27 December 2019 issued by SGX RegCo on the disclosure of a former Director. A private warning was subsequently issued to the Metech Board by SGX RegCo.	No
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable as this is in relation to re-election of director	Not applicable as this is in relation to re-election of director	Not applicable as this is in relation to re-election of director	Not applicable as this is in relation to re-election of director
If yes, please provide details of prior experience.	Not applicable	Not applicable	Not applicable	Not applicable
If not, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not applicable	Not applicable	Not applicable	Not applicable

SUSTAINABILITY REPORT

1. Board statement

We reaffirm our commitment to sustainability with the publication of our sustainability report (“**Report**”). For this Report, we provide insights into the way we do business, while highlighting our environmental, social, governance (“**ESG**”) factors, economic performance and customer experience (collectively as “**Sustainability Factors**”).

Whilst mindful of our profit-oriented objective, we are committed to strike a balance between growth, profit, governance, environment, the development of our people and well-being of our communities to secure a long-term future for our Group. The Board having considered sustainability issues as part of its strategic formulation, determined the material Sustainability Factors and overseen the management and monitoring of the material Sustainability Factors.

A sustainability policy (“**SR Policy**”) covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors has been put in place and serves as a point of reference in conducting of our sustainability reporting. Under this SR Policy, we will continue to monitor, review and update our material Sustainability Factors from time to time, taking into account the feedback that we receive from our engagement with our stakeholders, organisational and external developments.

Our sustainability framework communicates our commitment towards supporting the United Nation’s Sustainable Development Goals (“**SDGs**” or “**Global Goals**”) and is supported by our key stakeholders. We work closely with stakeholders in our value chain and their input drives our sustainability focus on the material Sustainability Factors and the SDGs as follows:



Reporting priority

High Medium Low

SUSTAINABILITY REPORT

A summary of our sustainability performance in FY2021 is as follows:

Sustainability factor	Performance Indicator	Sustainability performance	
		FY2021	FY2020
<ul style="list-style-type: none"> • Customer Experience • Economic 	Revenue contributed by Project Sales (S\$ million)	3.0	7.2
	Revenue contributed by Project Management and Maintenance Services (S\$ million)	19.6	15.9
	Net loss after tax (S\$ million)	(2.9)	(5.0)
Environmental	Total Greenhouse Gas (“GHG”) emissions (tonnes CO ² e)	1,022	671
	GHG emission intensity (tonnes CO ² e/ S\$’000)	0.05	0.03
Social	Number of incidents of non-fatal workplace injuries ¹	24	8
	Total man-days lost	170	59
	Number of incidents of fatal workplace injuries	–	–
	Percentage of highly skilled migrant workers amongst total number of migrant workers ²	35%	35%
	Turnover rate	19%	33%
	Number of reported incidents of unlawful discrimination ³ against employees	–	–
Governance	Number of incidents of serious offence ⁴	–	–

The Coronavirus disease 2019 (“COVID-19” or “Pandemic”) has continued to disrupt societies and economies. Given the uncertain outlook, we are monitoring the situation and evaluating our operations to ensure business continuity and the safety of our employees. We have detailed our responses to the impact of the Pandemic in the relevant sections of this Report.

Separately, we have diversified our businesses to include a new retail business segment. We will continue to hunt for more earnings accretive acquisitions and streamline our cost drivers. We believe that our pro-active business initiatives will tide us through this challenging period and allow us to stay on course in our sustainability journey.

1 A workplace injury is defined as one whereby an employee is injured in a work accident resulting in medical leave or light duties.
 2 Based on criteria set by the Ministry of Manpower on relevant years of experience, academic qualifications, skillbased test qualification and minimum fixed monthly salary.
 3 Unlawful discrimination refers to an incident whereby the relevant authority has commenced investigation and resulted in a penalty to the Company.
 4 A serious offence is defined as one that involves fraud or dishonesty amounting to not less than S\$100,000 and punishable by imprisonment for a term of not less than 2 years which is being or has been committed against the Company by officers or employees of the Company.

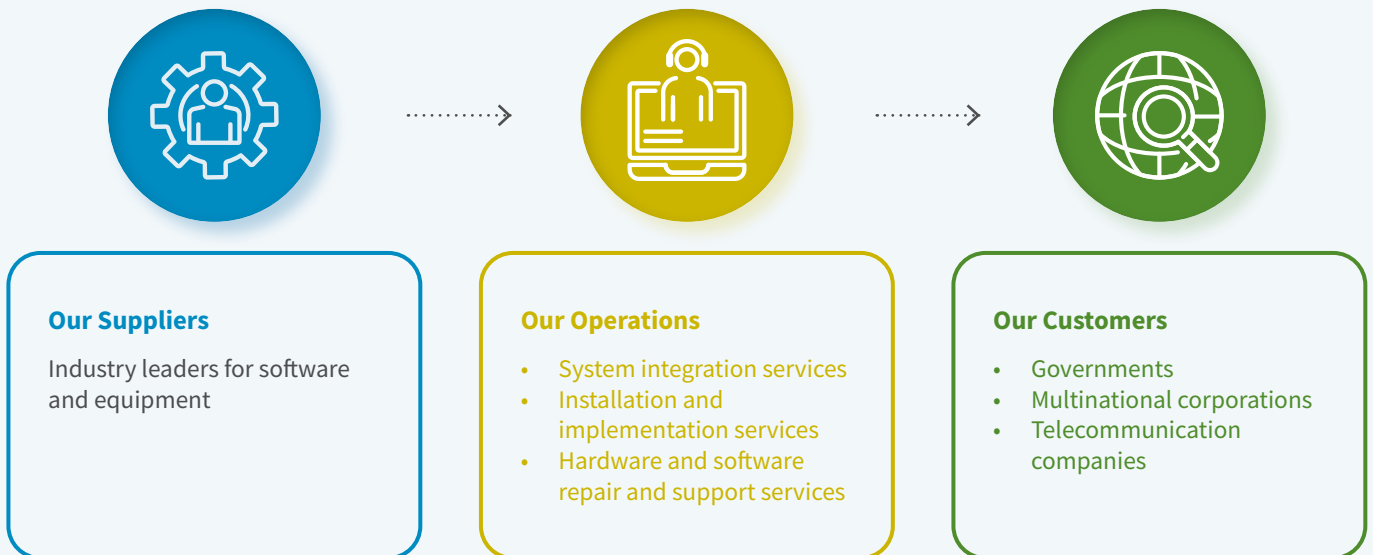
SUSTAINABILITY REPORT

2. Our business

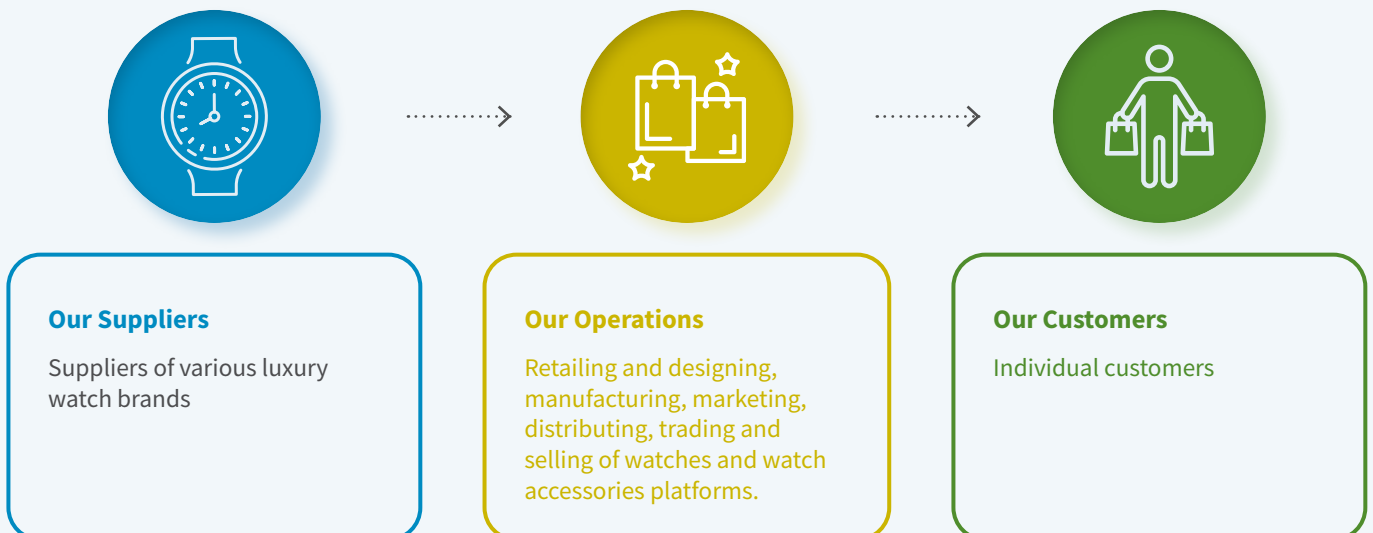
Our material factors identified are closely linked to our business operations. Our core business is in the provision of system integration services which involve the procurement, design, installation, implementation and integration of voice, video, data communication equipment and network infrastructure (“**Project Sales**”). We generate recurring revenue through installation and implementation services for network infrastructure and voice communication systems, hardware and software repair and support services (“**Project Management and Maintenance Services**”). In addition, we generate revenue through a new business segment which focus on retailing and designing, manufacturing, distributing, trading and selling of watches and watch accessories through the Group’s own and third party internet websites, applications, retail stores and online platforms (“**Retail**”).

An overview is presented as follows:

Project Sales and Project Management and Maintenance Services businesses



Retail business



SUSTAINABILITY REPORT

3. Reporting framework

This report has been prepared in accordance with the Global Reporting Initiative (“GRI”) Standards: Core option and published in pursuant to 711A and 711B of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”) listing rules. We have chosen to report using the GRI Standards: Core option as it is an internationally recognised reporting framework. The GRI content index can be found in the Appendix.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we have mapped our sustainability efforts to the 2030 Agenda for Sustainable Development which is adopted by all United Nations Member States in 2015 (“UN Sustainability Agenda”). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (“SDG”), which form an urgent call for action by all countries - developed and developing - in a global partnership. We have incorporated the SDG, where appropriate, as a supporting framework to shape and guide our sustainability strategy.

While we have not sought for external assurance for this sustainability report, we have relied on internal data monitoring and verification to ensure accuracy. We will work towards external assurance for our future sustainability reports.

4. Reporting period and scope

This Report is applicable for our Group’s financial year ended 31 December 2021 (“FY2021” or “Reporting Period”). A Report will be published annually thereafter in accordance with our SR Policy. This Report covers the key operating entities of our Project Sales and Project Management and Maintenance Services businesses which contributed to 88% (FY2020: 100%) of our total revenue for the Reporting Period.

5. Feedback

This Report is available as a downloadable PDF, as part of our Annual Report, from our website at <http://www.nTEGRATOR.com>. We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback to our investor relations email account: ir@nTEGRATOR.com

6. Stakeholder engagement

Through an internal stakeholder mapping exercise, we have identified key stakeholder groups which we prioritise our engagements with. These include entities or individuals that can reasonably be expected to be significantly affected by our activities, products or services and whose actions can reasonably be expected to affect our ability to implement our strategies to achieve our objectives.

Our Group’s efforts on sustainability are focused on creating sustainable value for our key stakeholders, which comprise customers, employees, regulators, shareholders and suppliers. Key stakeholders are determined for each material factor identified, based on the extent of which they can affect or are affected by operations of our Group. We actively engage our key stakeholders through the following channels:

S/N	Key stakeholder	Engagement channel	Frequency of engagement	Key concern raised by stakeholder
1	Customers	<ul style="list-style-type: none"> Email communication Phone calls Tele-conferences 	Regularly	<ul style="list-style-type: none"> Product quality and reliability Customer service standards
2	Employees	Email communication	Regularly	<ul style="list-style-type: none"> Equal employment opportunity Workplace safety and health Job security Remuneration
		Staff evaluation sessions	Annually	

SUSTAINABILITY REPORT

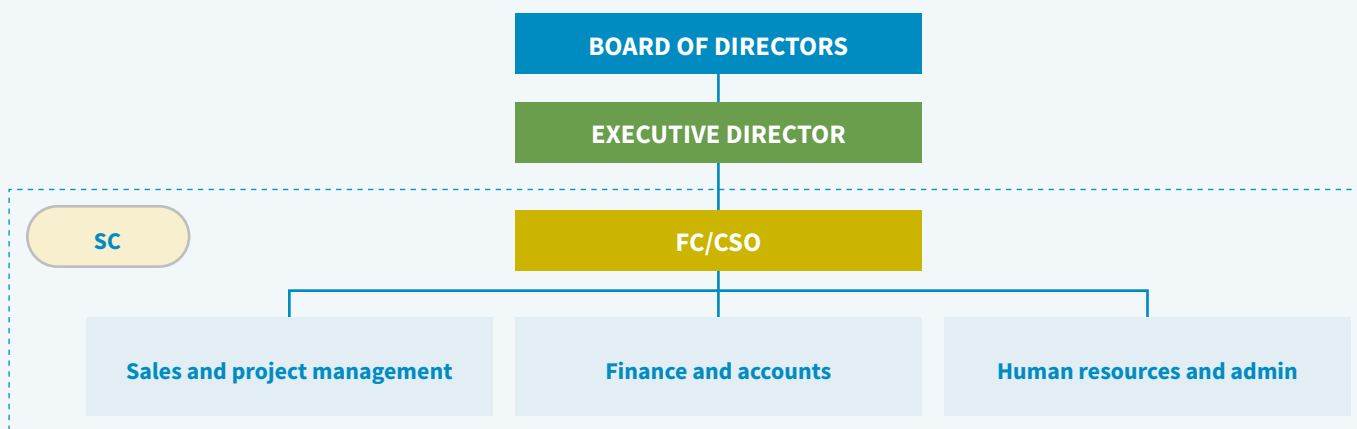
S/N	Key stakeholder	Engagement channel	Frequency of engagement	Key concern raised by stakeholder
3	Regulators	Consultations and briefings organised by key regulatory bodies such as the Singapore Stock Exchange and relevant government agencies/ bodies	As and when required	Corporate governance
4	Shareholders	<ul style="list-style-type: none"> Material announcements on SGXNet Company's website Business publications Investor relations events 	Regularly	<ul style="list-style-type: none"> Sustainable business performance Market valuation Dividend payment Corporate governance
		Results announcements on SGXNet	Half-yearly	
		<ul style="list-style-type: none"> Annual general meetings Annual reports 	Annually	
		Extraordinary general meetings	As and when required	
5	Suppliers	Suppliers' evaluation	Annually	<ul style="list-style-type: none"> Ability to distribute products Maintain and expand brand presence Maximise end customers' satisfaction

Through the above channels, we seek to understand the views of key stakeholders, communicate effectively with them and respond to their concerns.

7. Policy, practice and performance reporting

7.1 Reporting structure

The Board advises and oversees the development of our sustainability strategy and performance targets. Our sustainability strategy is spearheaded by the Sustainability Committee (“**SC**”). Our Financial Controller/Chief Sustainability Officer (“**FC/CSO**”) leads the SC which comprises representatives from various support units. The SC is responsible for reviewing our sustainability progress, discussing and coordinating on how the Group can better implement sustainability initiatives and contribute to sustainability efforts. The SC reports to the Executive Director and the Board, reviews material impacts, considers stakeholders' priorities, sets targets, as well as collects, verifies, monitors and reports performance data for this report. The reporting structure for sustainability matters is presented as follows:



SUSTAINABILITY REPORT

7.2 Sustainability reporting processes

Under our SR policy, our sustainability process begins with the identification of relevant factors. Relevant factors are then prioritised as material factors which are then validated. The end result of this process is a list of material factors disclosed in this Report. Inter-relations of which are as shown in the chart below:



7.3 Materiality assessment

Under our SR Policy, each Sustainability Factor is assigned a reporting priority that determines the actions required as illustrated in the table below:

Reporting priority	Description	Criteria
	High	Factors with high reporting priority should be reported in detail.
	Medium	Factors with medium reporting priority should be considered for inclusion in the Report. We may decide to exclude them in the Report, if immaterial.
	Low	Factors with low reporting priority may be reported to fulfil regulatory or other reporting requirements. If immaterial, these factors may be excluded from the report.

The reporting priority is supported by a material factor matrix which considers the level of concern to stakeholders (“**Stakeholders’ Concern**”) and significance of our impacts on the economy, environment and society (“**Business Impact**”).

7.4 Performance tracking and reporting

We track the progress of our material Sustainability Factors by identifying the relevant data points, measuring and monitoring them. In addition, we set performance targets that are aligned with our strategy to ensure that we remain focused in our path to sustainability. We shall consistently enhance our performance-monitoring processes and improve our data capturing systems. The sustainability trends can be found in the Appendix.

SUSTAINABILITY REPORT

8. Material factors

A materiality assessment was conducted by the SC to understand the concerns and expectations of our stakeholders. Through the materiality assessment, factors material to the sustainability of our business and their reporting priority level were updated. In this Report, we have also reported our progress in managing these factors and set related targets to improve our sustainability performance.

Presented below are a list of material Sustainability Factors relevant to our Group:

List of material Sustainability Factors

S/N	Material Sustainability Factor	Key stakeholder	SDG	Reporting priority
Customer experience				
1	Total customer satisfaction	<ul style="list-style-type: none"> Customers Suppliers 	Decent work and economic growth	
Economic				
2	Sustainable business performance	Shareholders	Decent work and economic growth	
Environmental				
3	Energy conservation and emission reduction	<ul style="list-style-type: none"> Employees Shareholders 	Affordable and clean energy	
Social				
4	Safe working environment	Employees	Good health and well-being	
5	Welfare and human rights of migrant workers	Employees	Good health and well-being	
6	Employee retention	Employees	Decent work and economic growth	
7	Equality and diversity in the workplace	Employees	Reduced inequalities	
Governance				
8	Robust corporate governance framework	<ul style="list-style-type: none"> Regulators Shareholders 	Peace, justice and strong institutions	

Material factor matrix



Legend for reporting priority: High Medium Low

SUSTAINABILITY REPORT

We will update the material Sustainability Factors on an annual basis to reflect changes in business operations, environment, stakeholders' feedback and sustainability trends. The details of each key Sustainability Factor are presented as follows:

8.1 Total customer satisfaction

We are committed to offering world-class and high-tech network infrastructure and voice communication systems. With a proven track record, we are able to secure material contracts from repeat customers and establish a strong customer base. Our strategies towards customer satisfaction are as follows:

Offer comprehensive solutions that meet customers' needs

We provide total end-to-end business solutions for our full spectrum of project consultation, design, installation and implementation of data, video, fibre optics, wireless and cellular network and cellular network infrastructure and voice communication systems. We also provide network integration services which range from fixed line to wireless solutions, as well as seamless integration of voice and data signals used in telephone network which include video conferencing, voice messaging and recording systems.

As a one-stop service provider, we also provide maintenance services such as hardware and software repair services, round-the-clock onsite and dial-in technical support and support services on an online customer relationship management ("CRM") system.

Cultivate a long-term and sustainable relationship with our suppliers

We have secured diverse distributorship agreements with our key suppliers who are all leading players in their respective fields. With the good and stable relationships which we have built over the years, we are able to provide a comprehensive range of products which cater to the needs of our customers.

Nurture a team of highly trained and experienced employees to serve our customers

We believe that highly trained and experienced professional staff allow us to provide value-added and excellent services to our customers. Our project engineers are skilled and qualified to respond swiftly to provide customised and timely solutions. Refer to section 8.6 for details on employee retention.

Target for FY2021	Performance in FY2021	Target for FY2022
Maintain or improve our revenue base subject to market conditions	Target partially met as follows: <ul style="list-style-type: none"> Improvement in revenue contributed by the Project Management and Maintenance business Decline in revenue contribution from Project Sales mainly due to operational challenges caused by the Pandemic in the domestic and overseas markets 	Maintain or improve our revenue subject to market conditions

8.2 Sustainable business performance

We believe in creating long-term economic value for shareholders by striking a balance between rewarding shareholders by way of consistent profits and maintaining a robust balance sheet with strong operating cash flows.

Details of our economic performance can be found in the financial contents and audited financial statements of this Annual Report.

Target for FY2021	Performance in FY2021	Target for FY2022
Maintain or improve our financial performance subject to market conditions	Target met as follows: We were able to achieve reduction in net loss after tax between FY2020 and FY2021	Maintain or improve our financial performance subject to market conditions

SUSTAINABILITY REPORT

8.3 Energy conservation and emission reduction

We are driven by our commitment to responsible usage of energy and reduce carbon emissions, helping to preserve the environment we operate in and yet reduce our costs, resulting in enhanced returns to shareholders.

To run our operations, we rely on energy resources in the following areas:

- Diesel for consumption by our fleet of transport vehicles and site machineries; and
- Electricity is required for lighting, office equipment and cooling.

Key statistics on energy consumption and related GHG emission during the Reporting Period are as follow:

Performance indicator	FY2021	FY2020
Diesel consumption (Scope 1⁵)		
Diesel consumption (litre)	354,469	227,110
Energy consumption (Scope 2⁶)		
Electricity consumption (kWh)	145,989	133,873
GHG emissions		
Direct GHG emissions (Scope 1) ⁷ (tonnes CO ₂ e)	963	617
Indirect GHG emissions (Scope 2) ⁸ (tonnes CO ₂ e)	59	54
Total GHG emissions (tonnes CO ₂ e)	1,022	671
GHG emission intensity (tonnes CO ₂ e / S\$'000)	0.05	0.03

The increase in electricity consumption and indirect GHG emissions (Scope 2) is mainly due to return to office arrangement in Singapore as a result of easing COVID-19 measures during the Reporting Period. The increase in diesel consumption, direct GHG emissions (Scope 1) and total GHG emissions is mainly due to increase in diesel consumption as our work force gradually resumed work at worksites during the Reporting Period. Increase in GHG emission intensity is mainly due to the disproportional increase in diesel consumption compared to revenue as our work force resumed work at worksites.

We track and review spending on energy consumption regularly to control usage and corrective actions are taken when there are unusual consumption patterns. We constantly remind our staff on basic and socially responsible habits at their workplaces such as adopting greener work ethics, switching off appliances if not in use and enabling power saving modes.

To improve efficiency in diesel consumption, our migrant workers are segregated between dormitories island-wide so that travel distance to worksite can be reduced. Transport vehicles are also sent for maintenance checks regularly.

Target for FY2021	Performance in FY2021	Target for FY2022
_9	Increase in GHG emission intensity due to the disproportional increase in diesel consumption compared to revenue as the work force resumed work at worksites	Maintain or reduce GHG emissions intensity

5 Direct GHG emissions occur from sources that are owned or controlled by a company.

6 GHG emissions from the generation of purchased electricity consumed by a company. Scope 2 emissions physically occur at the facility where electricity is generated

7 Scope 1 GHG emissions are calculated based on the Greenhouse Gas (GHG) Emissions Measurement and Reporting Guidelines published by the NEA.

8 Scope 2 GHG emissions are calculated based on the average emissions factors published in the Singapore Energy Statistics by the Energy Market Authority.

9 Not applicable as this is a newly disclosed Sustainability Factor added in this Report.

SUSTAINABILITY REPORT

8.4 Safe working environment

Due to the nature of our business, a safe working environment is vital in allowing employees to effectively carry out their work at the project sites without significant risk of injury. This helps to build assurance and trust amongst employees which in turn, helps to instil employee loyalty and maintain business sustainability. Accordingly, we place high priority to maintain a safety and security conscious culture amongst our employees.

We place heavy emphasis on the need to comply with the applicable workplace safety and health regulations for our projects.

Below are our key measures taken to manage health and safety at workplace:

- A set of safety rules and regulations is in place;
- A safety committee is in place and safety inspections are performed regularly by safety officers and reported to senior managers;
- All new employees are briefed on safety procedures during orientation; and
- Toolbox meetings are conducted regularly at project sites to brief employees on workplace hazards and safe work practices.

We recorded zero incident of workplace fatality (FY2020: zero incident) during the Reporting Period and 24 (FY2020: 8) non-fatal workplace injuries, resulting in 170 man-days (FY2020: 59 man-days) lost during the Reporting Period. The non-fatal workplace injuries mainly cover leg, hand, finger, shoulder and chest injuries. The increase in non-fatal workplace injuries is due to the changes in work injury reporting requirements, whereby all workplace injuries resulting in medical leave or light duties are reported to the senior management. Lessons from workplace accidents are shared across business units to prevent recurrence.

Our key subsidiaries, Ntegrator Pte Ltd and Fiber Reach Pte Ltd are bizSAFE Star certified by the Workplace Safety and Health Council. Both certifications recognise our continuous efforts to incorporate safety as part of the business model.



We have a safe management measure monitoring plan (“**Monitoring Plan**”) in place for the Pandemic to provide us with a framework to ensure that our workplaces are operating safely and smoothly. This Monitoring Plan is developed and implemented to prevent the re-emergence of community and workplace cases so that preventive safe management measures can be implemented ahead of time. We have also responded quickly to the Pandemic by providing our employees with masks, hand sanitisers and contactless infrared thermometers. To further ensure the safety of our employees, we have increased the frequency of cleaning and disinfection of our premises. Site staff are also subjected to weekly antigen rapid testing (“**ART**”).

On a broader context, our migrant workers supplement our nation’s workforce and contribute to the building of our nation’s telecommunications infrastructure. In light of the Pandemic, we have provided masks to all our migrant workers and housed them at different dormitories and rooms. Operationally, we have divided them into different teams to support our customers who are providers of the essential services to minimise the risk of cross infections. Upon being notified of a confirmed case, we will adopt the following precautionary measures:

- Immediately vacate and cordon-off the immediate section of the workplace premises where the confirmed case worked; and
- Carry out a thorough cleaning and disinfecting all relevant areas and assets that were exposed to confirmed cases, in accordance with the National Environment Agency (“**NEA**”) guidelines.

Target for FY2021	Performance in FY2021	Target for FY2022
Reduce the number of workplace incidents (where applicable)	Target not met as follows: Increase in number of workplace incidents due to the changes in work injury reporting requirements	Reduce the number of workplace incidents (where applicable)

SUSTAINABILITY REPORT

8.5 Welfare and human rights of migrant workers

The business for providing cable laying services is labour intensive requiring the services of a large number of migrant workers. We recognise that migrant workers play an important role in our Group's value chain and all our migrant workers, regardless of their legal status, are entitled to respect for and protection of their welfare and fundamental human rights.

We employed 231 (FY2020: 289) migrant workers as at 31 December 2021.

We reaffirm our commitment to protect the welfare and human rights of our migrant workers through the following efforts:

- Align our Group's business to the broader national policy pertaining to migrant workers, such as Employment of Foreign Manpower Act, which regulates the employment of migrant workers and protect their well-being;
- Ensure that our migrant workers are provided with living and working conditions that not only comply with regulations, but are also reasonably clean, spacious, safe and livable. Our migrant workers are housed in licensed dormitories;
- Migrant workers are encouraged to upskill with training and certification. As at 31 December 2021, the number of highly skilled foreign worker as a proportion of total migrant workers is approximately 35% (FY2020: 35%); and
- Organise regular briefings for our migrant workers to help them understand their employment rights and responsibilities while working in Singapore.

Approximately

35%

of our foreign workers
are highly skilled

Target for FY2021	Performance in FY2021	Target for FY2022
Percentage of highly skilled migrant workers amongst total number of migrant workers should not fall below 25%	Target met as follows: Percentage of highly skilled migrant workers amongst total number of migrant workers exceeds 25%	Percentage of highly skilled migrant workers amongst total number of migrant workers should not fall below 25%

8.6 Employee retention

The success of our business relies heavily on maintaining a team of professional, skilled and experienced employees. As at 31 December 2021, our total number of employees¹⁰ stands at 73 (FY2020: 67).

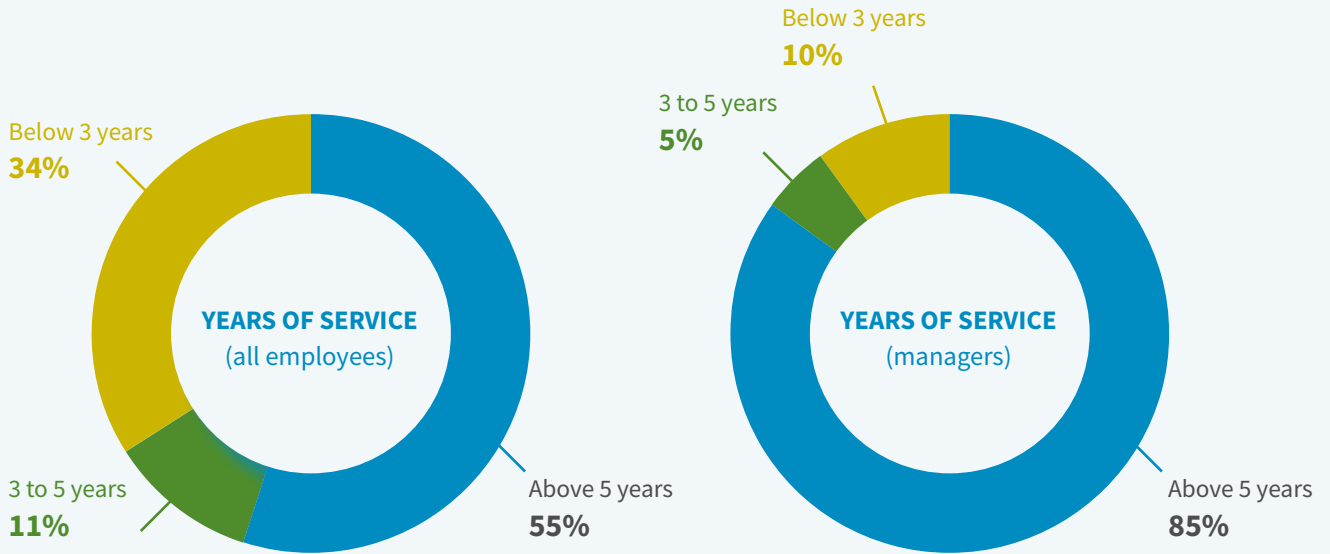
We are committed to employee retention through the following efforts:

- A code of conduct is in place to provide guidance on employee benefits and disseminate corporate culture;
- Competitive remuneration and benefits package;
- Staff assessments are performed regularly to evaluate staff performance and employees are encouraged to undergo training that will improve their skills and abilities. During the Reporting Period, 100% (FY2020: 100%) of employees¹⁰ received regular performance reviews; and
- Loyal employees are presented with long service awards.

We strongly believe that a low turnover improves the sustainability of our operations and allows us to contribute positively to the development of social and human capital. As at 31 December 2021, 66% (FY2020: 66%) of employees¹⁰ and 90% (FY2020: 86%) of managers¹⁰ have served more than 3 years with us. In addition, our turnover rate is 19% (FY2020: 33%) as at 31 December 2021. The higher turnover rate in the previous Reporting Period is mainly due to border controls and movement restriction measures imposed during the Pandemic.

¹⁰ Figure excludes term contract workers that are hired for the fiber cable laying business

SUSTAINABILITY REPORT



Target for FY2021	Performance in FY2021	Target for FY2022
Maintain or improve employee retention rate subject to business performance and market conditions	Target met as follows: No material changes in employee retention rate	Maintain or improve employee retention rate subject to business performance and market conditions

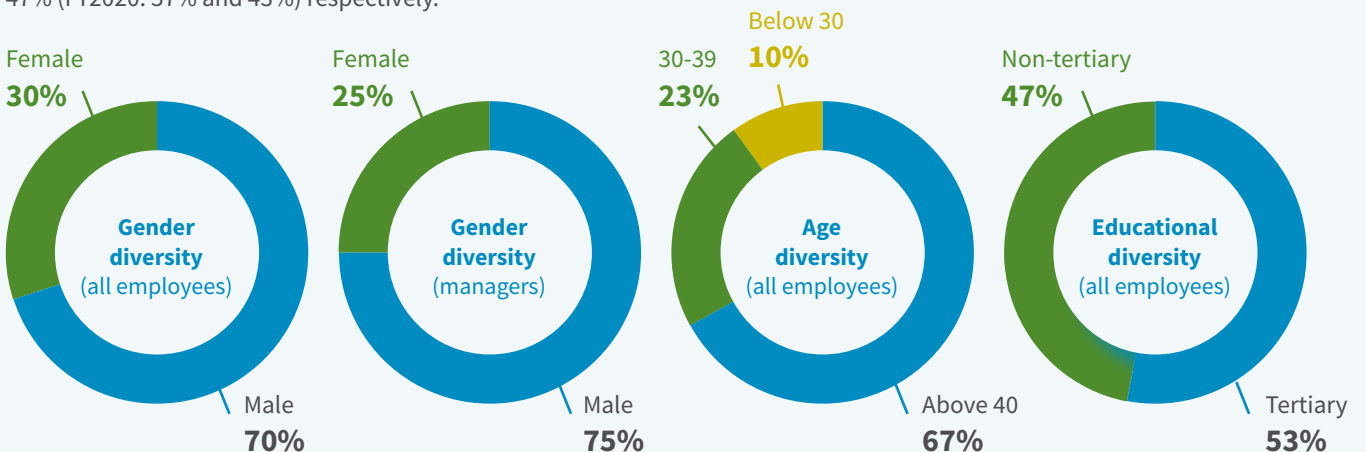
8.7 Equality and diversity in the workplace

We aim to provide a working environment for employees that fosters fairness, equity and respect for social and cultural diversity, regardless of gender and age. Therefore, we are committed to the goals of diversity and equal opportunity in employment.

With regards to gender diversity, we view diversity in the Board level as essential in supporting sustainable development and in relation to gender diversity with one female representation (FY2020: none) in the Board or 14% (FY2020: none) of the Board. The percentage of female to total full-time employees¹¹ is 30% (FY2020: 30%) and 25% (FY2020: 23%) of managers¹¹ are females as at 31 December 2021. Due to the nature of our business, our workforce is predominantly staffed by male employees.

For age diversity, matured workers are valued for their experience knowledge and skills. As at 31 December 2021, 67% (FY2020: 63%) of the workforce¹¹ is at least 40 years old.

For diversity in educational background, we seek to create an inclusive environment for employees from different educational background. As at 31 December 2021, the percentages of employees¹¹ with tertiary and non-tertiary education are 53% and 47% (FY2020: 57% and 43%) respectively.



¹¹ Figure excludes term contract workers that are hired for the fiber cable laying business.

SUSTAINABILITY REPORT

To promote equal opportunity, we have in place various human resource related processes as follows:

- A formal interview assessment process is in place to guide interviewers to assess employees based on merit and competency;
- Staff recruitment advertisements do not state age, race, gender or religion preferences as requirement; and
- Staff assessment is performed regularly to evaluate the performance of employees and adjust their remuneration where justifiable.

During the Reporting Period, we have no (FY2020: zero) reported incident of unlawful discrimination against employees.

Target for FY2021	Performance in FY2021	Target for FY2022
<ul style="list-style-type: none"> • Ratio of female against male employees should not fall below 20% • Ratio of female against male managers should not fall below 20% • Ratio of employees with age 40 and above should not fall below 20% • Ratio of employees with non-tertiary education should not fall below 40% 	Target met as follows: <ul style="list-style-type: none"> • Ratio of female against male employees exceeds 20% • Ratio of female against male managers exceeds 20% • Ratio of employees with age 40 and above exceeds 20% • Ratio of employees with non-tertiary education exceeds 40% 	Maintain zero reported incident of unlawful discrimination against employees

8.8 Robust corporate governance framework

A high standard of corporate governance is integral in ensuring sustainability of our business as well as safeguarding shareholders' interest and maximising long term shareholder value.

We have implemented a whistle blowing policy to provide a mechanism for employees to raise concerns through accessible confidential disclosure channels about possible improprieties in matters of financial reporting and others. During the Reporting Period, zero incident of serious offence is reported through our whistle blowing channel (FY2020: zero incident).

We have also put in place a risk management framework ("**ERM framework**"). We regularly assess and review our business and operational environment to better identify and manage emerging and strategic sustainability risks.

Our overall Singapore Governance and Transparency Index ("**SGTI**") score assessed by National University of Singapore Business School is 62 (FY2020: 58) for the year 2021. We will continuously work towards improving our SGTI score.



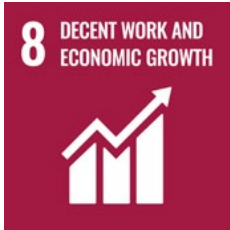
You may refer to Corporate Governance Report of this Annual Report for details on our corporate governance practices.

Target for FY2021	Performance in FY2021	Target for FY2022
<ul style="list-style-type: none"> • Maintain zero incident of serious offence • SGTI score should not fall below 50 	Target met as follows: <ul style="list-style-type: none"> • Maintain zero incident of serious offence • SGTI score exceeds 50 	Maintain zero incident of serious offence



SUSTAINABILITY REPORT

9. Supporting the UN Sustainable Development Goals

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDG, which form an urgent call for action by all countries – developed and developing – in a global partnership. We believe that everyone plays an important role in advancing sustainable development and in order to align our business objectives with the SDG, we have identified a number of SDG which we can contribute to through our business practices, products and services. The SDG that we focus on and the related Sustainability Factors are as follows:

SDG	Our effort
<p>Ensure healthy lives and promote well-being for all at all ages</p> 	<p><u>Section 8.4 Safe working environment</u> We constantly implement safety measures and procedures to avoid accidents that are preventable and therefore, maintain the well-being and safety of our workers.</p> <p><u>Section 8.5 Welfare and human rights of migrant workers</u> We ensure that our migrant workers are treated fairly and are provided with the necessary welfare. They are also provided with opportunities to improve their skills, which helps us to maintain a productive and quality workforce that is vital to the success of our business.</p>
<p>Ensure access to affordable, reliable, sustainable and modern energy for all</p> 	<p><u>Section 8.3 Energy conservation and emission reduction</u> We implement measures to reduce our energy consumption as not only does it help to improve energy efficiency and reduce GHG emissions, it also helps us to reduce costs incurred to support our business operations.</p>
<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> 	<p><u>Section 8.1 Total customer satisfaction</u> We are determined to bring world-class and high-tech network infrastructure and voice communication systems to our customers through providing comprehensive and customised solutions and maintaining service excellence. This in turn contributes to economic growth.</p> <p><u>Section 8.2 Sustainable business performance</u> We contribute to economic growth through creating long term economic value for our shareholders.</p> <p><u>Section 8.6 Employee retention</u> We place heavy emphasis on retaining a workforce that is of high quality, skilled and experienced, which contributes to the success of our business. This in turn creates long term economic value for shareholders as well as economic productivity.</p>

SUSTAINABILITY REPORT

SDG	Our effort
<p>Reduce inequality within and among countries</p> 	<p><u>Section 8.7 Equality and diversity in the workplace</u> We ensure equal opportunity for all regardless of gender, age, and educational background.</p>
<p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective accountable and inclusive institutions at all levels</p> 	<p><u>Section 8.8 Robust corporate governance framework</u> We maintain a high standard of corporate governance framework not only to maintain the transparency of our business, but also to safeguard our shareholders' interests and maximise long-term shareholders' value.</p>

APPENDIX 1 - SUSTAINABILITY TRENDS

S/N	Performance indicator	Sustainability performance		
		FY2021	FY2020	FY2019
Total Customer Satisfaction and Sustainable business performance				
1	Revenue contributed by Project Sales	S\$ 3.0 million	S\$ 7.2 million	S\$ 6.2 million
2	Revenue contributed by Project Management and Maintenance Services	S\$ 19.6 million	S\$ 15.9 million	S\$ 24.0 million
3	Net loss after tax	(S\$ 2.9 million)	(S\$ 5.0 million)	(S\$ 3.5 million)
Energy conservation and emission reduction				
4	Diesel consumption	354,469 litre	227,110 litre	– ¹²
5	Electricity consumption	145,989 kWh	133,873kWh	– ¹²
6	Direct GHG emissions (Scope 1)	963 tonnes	617 tonnes	– ¹²
7	Indirect GHG emissions (Scope 2)	59 tonnes	54 tonnes	– ¹²
8	Total GHG emissions (CO ² e)	1,022 tonnes	671 tonnes	– ¹²
9	GHG emissions intensity (tonnes CO ² e / S\$'000)	0.05	0.03	– ¹²
Safe working environment				
10	Number of workplace fatality	–	–	–
11	Number of incidents of non-fatal workplace injuries	24	8	8
12	Number of man days lost	170	59	152
Welfare and human rights of migrant workers				
13	Percentage of highly skilled migrant workers amongst total number of migrant workers	35%	35%	31%
Employee retention				
14	Percentage of employee receiving regular performance and career development reviews	100%	100%	100%
15	Percentage of employees who have served more than 3 years	66%	66%	66%
16	Percentage of managers who have served more than 3 years	90%	86%	83%
17	Turnover rate	19%	33%	29%
Equality and diversity in the workplace				
18	Ratio of female over total Board members	14%	–	– ¹²
19	Ratio of female against total full-time employees	30%	30%	28%
20	Ratio of female against total managers	25%	23%	17%
21	Ratio of employees who are at least 40 years old	67%	63%	57%
22	Ratio of employees with non-tertiary education	47%	43%	49%
23	Number of reported incidents of unlawful discrimination against employees	–	–	– ¹²
Robust corporate governance framework				
24	Number of incidents of serious offence	–	–	–
25	SGTI score	62	58	65

¹² Not applicable as this is a newly disclosed performance indicator in FY2021.

APPENDIX 2 - GRI CONTENT INDEX

GRI standard & disclosure title		Section reference	Page
Organisational profile			
102-1	Name of the organisation	Cover Page	-
102-2	Activities, brands, products, and services	<ul style="list-style-type: none"> About Us Our Business 	1-2 4-6
102-3	Location of headquarters	Corporate Information	-
102-4	Location of operations	About Us	1-2
102-5	Ownership and legal form	<ul style="list-style-type: none"> Our Group Structure Financials Contents > Notes to the Financial Statements > General Information Financials Contents > Notes to the Financial Statements > Investments in Subsidiaries Distribution of Shareholdings 	3 90 117-118 143
102-6	Markets served	About Us	1-2
102-7	Scale of the organisation	<ul style="list-style-type: none"> Our Group Structure Financial Highlights Sustainability Report > Welfare and Human Rights of Migrant Workers Sustainability Report > Material Factor > Employee Retention Sustainability Report > Material Factor > Equality and Diversity in the Workplace Financial Contents > Consolidated Statement of Comprehensive Income Financial Contents > Consolidated Statement of Financial Position Financial Contents > Statement of Financial Position 	3 19-20 63 63-64 64-65 84 85 86
102-8	Information on employees and other workers	<ul style="list-style-type: none"> Sustainability Report > Welfare and Human Rights of Migrant Workers Sustainability Report > Material Factor > Employee Retention Sustainability Report > Material Factor > Equality and Diversity in the Workplace 	63 63-64 64-65
102-9	Supply chain	<ul style="list-style-type: none"> About Us Corporate Governance Report > Suppliers Sustainability Report > Our Business 	1-2 43 55
102-10	Significant changes to the organisation and its supply chain	There were no significant changes to the organisation and its supply chain during the reporting period	-
102-11	Precautionary Principle or approach	None	-
Organisational profile			
102-12	External initiatives	Sustainability Report > Supporting the UN Sustainable Development Goals	66-67
102-13	Membership of associations	None	-
Strategy			
102-14	Statement from senior decision-maker	Sustainability Report > Board Statement	53-54

APPENDIX 2 - GRI CONTENT INDEX

GRI standard & disclosure title		Section reference	Page
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	<ul style="list-style-type: none"> Corporate Governance Report Sustainability Report > Robust Corporate Governance Framework 	21-52 65
Governance			
102-18	Governance structure	<ul style="list-style-type: none"> Corporate Governance Report Sustainability Report > Policy, Practice and Performance Reporting > Reporting Structure 	21-52 57
Stakeholder engagement			
102-40	List of stakeholder groups	Sustainability Report > Stakeholder Engagement	56-57
102-41	Collective bargaining agreements	None of our employees are covered by collective bargaining agreements	-
102-42	Identifying and selecting stakeholders	Sustainability Report > Stakeholder Engagement	56-57
102-43	Approach to stakeholder engagement	Sustainability Report > Stakeholder Engagement	56-57
102-44	Key topics and concerns raised	<ul style="list-style-type: none"> Sustainability Report > Stakeholder Engagement Sustainability Report > Material Factors > Total Customer Satisfaction 	56-57 60
Reporting practice			
102-45	Entities included in the consolidated financial statements	<ul style="list-style-type: none"> Our Group Structure Financials Contents > Notes to the Financial Statements > Investments in Subsidiary Corporations 	3 117-118
102-46	Defining report content and topic Boundaries	Sustainability Report > Policy, Practice and Performance Reporting > Sustainability Reporting Processes	58
102-47	List of material topics	Sustainability Report > Material Factors	59-65
102-48	Restatements of information	None	-
102-49	Changes in reporting	Sustainability factor added: Sustainability Report > Material Factors > Total Customer Satisfaction	60
102-50	Reporting period	Sustainability Report > Reporting Period and Scope	56
102-51	Date of most recent report	Annual Report FY2019 > Sustainability Report	-
102-52	Reporting cycle	Sustainability Report > Reporting Period and Scope	56
102-53	Contact point for questions regarding the report	Sustainability Report > Feedback	56
102-54	Claims of reporting in accordance with the GRI Standards	<ul style="list-style-type: none"> Sustainability Report > Reporting Framework Sustainability Report > GRI Content Index 	56 69-71
102-55	GRI content index	Sustainability Report > GRI Content Index	69-71
102-56	External assurance	We will work towards external assurance for our future sustainability reports	-

APPENDIX 2 - GRI CONTENT INDEX

GRI standard & disclosure title		Section reference	Page
Management approach			
103-1	Explanation of the material topic and its Boundary	Sustainability Report > Material Factors	59-65
103-2	The management approach and its components	<ul style="list-style-type: none"> Sustainability Report > Board Statement Sustainability Report > Policy, Practice and Performance Reporting Sustainability Report > Material Factors 	53-54 57-58 59-65
103-3	Evaluation of the management approach	Sustainability Report > Material Factors	59-65
Category: Economic			
201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> Financial Highlights Sustainability Report > Material Factors > Sustainable Business Performance Financial Contents > Consolidated Statement of Comprehensive Income Financial Contents > Consolidated Statement of Financial Position Financial Contents > Statement of Financial Position 	19-20 60 84 85 86
Category: Environmental			
302-1	Energy consumption within the organisation	Sustainability Report > Material Factors > Energy Conservation and Emission Reduction	61
302-3	Energy intensity	Sustainability Report > Material Factors > Energy Conservation and Emission Reduction	61
305-1	Direct (Scope 1) GHG emissions	Sustainability Report > Material Factors > Energy Conservation and Emission Reduction	61
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report > Material Factors > Energy Conservation and Emission Reduction	61
305-4	GHG emissions intensity	Sustainability Report > Material Factors > Energy Conservation and Emission Reduction	61
Category: Social			
401-1	New employee hires and employee turnover	Sustainability Report > Material Factors > Employee Retention	63-64
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report > Material Factors > Welfare and Human Rights of Migrant Workers	63
403-9	Work-related injuries	Sustainability Report > Material Factors > Safe Working Environment	62
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Report > Material Factors > Employee Retention	63-64
405-1	Diversity of governance bodies and employees	Sustainability Report > Material Factors > Equality and Diversity in the Workplace	64-65
406-1	Incidents of discrimination and corrective actions taken	Sustainability Report > Material Factors > Equality and Diversity in the Workplace	64-65

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DIRECTORS' STATEMENT

For the financial year ended 31 December 2021

The directors present their statement to the members of Ntegrator International Ltd. (the “**Company**”) together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “**Group**”) for the financial year ended 31 December 2021 and the statement of financial position of the Company as at 31 December 2021.

In the opinion of the directors:

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flow of the Group for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1 Directors

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

Chay Yiowmin	<i>Independent Non-Executive Chairman</i>
Christian Kwok-Leun Yau Heilesen	<i>Executive Director</i>
Han Meng Siew	<i>Executive Director</i>
Leung Kwok Kuen Jacob	<i>Independent Non-Executive Director</i>
Leung Yu Tung Stanley	<i>Independent Non-Executive Director</i>
Zhou Jia Lin	<i>Independent Non-Executive Director</i>
Tao Yeoh Chi	<i>Independent Non-Executive Director</i>

2 Arrangements to Enable Directors to Acquire Shares and Debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed in Note 4 of this statement.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2021

3 Directors' Interests in Shares or Debentures

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

Name of directors	Direct interest		Deemed interest	
	At the beginning of year	At the end of year	At the beginning of year	At the end of year
The Company				
<i>Number of ordinary shares</i>				
Christian Kwok-Leun Yau Heilesen	–	–	–	171,314,500
Han Meng Siew	11,390,640	11,390,640	16,491,000	16,491,000

Christian Kwok-Leun Yau Heilesen is the sole shareholder and director of Mission Well Limited and is deemed interested in 171,314,500 ordinary shares of the Company held by Mission Well Limited.

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2022.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares or debentures of the Company and its related corporations, either at the beginning of the financial year or at the end of the financial year.

4 Warrants

On 29 November 2021, the Company issued 172,400,000 free warrants (the "Warrants"). Each Warrants shall grant the holder thereof the right to subscribe for one new ordinary share of the Company at an exercise price of S\$0.0082 for each share. The Warrants may be exercised during the period commencing on the date of issue of the Warrants and expiring on the date falling five calendar years after the date of issue of the Warrants.

The details of the outstanding Warrants are as follows:

Financial year	At the beginning of year	Warrants issued	Warrants exercised	At the end of year
2021	–	172,400,000	(38,800,000)*	133,600,000

* On 23 December 2021, the Company allotted and issued a total of 38,800,000 new ordinary shares in the capital of the Company (the "New Shares") at an exercise price of S\$0.0082 for each New Share to the exercise of 38,800,000 Warrants.

5 Ntegrator Employee Share Option Scheme

The Ntegrator Employee Share Option Scheme (the "Scheme") of the Company was adopted and approved by the shareholders of the Company at the Extraordinary General Meeting held on 15 December 2021. The Scheme is administered by the Remuneration Committee (the "Committee") of the Company, comprising 4 directors, Leung Kwok Kuen Jacob, Leung Yu Tung Stanley, Zhou Jia Lin and Chay Yiowmin. The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the date on which the Scheme is adopted.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2021

5 Ntegrator Employee Share Option Scheme (cont'd)

The objective of the Scheme is to provide an opportunity for the employees and directors of the Group who have contributed significantly to the growth and performance of the Group to participate in the equity of the Company and inculcate in all participants a stronger and more lasting sense of identification with the Company. The Scheme is designed to reward and retain employees whose services are vital to the growth and performance of the Company and/or the Group.

Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Scheme:

- (a) any confirmed employee of the Group (including any Director of the Company and/or a director of the Company's subsidiaries, as the case may be, who performs an executive function ("**Group Executive Director**")) selected by the Committee to participate in the Scheme in accordance with the rules of the Scheme ("**Group Employee**");
- (b) Directors of the Company (including Non-Executive Directors);
- (c) Controlling shareholders and their associates; and
- (d) Directors or employees of the Company's parent company and its subsidiaries.

Other salient information relating to the Scheme is set out below.

- (i) The number of shares over which options may be granted to a participant for subscription under the Scheme shall be determined at the absolute discretion of the Committee.
- (ii) The aggregate number of Shares over which options may be granted on any date under the Scheme, when added to the number of Shares issued and/or issuable in respect of all options granted under the Scheme and all shares, options or awards granted under any other share option or share scheme of the Company then in force, shall not exceed 20% of the total issued Shares of the Company excluding treasury shares and subsidiary holdings from time to time.
- (iii) The exercise price for each share in respect of which an option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at the market price or a price which is set at a discount to the market price, the quantum of such discount to be determined by the Committee at its absolute discretion, provided that the maximum discount which may be given in respect of any option shall not exceed 20% of the Market Price and shareholders at a general meeting in a separate resolution shall have authorized the making of offers and grants of options under the Scheme at a discount not exceeding the maximum discount of 20%.
- (iv) The Committee may grant Options with or without a discounted Exercise Price. In the event that Options are granted at a discount, the discount shall not exceed twenty per cent (20%) of the Market Price. Options granted with a discount under the Scheme are subject to a longer vesting period of two years compared to one year for the Options granted at the Market Price.

Since the commencement of the Scheme till the end of the financial year, no options have been granted to the directors and employees of the Group.

No options were granted during the financial year to subscribe for unissued shares of the Company or its subsidiary corporations.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option at the end of the financial year.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2021

6 Audit Committee

The Audit Committee (“**AC**”) comprises the following independent directors at the date of this statement:

Chay Yiowmin (Chairman)
Leung Yu Tung Stanley
Leung Kwok Kuen Jacob
Zhou Jia Lin

The AC carried out its functions in accordance with Section 201B(5) of the Act, the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual and the Code of Corporate Governance and assists the Board of Directors (the “**Board**”) in the execution of its corporate governance responsibilities within its established terms of reference.

The duties of the AC, amongst other things, include:

- review the audit plans of the internal and external auditors of the Company, and review the internal auditors’ evaluation of the adequacy of the Group’s/Company’s system of internal accounting controls and the assistance given by the Group’s/Company’s management to the external and internal auditors;
- review the half yearly announcement of financial statements and annual financial statements and the auditors’ report on the annual consolidated financial statements of the Company and its subsidiaries before their submission to the Board;
- review the effectiveness of the Group’s/Company’s material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews carried out by the internal auditors;
- meet with the external and internal auditors, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- review legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programs and any reports received from regulators;
- review the cost effectiveness and the independence and objectivity of the external auditors;
- review the nature and extent of non-audit services provided by the external auditors;
- recommend to the Board the external auditors to be nominated, approve the compensation of the external auditors and review the scope and results of audit;
- report actions and minutes of the AC to the Board with such recommendations as the AC considers appropriate;
- review interested person transactions in accordance with the requirements of the SGX-ST Listing Manual; and
- undertake such other functions and duties as may be agreed to by the AC and the Board.

The AC is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, Moore Stephens LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

Further details regarding the AC are disclosed in the Report on Corporate Governance included in the Company’s Annual Report.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2021

7 Independent Auditors

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

On behalf of the Board of Directors,

Christian Kwok-Leun Yau Heilesen
Director

Han Meng Siew
Director

Singapore

14 April 2022

INDEPENDENT AUDITOR'S REPORT

to the Members of Ntegrator International Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ntegrator International Ltd. (the “**Company**”) and its subsidiaries (collectively, the “**Group**”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the “**Act**”) and Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

INDEPENDENT AUDITOR'S REPORT

to the Members of Ntegrator International Ltd.

Key Audit Matters (cont'd)

Key Audit Matter

How our audit addressed the key audit matter

Revenue recognition

(Refer to Note 5(a) to the financial statements)

For the financial year ended 31 December 2021, the Group recognised revenue from project sales and project management totalling approximately S\$20.08 million, which comprised about 78% of the Group's total revenue.

According to the Group's accounting policies, revenue for project sales/project management is recognised at a point in time based on the satisfaction of the following single performance obligation as disclosed in Note 3(d) to the financial statements:

- Project sales – successful installation and acceptance of the project by customer.
- Project management – upon rendering of services to the customer and upon completion of the project.

Given the financial significance of revenue recognised for project sales and project management to the overall consolidated financial statements of the Group, we have therefore determined this as a key audit matter.

Our response

Our audit procedures included, amongst others:

- obtained an understanding of the contract execution processes and relevant controls relating to the accounting for project sales/project management;
- performed walkthroughs for selected key controls and performed test of key controls for effectiveness;
- obtained and read significant project contracts to understand the terms and conditions and their impact on revenue recognition;
- performed sample testing on revenue by verifying the underlying contracts/job orders, statement of work done, invoices and other revenue related supporting documents;
- performed sample testing on unbilled receivables for work completed but not billed as at year end by verifying to summary of work done submitted on customers' portal and subsequent invoices issued and accepted by customers; and
- performed cut-off tests to ensure revenue was recognised in the appropriate accounting period based on the satisfaction of the relevant performance obligation close to the year end.

Our findings

We found the revenue recognised for project sales and project management is consistent with the Group's accounting policies and correctly recognised in the proper accounting period.

INDEPENDENT AUDITOR'S REPORT

to the Members of Ntegrator International Ltd.

Key Audit Matters (cont'd)

Key Audit Matter	How our audit addressed the key audit matter
<p>Expected credit loss on trade receivables and contract assets in relation to unbilled receivables (Refer to Notes 13 and 5(b) to the financial statements)</p>	<p>Our response</p>
<p>As at 31 December 2021, the Group's trade receivables amounted to approximately S\$6.61 million and contract assets in relation to unbilled receivables amounted to approximately S\$9.24 million.</p>	<p>Our audit procedures included, amongst others:</p>
<p>The recoverability of trade receivables and contract assets in relation to unbilled receivables is a key element of the Group's working capital management, and is managed on an ongoing basis by management.</p>	<ul style="list-style-type: none">• obtained an understanding of the Group's processes and key controls relating to the monitoring of trade receivables and contract assets in relation to unbilled receivables and assessment of ECL;• reviewed and tested the aging of trade receivables/unbilled receivables;• reviewed and discussed with management on the reasonableness of significant judgements used by the management in assessing the recoverability of trade receivables and contract assets in relation to unbilled receivables;• reviewed and assessed management's basis and assumptions used in the assessment of the ECL of trade receivables and contract assets in relation to unbilled receivables;• checked the subsequent receipts from major debtors after year end and obtained documentary evidence, representation and explanations from management to assess the recoverability of long outstanding debts, where applicable; and• reviewed the adequacy of the disclosures in relation to the credit risk and loss allowance for trade receivables and contract assets in relation to unbilled receivables in Note 27(b) to the financial statements.
<p>As described in Note 4(b) to the financial statements, the Group measures the loss allowance for trade receivables and contract assets in relation to unbilled receivables at an amount equal to lifetime expected credit losses (ECL) based on its historical loss experience with forward-looking information (adjusted as necessary to reflect current conditions and forecast economic conditions). Given management exercised judgement in the assessment of ECL, we have therefore determined this as a key audit matter.</p>	<p>Our findings</p>
	<p>We found management's assessment on the expected credit loss on trade receivables and contract assets in relation to unbilled receivables to be appropriate.</p>

INDEPENDENT AUDITOR'S REPORT

to the Members of Ntegrator International Ltd.

Other Information

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

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

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

Other Matter

The financial statements for the financial year ended 31 December 2020 were audited by another firm of auditors who expressed an unmodified opinion on those financial statements in their report dated on 6 April 2021.

Responsibilities of Management and Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the 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 Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITOR'S REPORT

to the Members of Ntegrator International Ltd.

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

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group Audit. We remain solely responsible for our audit opinion.

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

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

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

INDEPENDENT AUDITOR'S REPORT

to the Members of Ntegrator International Ltd.

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Mr Ng Chiou Gee Willy.

Moore Stephens LLP
Public Accountants and
Chartered Accountants

Singapore

14 April 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2021

	Note	2021 S\$'000	2020 S\$'000
Revenue	5	25,695	23,102
Cost of sales		(20,190)	(21,178)
Gross profit		5,505	1,924
Other gains/(losses) – net			
- Reversal of impairment loss/(Impairment loss) on financial assets		11	(5)
- Others	8	1,332	2,883
Expenses			
- Distribution and marketing		(24)	(118)
- Administrative		(9,177)	(9,056)
- Finance	9	(549)	(660)
Loss before income tax		(2,902)	(5,032)
Income tax	10	–	–
Loss for the year		(2,902)	(5,032)
Other comprehensive loss, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Losses		–*	–
Total comprehensive loss for the year		(2,902)	(5,032)
Net loss attributable to:			
Equity holders of the Company		(2,374)	(2,765)
Non-controlling interests		(528)	(2,267)
		(2,902)	(5,032)
Total comprehensive loss attributable to:			
Equity holders of the Company		(2,374)	(2,765)
Non-controlling interests		(528)	(2,267)
		(2,902)	(5,032)
Loss per share for loss attributable to equity holders of the Company (cents per share)	11		
- Basic		(0.20)	(0.26)
- Diluted		(0.20)	(0.26)

* Amount below S\$1,000

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Note	Group	
		2021 S\$'000	2020 S\$'000
ASSETS			
Current assets			
Cash and bank balances	12	4,836	8,319
Trade and other receivables	13	7,907	7,429
Contract assets	5	12,045	12,226
Inventories	14	315	289
		<u>25,103</u>	<u>28,263</u>
Non-current assets			
Property, plant and equipment	16	454	703
Right-of-use assets	17	1,632	986
Deferred income tax	20	778	763
		<u>2,864</u>	<u>2,452</u>
Total assets		<u>27,967</u>	<u>30,715</u>
LIABILITIES			
Current liabilities			
Trade and other payables	18	4,838	4,904
Contract liabilities	5	463	1,117
Borrowings	19	9,187	15,493
		<u>14,488</u>	<u>21,514</u>
Non-current liabilities			
Borrowings	19	3,593	200
Total liabilities		<u>18,081</u>	<u>21,714</u>
NET ASSETS		<u>9,886</u>	<u>9,001</u>
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	21	29,948	26,161
Treasury shares	21	(11)	(11)
Other reserves	22	–*	–
Accumulated losses		(15,660)	(13,286)
		<u>14,277</u>	<u>12,864</u>
Non-controlling interests	15	(4,391)	(3,863)
Total equity		<u>9,886</u>	<u>9,001</u>

* Amount below S\$1,000

The accompanying notes form an integral part of these financial statements

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Note	Company	
		2021	2020
		S\$'000	S\$'000
ASSETS			
Current assets			
Cash and bank balances	12	1,246	189
Trade and other receivables	13	8,387	7,859
		9,633	8,048
Non-current assets			
Investments in subsidiaries	15	18,266	18,000
Total assets		27,899	26,048
LIABILITIES			
Current liabilities			
Trade and other payables	18	831	449
Total liabilities		831	449
NET ASSETS		27,068	25,599
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	21	29,948	26,161
Treasury shares	21	(11)	(11)
Accumulated losses	23	(2,869)	(551)
Total equity		27,068	25,599

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2021

		← Attributable to equity holders of the Company →						
	Note	Share capital	Treasury shares	Currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group								
2021								
At the beginning of year		26,161	(11)	–	(13,286)	12,864	(3,863)	9,001
Loss for the year		–	–	–	(2,374)	(2,374)	(528)	(2,902)
Other comprehensive income for the year		–	–	–*	–	–	–	–
Total comprehensive loss for the year		–	–	–*	(2,374)	(2,374)	(528)	(2,902)
Issuance of shares	21	3,787	–	–	–	3,787	–	3,787
At the end of year		29,948	(11)	–*	(15,660)	14,277	(4,391)	9,886
2020								
At the beginning of year		26,161	(11)	(840)	(9,681)	15,629	(1,596)	14,033
Loss for the year		–	–	–	(2,765)	(2,765)	(2,267)	(5,032)
Other comprehensive income for the year		–	–	–	–	–	–	–
Total comprehensive loss for the year		–	–	–	(2,765)	(2,765)	(2,267)	(5,032)
Reclassification	22	–	–	840	(840)	–	–	–
At the end of year		26,161	(11)	–	(13,286)	12,864	(3,863)	9,001

* Amount below S\$1,000

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2021

	Note	2021 S\$'000	2020 S\$'000
Cash flows from operating activities			
Loss for the year		(2,902)	(5,032)
Adjustments for:			
- Depreciation of property, plant and equipment	16	439	384
- Depreciation of right-of-use assets	17	892	1,016
- Interest expense	9	549	660
- Loss on disposal of property, plant and equipment	16	3	1
- Property, plant and equipment written-off	16	1	1
- Unrealised currency translation loss/(gain)		133	(300)
		(885)	(3,270)
Change in working capital:			
- Inventories		(26)	83
- Trade and other receivables		(297)	10,159
- Trade and other payables		(790)	(3,551)
Net cash (used in)/generated from operating activities		(1,998)	3,421
Cash flows from investing activities			
Additions to property, plant and equipment		(110)	(198)
Prepayments of leases		-	(100)
Net cash used in investing activities		(110)	(298)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		3,787	-
Proceeds from a director		70	-
Bank deposits discharged/(pledged)		57	(263)
Restricted cash		(177)	-
Proceeds from borrowings		-	6,290
Repayment of borrowings		(2,785)	-
Repayment of lease liabilities		(885)	(1,075)
Interest paid		(549)	(203)
Net cash (used in)/generated from financing activities		(482)	4,749
Net (decrease)/increase in cash and cash equivalents		(2,590)	7,872
Cash and cash equivalents at the beginning of year		413	(7,486)
Effects of exchange rate changes on the balances of cash held in foreign currencies		14	27
Cash and cash equivalents at the end of year	12	(2,163)	413

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2021

Reconciliation of liabilities arising from financing activities:

	At the beginning of year	Net (payments)/ proceeds	Non-cash movements			At the end of year
			Addition	Interest expense	Foreign exchange movement	
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
2021						
Bank borrowings	7,269	(3,265)	-	480	156	4,640
Lease liabilities	781	(938)	1,622	53	6	1,524
Amount due to a director	-	70	-	-	-	70
Amount due to a shareholder of a subsidiary	200	(16)	-	16	-	200

	At the beginning of year	Net proceeds/ (payments)	Non-cash movements			At the end of year
			Addition	Interest expense	Foreign exchange movement	
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
2020						
Bank borrowings	1,266	6,163	-	127	(287)	7,269
Lease liabilities	1,758	(1,135)	97	60	1	781
Amount due to a shareholder of a subsidiary	200	(16)	-	16	-	200

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

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

1 General Information

Ntegrator International Ltd. (the “**Company**”) is a public limited liability company incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

The Company’s registered office and principal place of business is at 4 Leng Kee Road, #06-04, SIS Building, Singapore 159088.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are disclosed in Note 15.

2 Application of Singapore Financial Reporting Standards (International) (“SFRS(I)s”)

(a) Adoption of New and Revised Standards

The accounting policies adopted are consistent with those of the previous financial year except the on 1 January 2021, the Group has adopted the following new and revised standards that are relevant to the Group and are mandatory for application for the current financial year:

Description

Amendments to SFRS(I) 16 COVID-19 Related Rent Concessions

Amendments to SFRS(I) 9, SFRS(I) 7 and SFRS(I) 16 Interest Rate Benchmark Reform – Phase 2

The adoption of these new and revised standards above did not result in substantial changes to the Group’s accounting policies and had no material effect on the disclosures or amounts reported in these financial statements.

(b) New and Revised Standard Issued but Not Yet Effective

At the date of authorisation of these financial statements, the Group has not adopted the following new and revised standards that have been issued and are relevant to the Group but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 16 Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to SFRS(I) 3 Business Combinations - Reference to the Conceptual Framework	1 January 2022
Amendments to SFRS(I) 1-16 Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to SFRS(I)s Standards 2018-2020	1 January 2022
Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to SFRS(I) 1-1 Presentation of Financial Statements and SFRS(I) Practice Statement 2 Disclosure of Accounting Policies	1 January 2023
Amendments to SFRS(I) 1-8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
Amendments to SFRS(I) 1-12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1-28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors of the Company do not expect that the adoption of these new and revised standards above will have a material impact on the financial statements in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies

(a) Basis of Preparation

The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with the provisions of the Singapore Companies Act 1967 (the “Act”) and SFRS(I). The financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below.

Fundamental accounting concept

For the financial year ended 31 December 2021, the Group reported a net loss and comprehensive loss of S\$2,902,000 (2020: S\$5,032,000) and the Group has net cash used in operating activities of S\$1,998,000 (2020: net cash generated from operating activities of S\$3,421,000). Notwithstanding this, in the opinion of the Board of Directors of the Company, these financial statements can be prepared on a going concern basis as the Group has adequate resources, including the availability of banking facilities, which will enable the Group to pay its debts as and when they fall due and that the Group will continue to generate adequate cash flows from its operations for the foreseeable future. Further, as disclosed in Note 28, the Group has undertaken/taking certain corporate actions, amongst others, entering into new business opportunities to generate new/addition sources of revenue and/or fund-raising exercises.

(b) Group Accounting

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree over the fair value of the fair value of the investee’s identifiable net assets acquired. Goodwill on acquisitions of subsidiaries is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment loss. Gains and losses on the disposal of subsidiaries, include the carrying amount of goodwill relating to the subsidiary sold.

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(b) Group Accounting (cont'd)

Subsidiaries (cont'd)

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

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

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

If the total of consideration transferred, non-controlling interest recognised and previously-held interest measured is less than the fair value of the net assets of the subsidiary acquired as in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred assets. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of interests in subsidiaries to non-controlling interests without loss of control are also recorded in equity.

When the Group loses control of a subsidiary, it:

- derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest (including any components of other comprehensive income attributable to them);
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained in the former subsidiary at its fair value;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate; and
- recognises any resulting difference in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(c) Investments in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the statement of financial position of the Company.

On disposal of investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments are recognised in profit or loss.

(d) Revenue Recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

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

Project sales

System integration services substantially involve the procurement, design, integration and installation of voice, video and data communication equipment and networks. Each contract comprises of single performance obligation which is satisfied at a point in time. Revenue is recognised upon successful installation and acceptance of the project by customers.

Project management

Each of project management contract comprises of a single performance obligation which is satisfied at a point in time. Revenue is recognised upon rendering of the service to the customer and upon completion of the project.

A receivable (financial asset) is recognised when the goods or services are delivered or rendered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Unbilled revenue is recognised when goods or services are delivered or rendered but has not been billed to customers.

Maintenance services

Maintenance service is satisfied over a period of time as the customer simultaneously receives and consumes the benefits over the duration of the maintenance contract. Revenue is recognised upon rendering of the service to the customer over the duration of maintenance contracts.

Maintenance revenue that is billed in advance of the services being rendered is deferred as contract liabilities on the statement of financial position and recognised as revenue when the services has been provided over the contractual period.

Contract assets represent the cost incurred to-date in relation to the maintenance contract. Contract assets will be charged out to profit or loss over the duration of the maintenance contract.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(d) Revenue Recognition (cont'd)

Sale of watches

Revenue is recognised at a point in time when the Group satisfies a performance obligation by transferring the promised goods to the customer, which is when the customer obtains control of the goods upon delivery. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The Group does not provide right of return or warranty to its customers and hence, there is no refund liability or provision for warranty made.

(e) Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately under other income in profit or loss.

Government grants relating to assets are deducted against the carrying amount of the assets.

(f) Foreign Currencies

Functional and presentation currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates (“**functional currency**”).

The Company’s functional currency is Singapore Dollar (“**S\$**”), which reflects the economic substance of the underlying events and circumstances of the Company. For the purposes of the consolidated financial statements, the results and financial position of each entity in the Group are expressed in S\$, which is the presentation currency for the consolidated financial statements. All values are round to the nearest thousand (“**S\$’000**”) except when otherwise indicated.

Transaction and balances

Transactions in a currency other than the functional currency (“**foreign currency**”) are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(f) Foreign Currencies (cont'd)

Transaction and balances (cont'd)

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within "Finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in the statement of comprehensive income within "Other gains/(losses) – net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Translation of Group entities' financial statements

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

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

(g) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(h) Employee Benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Share-based compensation

The Group operates an equity-settled share-based compensation plan. Equity-settled share-based payments are measured at fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Short-term compensated balances

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for unutilised annual leave as a result of services rendered by employees up to the reporting date.

Bonus plan

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision when it is contractually obliged to pay or when there is a past practice that has created a constructive obligation to pay.

(i) Income Tax

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

Current tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(i) Income Tax (cont'd)

Deferred tax

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

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

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

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

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where the current and deferred tax arises from the initial accounting for a business combination, the tax effect is taken into account in the accounting for the business combination.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(j) Property, Plant and Equipment

Measurement

All items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

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

Depreciation

Depreciation is recognised so as to write off the cost of the assets less their residual values over their useful lives, using the straight-line method.

The following useful lives are used in the calculation of depreciation:

	<u>Useful lives</u>
Office equipment	5 years
Computers	3 years
Telephones	5 years
Software	3 years
Motor vehicles	10 years
Demo and site equipment	5 years
Furniture	5 years
Fittings	2 years

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

The residual value, useful life and depreciation method are reviewed at each financial year and adjusted as appropriate at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated property, plant and equipment still in use are retained in the consolidated financial statements.

Subsequent expenditure

Subsequent expenditure related to property, plant and equipment that has been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(j) Property, Plant and Equipment (cont'd)

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(k) Impairment of Non-financial Assets

Non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any), on an individual asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(l) Inventories

Inventories comprise of materials and supplies to be consumed in the rendering of system integration services, project sales and watches. Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of inventories comprises of materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in rendering of system integration services and project sales, less the applicable costs of conversion to complete the services and project sales, and applicable variable selling expenses. Allowance is made for obsolete, slow moving and defective inventories.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(m) Cash and Cash Equivalents

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

(n) Financial Assets

Classification

i. Debt instruments

Financial assets that are debt instruments are classified into categories based on the Group's business model for managing them and their contractual cash flow characteristics.

- Financial Assets measured at Amortised Cost (“**AC**”) comprise of assets that are held within a business model whose objective is to hold those assets for collection of contractual cash flows, and those contractual cash flows represent solely payments of principal and interest.
- Financial Assets measured at Fair Value through Other Comprehensive Income (“**FVOCI**”) comprise of assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling those assets, and those contractual cash flows represent solely payments of principal and interest.
- Financial Assets measured at Fair Value through Profit and Loss (“**FVPL**”) comprise of assets that do not qualify for AC and FVOCI. Assets that would otherwise qualify for AC or FVOCI may also be designated as FVPL upon initial recognition, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that arises from measuring assets and liabilities on an inconsistent basis.

ii. Equity instruments

Financial assets that are equity instruments comprise mainly of investments in equity securities. The Group classifies these assets as FVPL, except for those that the Group has designated as FVOCI. The FVOCI designation is irrevocable, and is not permitted for held-for-trading financial assets and financial assets that represent contingent consideration in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(n) Financial Assets (cont'd)

Measurement

i. Debt instruments

Initial measurement

Trade receivables that do not contain a significant financing component are initially recognised at their transaction price. Other financial assets are initially recognised at fair value, plus, for financial assets that are not at FVPL, transaction costs that are directly attributable to their acquisition. Transaction costs of financial assets at FVPL are expensed in profit and loss.

Subsequent measurement

AC

These financial assets are subsequently measured at amortised cost using the effective interest method unless they are part of a designated hedging relationship. Impairment losses and reversals, interest income, and foreign exchange gains and losses (except where designated as a hedging instrument) on such assets are recognised in profit and loss. Interest income is based on the effective interest method which allocates interest income over the life of the financial asset based on an effective interest rate that discounts estimated future cash receipts to its gross carrying amount.

FVOCI

These financial assets are subsequently measured at fair value. Impairment losses and reversals, interest income based on the effective interest method, and foreign exchange gains and losses (except where designated as a hedging instrument) on such assets are recognised in profit and loss. Any remaining fair value movements are recorded in other comprehensive income.

FVPL

These financial assets are subsequently measured at fair value. All fair value movements are recorded in profit and loss.

ii. Equity instruments

Subsequent to initial recognition, all equity investments are measured at fair value. Changes in the fair value of FVPL equity investments are recognised in profit and loss, while changes in the fair value of FVOCI equity investments are recognised in other comprehensive income. All dividend income is recognised in profit and loss, except for dividends from FVOCI equity investments that clearly represent a recovery of the cost of investment.

Impairment

At each reporting date, the Group assesses expected credit losses ("ECL") on the following financial instruments:

- Financial assets that are debt instruments measured at AC and FVOCI;
- Contract assets; and
- Financial guarantee contracts.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(n) Financial Assets (cont'd)

Impairment (cont'd)

ECL is a probability-weighted estimate of credit losses. Credit losses are measured at the present value of all shortfalls between the cash flows due to the Group in accordance with contractual terms, and the cash flows that the Group actually expects to receive. ECL is discounted at the effective interest rate of the financial asset. The Group records allowances on financial assets based on either the:

- 12-month ECL – representing the ECL that results from default events that are possible within the 12 months after the reporting date (or the expected life of the instrument if shorter); or
- Lifetime ECL – representing the ECL that results from all possible default events over the expected life of the contract.

Simplified approach - Trade receivables and contract assets

For all trade receivables and contract assets, the Group adopts a simplified approach whereby an allowance for lifetime ECL is assessed upon initial recognition. The Group estimates lifetime ECL using a provision matrix based on historical credit loss experience, adjusted for various factors including debtor-specific factors, forward-looking information such as industry and economic forecasts, and others as appropriate.

General approach – All other financial instruments on which ECL assessment is required

For all other financial instruments on which ECL is assessed, an allowance for 12-month ECL is recorded upon initial recognition. The allowance is increased to lifetime ECL if the credit risk at each reporting date has increased significantly as compared to the credit risk at initial recognition. In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group considers all reasonable and supportable information that is relevant and available without undue cost or effort including both historical credit experience and forward-looking information.

The Group regards the following as events of default:

- events that make it unlikely for the borrower to repay in full unless the Group undertakes actions to recover the asset (e.g. by exercising rights over collaterals or other credit enhancements); or
- the financial instrument has become overdue in excess of 120 days.

Credit-impaired financial instruments

At each reporting date, the Group assesses whether a financial instrument on which ECL assessment is required has become credit-impaired. This is the case when one or more events have occurred that are considered to be detrimental to the estimated future cash flows of the instrument. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event;
- other lenders granting concessions (such as loan restructurings) to the borrower due to economic or contractual reasons, that would not have been considered in the absence of the borrower's financial difficulty;
- increasing likelihood that the borrower will enter bankruptcy or other financial re-organisation; and
- the disappearance of an active market for the borrower's securities due to financial difficulties.

For credit-impaired financial assets, interest income is determined by applying the effective interest rate to the net carrying amount of the financial asset (after deduction of the ECL allowance).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(n) Financial Assets (cont'd)

Impairment (cont'd)

Write-off policy

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

Recognition and derecognition

Financial assets are recognised when, and only when the Group becomes a party to its contractual provisions. All regular way purchases and sales of financial assets are recognised on trade-date, which is the date on which the Group commits to purchase or sell the financial asset.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset that is a debt instrument, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit and loss. In addition, for a financial asset that is a debt instrument at FVOCI, the cumulative gain or loss previously accumulated in the fair value adjustment reserve is reclassified to profit and loss.

On derecognition of an equity investment at FVPL, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit and loss. For equity investments at FVOCI, this difference is instead recognised directly in equity as part of retained earnings. Cumulative gains and losses previously accumulated in equity are also transferred directly to retained earnings upon derecognition of FVOCI equity investments.

(o) Financial Liabilities

Financial liabilities

The Group recognises financial liabilities on its consolidated statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instruments.

Financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial liability. All financial liabilities are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(o) Financial Liabilities (cont'd)

Financial liabilities (cont'd)

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least twelve months after the reporting period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they have expired. The difference between the carrying amount of a financial liability that has been derecognised and the consideration paid and payable (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(p) Offsetting of Financial Assets and Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the financial assets and settle the financial liabilities simultaneously.

(q) Financial Guarantees

Financial guarantees in the separate financial statements

The Company has issued corporate guarantees to a bank for bank borrowings of its subsidiary. These guarantees are financial guarantees as they require the Company to reimburse the bank if the subsidiary fails to make principal or interest payments when due in accordance with the terms of the bank borrowings. Intra-group transactions are eliminated on consolidation.

Financial guarantees are measured initially at their fair values plus transaction costs and subsequently measured at the higher of:

- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and
- the amount of loss allowance determined in accordance with expected credit loss model under SFRS(I) 9.

(r) Leases

When the Group is the lessee

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(r) Leases (cont'd)

When the Group is the lessee (cont'd)

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

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

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

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

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

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

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

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

When lease liabilities are remeasured, corresponding adjustments are made against the right-of-use assets. If the carrying amounts of the right-of-use assets have been reduced to zero, the adjustments are recorded in profit or loss.

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(r) Leases (cont'd)

Short term and low value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(s) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(t) Share Capital and Treasury Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

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

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

(u) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive management whose members are responsible for allocating resources and assessing performance of the operating segments.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. Significant Accounting Policies (cont'd)

(v) Related Parties

A related party is defined as follows:

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the “reporting entity”).

- a. A person or a close member of that person’s family is related to a reporting entity if that person:
 - i. has control or joint control over the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b. An entity is related to a reporting entity if any of the following conditions applies:
 - i. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - iii. both entities are joint ventures of the same third party;
 - iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - v. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
 - vi. the entity is controlled or jointly controlled by a person identified in (a);
 - vii. a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - viii. the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

4 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in Note 3 above, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(a) *Critical judgements in applying the accounting policies*

Deferred income tax assets

The Group recognises tax liabilities and tax assets based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition, management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised.

A deferred tax asset is recognised for tax losses and donations carried forward if it is probable that the entities within the Group will generate sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations.

Due to their inherent nature, assessments of deferred tax asset are judgmental and not subjected to precise determination. The information on the Group's unutilised tax losses, capital allowances and donations and the relevant deferred tax provision are disclosed in Notes 10 and 20.

If the tax authority regards the entities within the Group as not satisfying and/or meeting certain provisions of the relevant tax regulations, the unrecognised tax losses, capital allowances and donations may be forfeited.

(b) *Key sources of estimation uncertainty*

Expected credit loss on trade and other receivables and contract assets

The Group measures the loss allowance for trade receivables and contract assets at an amount equal to lifetime expected credit losses ("ECLs"). The ECLs on trade receivables are estimated using a provision matrix which involves grouping receivables based on characteristics which have historically influenced asset recoverability, such as credit ratings, customer-industry group and customer geography, and applying a historic provision rate which is based on days past due for groupings of various customer segments that have similar loss patterns.

In devising such a provision matrix, the Group uses its historical credit loss experience with forward-looking information (adjusted as necessary to reflect current conditions and forecast economic conditions) to estimate the lifetime expected credit losses on the trade receivables and contract assets. At every reporting date, the historical default rates are updated and the impact of forward-looking information is re-analysed.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

4 Critical Accounting Judgements and Key Sources of Estimation Uncertainty (cont'd)

(b) Key sources of estimation uncertainty (cont'd)

Expected credit loss on trade and other receivables and contract assets (cont'd)

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

Information about the ECLs on the Group's trade receivables and contract assets are disclosed in Note 27(b). The carrying amounts of the Group's trade and other receivables and contract assets at the reporting date are disclosed in Notes 13 and 5(b), respectively.

Impairment of investment in subsidiaries

Management reviews the Company's investment in subsidiaries at each reporting date to determine whether there is any indication that the investment may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amount of the investment is determined based on the value in use ("VIU") of the relevant cash-generating unit ("CGU") or group of CGUs. Estimating the VIU requires the Company to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

No allowance for impairment loss in respect of the Company's investment in subsidiaries is recognised at the reporting date.

The carrying amount of the Company's investment in subsidiaries at the reporting date is disclosed in Note 15.

5. Revenue

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

	Group		
	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
2021			
Project sales	3,040	–	3,040
Project management	17,038	–	17,038
Maintenance services	–	2,489	2,489
Sales of watches	3,128	–	3,128
	23,206	2,489	25,695

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

5. Revenue (cont'd)

(a) Disaggregation of revenue from contracts with customers (cont'd)

	Group		
	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
2020			
Project sales	7,186	–	7,186
Project management	13,746	–	13,746
Maintenance services	–	2,170	2,170
	20,932	2,170	23,102

(b) Contract balances

	Group		
	31 December 2021	31 December 2020	1 January 2020
	S\$'000	S\$'000	S\$'000
<u>Contract assets</u>			
- Work in progress ⁽¹⁾	2,804	1,935	1,769
- Unbilled receivables ⁽²⁾	9,241	10,291	15,879
<u>Contract liabilities</u>			
- Amount due to customers ⁽³⁾	463	1,117	959

⁽¹⁾ Work in progress represents the Group's costs incurred to-date in relation to future activities and have not been used in contract performance at the reporting date.

⁽²⁾ Unbilled receivables represent the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when invoices are billed to customer.

⁽³⁾ Amount due to customers represents the Group's collection in advance but work has yet to be completed as at reporting date.

Significant changes in contract assets and contract liabilities balances during the financial year are disclosed as follows:

	Group	
	2021	2020
	S\$'000	S\$'000
<u>Contract assets</u>		
Contract assets reclassified to trade receivables	(12,226)	(17,648)
Additional work completed but not billed	12,045	12,226
<u>Contract liabilities</u>		
Increase due to cash received, excluding amounts recognised as revenue during the year	463	1,117

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

6. Expenses by Nature

	Group	
	2021	2020
	S\$'000	S\$'000
Auditors' remuneration		
Fees on audit services paid/payable to:		
- Auditors of the Company	111	87
- Other auditors	5	-
Fees on non-audit services paid/payable to:		
- Auditors of the Company	-	-
- Other auditors	-	29
Bank charges	149	109
Commission and consultancy	-	69
Depreciation of property, plant and equipment (Note 16)	439	384
Depreciation of right-of-use assets (Note 17)	892	1,016
Directors' fees:		
- Current year	94	184
- Over provision in prior year	(184)	-
Employee compensation (Note 7)	14,268	13,831
Entertainment	6	12
Freight charges	19	56
Marketing expenses	24	118
Other professional fees	385	204
Purchases of equipment and consumables	10,191	11,300
Rental expense (Note 17(b))	1,848	2,043
Sponsorship fees	275	118
Telephone and internet	142	71
Trade receivables written-off	-	2
Others	727	719
Total cost of sales, distribution and marketing and administrative expenses	29,391	30,352

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

7. Employee Compensation

	Group	
	2021	2020
	S\$'000	S\$'000
Wages and salaries	8,960	9,672
Employer's contribution to defined contribution plans including Central Provident Fund	538	559
Other short-term benefits	4,770	3,600
	14,268	13,831

8. Other Gains/(Losses) – net

	Group	
	2021	2020
	S\$'000	S\$'000
Currency exchange gain/(loss):		
- Realised foreign exchange gain/(loss)	357	(237)
- Unrealised foreign exchange (loss)/gain	(133)	300
Government grants	597	1,666
Jobs support scheme (“JSS”)	373	1,069
Miscellaneous claims	142	25
Loss on disposal of property, plant and equipment	(3)	(1)
Property, plant and equipment written-off	(1)	(1)
Bad debts recovered	-	62
	1,332	2,883

The JSS recognised during the financial year is a temporary scheme introduced in the Singapore Budget 2021 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

9. Finance Expenses

	Group	
	2021	2020
	S\$'000	S\$'000
Interest expense		
- Bank borrowings	480	583
- Lease liabilities	53	61
- Amount due to a shareholder of a subsidiary	16	16
	549	660

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

10. Income Tax

	Group	
	2021	2020
	S\$'000	S\$'000
Current income tax:		
- Current year	-	-

A reconciliation between income tax and the product of accounting (loss) multiplied by the applicable corporate tax rate for the financial year is as follows:

	Group	
	2021	2020
	S\$'000	S\$'000
Loss before income tax	(2,902)	(5,032)
Tax calculated at applicable tax rate	(492)	(855)
Effects of:		
- Expenses not deductible for tax purposes	95	45
- Income not subject to tax	(74)	(418)
- Deferred tax assets not recognised - net	471	1,228
	-	-

The corporate tax rate applicable to the Company and those entities of the Group incorporated in Singapore is 17% (2020: 17%). The corporate tax rate applicable to the subsidiary of the Group incorporated in Hong Kong is 16.5%.

Deferred tax assets are recognised for unutilised tax losses, capital allowances and donations carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unutilised tax losses, capital allowances and donations of approximately S\$23,693,000 (2020: S\$20,922,000), S\$1,706,000 (2020: S\$1,706,000) and S\$627,000 (2020: S\$627,000) respectively, at the reporting date which can be carried forward and used to offset against future taxable income subject to the agreement of the tax authority and meeting certain provisions of the relevant tax regulations. The unutilised tax losses and capital allowances have no expiry date, while the unutilised donations have an expiry date of 5 years.

There were no deferred tax assets recognised on unutilised tax losses of approximately S\$9,117,000 (2020: S\$16,435,000), capital allowances of approximately S\$1,706,000 (2020: S\$1,706,000) and donations of approximately S\$627,000 (2020: S\$627,000) due to the uncertainty of the future utilisation. Accordingly, the related deferred tax benefits of these unutilised tax losses, capital allowances and donations amounted to approximately S\$3,250,000 (2020: S\$2,794,000), S\$290,000 (2020: S\$290,000) and S\$107,000 (2020: S\$107,000) respectively, have not been recognised in the financial statements at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

11. Loss per Share

(a) Basic loss per share

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2021	2020
Net loss attributable to equity holders of the Company (S\$'000)	(2,374)	(2,765)
Weighted average number of ordinary shares outstanding for basic loss per share ('000)	1,185,187	1,065,395
Basic loss per share (cents per share)	(0.20)	(0.26)

(b) Diluted loss per share

For the purpose of calculating diluted loss per share, net loss attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

For warrants, the weighted average number of shares on issue has been adjusted as if all dilutive warrants were exercised. The number of shares that could have been issued upon the exercise of all dilutive warrants less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net loss.

Diluted loss per share attributable to equity holders of the Company are calculated as follows:

	2021	2020
Net loss attributable to equity holders of the Company and used to determine diluted earnings per share (S\$'000)	(2,374)	(2,765)
Fully diluted number of ordinary shares outstanding for diluted loss per share ('000) (Note 21)	1,464,459	1,065,395
Adjustments for:		
- Warrants ('000) (Note 21)	133,600	-
	1,598,059	1,065,395
Diluted loss per share (cents per share)	(0.20)*	(0.26)*

* As loss was recorded, the dilutive potential shares from warrants are anti-dilutive and no changes is made to the diluted loss per share

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

12. Cash and Bank Balances

	Group	
	2021	2020
	S\$'000	S\$'000
Cash at bank and on hand	4,836	8,319

	Company	
	2021	2020
	S\$'000	S\$'000
Cash at bank and on hand	1,246	189

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2021	2020
	S\$'000	S\$'000
Cash and bank balances of the Group (as above)	4,836	8,319
Less: Bank deposits pledged	(206)	(263)
Less: Restricted cash (Note 24)	(177)	-
Less: Bank overdraft (Note 19)	(6,616)	(7,643)
Cash and cash equivalents per consolidated statement of cash flows	(2,163)	413

Bank deposits are pledged in relation to the performance guarantee granted for project purposes.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

13. Trade and Other Receivables

	Group	
	2021 S\$'000	2020 S\$'000
Trade receivables:		
- Non-related parties	6,461	5,684
Bills receivables	156	535
	6,617	6,219
Less: Loss allowance	(4)	(14)
	6,613	6,205
Other receivables:		
- Non-related parties	43	44
- Deposits	577	649
	7,233	6,898
GST receivable	17	40
Prepayments	657	491
	7,907	7,429
	Company	
	2021 S\$'000	2020 S\$'000
Other receivables:		
- Subsidiaries	8,293	7,815
GST receivable	17	-
Prepayments	77	44
	8,387	7,859

Trade receivables are non-interest bearing and are generally due in 30 days term.

Amounts due from subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand in cash.

14. Inventories

	Group	
	2021 S\$'000	2020 S\$'000
Finished goods, at cost and net of allowance for inventory obsolescence	315	289

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

15. Investments in Subsidiaries

	Company	
	2021 S\$'000	2020 S\$'000
Unquoted equity shares, at cost		
At the beginning of year	18,000	18,000
Addition investments (Note b)	266	–
At the end of year	18,266	18,000

(a) Composition of the Group

Name	Principal activities	Country of business/ incorporation	Effective equity interest held by the Group	
			2021 %	2020 %
<i>Held by the Company</i>				
Ntegrator Pte. Ltd. ⁽¹⁾	To provide system integration services of voice, video and data communication networks and building construction cable/civil works for underground, road and inbuilding	Singapore	100.0	100.0
Fund Joy Limited ⁽²⁾⁽³⁾	Trading of watches	Hong Kong	100.0	–
NTEG Data Ecommerce Corp. ⁽²⁾⁽⁴⁾	Dormant	Philippines	99.9	–
<i>Held by Ntegrator Pte. Ltd.</i>				
Fiber Reach Pte. Ltd. ⁽¹⁾	To provide building construction NEC (fiber patching, splicing, installation and maintenance)	Singapore	60.0	60.0

(1) Audited by Moore Stephens LLP

(2) Acquired/Incorporated during the year

(3) Audited by NG & Partners CPA Limited

(4) Not required to be audited under the laws of the country of incorporation

(b) Acquisition/Incorporation of subsidiaries

During the current financial year, the Company acquired a wholly owned subsidiary, Fund Joy Limited, incorporated in Hong Kong, for a cash consideration of HK\$1 (equivalent to approximately S\$1) fully paid in cash. The Company also incorporated a subsidiary, NTEG Data Ecommerce Corp, incorporated in Philippines, for a capital consideration of 10,000,000 Pesos (equivalent to approximately S\$266,000) which remains unpaid (Note 18) at the reporting date.

Fund Joy Limited was dormant with no significant assets and liabilities at the date of acquisition. NTEG Data Ecommerce Corp remains dormant until the aforesaid capital consideration has been paid up.

(c) Non-controlling interests

Carrying amount of non-controlling interests

	2021 S\$'000	2020 S\$'000
Fiber Reach Pte. Ltd.	(4,391)	(3,863)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

15. Investments in Subsidiaries (cont'd)

(c) Non-controlling interests (cont'd)

Summarised financial information of subsidiary with material non-controlling interests

Set out below are the summarised financial information for the subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

There were no transactions with non-controlling interests for the financial years ended 31 December 2021 and 2020.

Summarised statement of financial position

	Fiber Reach Pte. Ltd.	
	2021	2020
	S\$'000	S\$'000
Current		
Assets	7,495	9,095
Liabilities	(19,646)	(20,013)
Total current net liabilities	(12,151)	(10,918)
Non-current		
Assets	1,643	1,402
Liabilities	(471)	(141)
Total non-current net assets	1,172	1,261
Net liabilities	(10,979)	(9,657)

Summarised statement of comprehensive income

	Fiber Reach Pte. Ltd.	
	For the financial year ended	
	31 December	
	2021	2020
	S\$'000	S\$'000
Revenue	15,566	11,617
Loss before income tax	(1,322)	(5,666)
Total comprehensive loss	(1,322)	(5,666)
Total comprehensive loss allocated to non-controlling interests	(528)	(2,267)

Summarised cash flows

	Fiber Reach Pte. Ltd.	
	For the financial year ended	
	31 December	
	2021	2020
	S\$'000	S\$'000
Net cash generated from operating activities	618	1,476
Net cash used in investing activities	(22)	(205)
Net cash used in financing activities	(1,302)	(905)
Net cash (outflow)/inflow in cash and cash equivalents	(706)	366

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

16. Property, Plant and Equipment

	Office	Computers	Telephones	Software	Motor	Demo and	Furniture	Fittings	Total
	equipment				vehicles	equipment			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group									
2021									
<i>Cost</i>									
At the beginning of year	352	459	2	285	121	2,606	110	260	4,195
Additions	24	38	-	10	13	23	-	2	110
Disposals	-	-	-	-	(10)	-	-	-	(10)
Write-off	(21)	(62)	-	(7)	-	(12)	(2)	(16)	(120)
Transfer from right-of-use assets	-	-	-	-	108	71	-	-	179
At the end of year	355	435	2	288	232	2,688	108	246	4,354
<i>Accumulated depreciation</i>									
At the beginning of year	256	401	2	256	79	2,153	100	245	3,492
Depreciation charge (Note 6)	48	41	-	19	34	278	4	15	439
Disposals	-	-	-	-	(7)	-	-	-	(7)
Write-off	(21)	(62)	-	(7)	-	(12)	(2)	(15)	(119)
Transfer from right-of-use assets	-	-	-	-	42	53	-	-	95
At the end of year	283	380	2	268	148	2,472	102	245	3,900
<i>Net book value</i>									
At the end of year	72	55	-	20	84	216	6	1	454

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

16. Property, Plant and Equipment (cont'd)

	Office equipment	Computers	Telephones	Software	Motor vehicles	Demo and site equipment	Furniture	Fittings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group									
2020									
<i>Cost</i>									
At the beginning of year	324	760	7	364	112	2,346	117	294	4,324
Additions	69	39	-	22	13	23	4	28	198
Disposal	-	-	-	-	(4)	-	-	-	(4)
Write-off	(41)	(340)	(5)	(101)	-	(537)	(11)	(62)	(1,097)
Transfer from right-of-use assets	-	-	-	-	-	774	-	-	774
At the end of year	352	459	2	285	121	2,606	110	260	4,195
<i>Accumulated depreciation</i>									
At the beginning of year	258	687	7	339	56	1,939	107	291	3,684
Depreciation charge (Note 6)	39	54	-	18	26	227	4	16	384
Disposal	-	-	-	-	(3)	-	-	-	(3)
Write-off	(41)	(340)	(5)	(101)	-	(536)	(11)	(62)	(1,096)
Transfer from right-of-use assets	-	-	-	-	-	523	-	-	523
At the end of year	256	401	2	256	79	2,153	100	245	3,492
<i>Net book value</i>									
At the end of year	96	58	-	29	42	453	10	15	703

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

17. Right-of-use Assets

	Property S\$'000	Office equipment S\$'000	Motor vehicles S\$'000	Demo and site equipment S\$'000	Total S\$'000
Group					
2021					
<i>Cost</i>					
At the beginning of year	1,838	192	191	672	2,893
Additions	1,329	81	155	98	1,663
Write-off	(1,002)	(68)	–	–	(1,070)
Transfer to property, plant and equipment	–	–	(108)	(71)	(179)
At the end of year	2,165	205	238	699	3,307
<i>Accumulated depreciation</i>					
At the beginning of year	1,451	106	85	265	1,907
Depreciation charge (Note 6)	687	51	17	137	892
Write-off	(977)	(52)	–	–	(1,029)
Transfer to property, plant and equipment	–	–	(42)	(53)	(95)
At the end of year	1,161	105	60	349	1,675
<i>Net book value</i>					
At the end of year	1,004	100	178	350	1,632
2020					
<i>Cost</i>					
At the beginning of year	1,838	192	191	1,249	3,470
Additions	–	–	–	197	197
Transfer to property, plant and equipment	–	–	–	(774)	(774)
At the end of year	1,838	192	191	672	2,893
<i>Accumulated depreciation</i>					
At the beginning of year	727	53	65	569	1,414
Depreciation charge (Note 6)	724	53	20	219	1,016
Transfer to property, plant and equipment	–	–	–	(523)	(523)
At the end of year	1,451	106	85	265	1,907
<i>Net book value</i>					
At the end of year	387	86	106	407	986

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

17. Right-of-use Assets (cont'd)

Property

The Group leases office space, dormitory and warehouse for the purpose of back-office operations, housing for workers and storage of goods and equipment respectively.

Office equipment

The Group leases office equipment for the purpose of back-office operations.

Motor vehicles

The Group leases motor vehicles for transport of workers and equipment to work site as part of daily operations.

Site equipment

The Group leases site equipment for its daily operations which include cable works for underground, cable patching and splicing.

(a) *Interest expense*

	Group	
	2021	2020
	S\$'000	S\$'000
Interest expense on lease liabilities	53	61

(b) *Lease expense not capitalised in lease liabilities*

	Group	
	2021	2020
	S\$'000	S\$'000
Lease expense – short-term leases (Note 6)	1,848	2,043

(c) Total cash outflow for all leases in 2021 was S\$2,786,000 (2020: S\$3,178,000).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

18. Trade and Other Payables

	Group	
	2021 S\$'000	2020 S\$'000
Trade payables:		
- Non-related parties	1,967	1,530
GST payable	302	149
Bills payables	200	690
Other payables:		
- Non-related parties	735	605
- Amount due to a director	70	-
- Amount due to a shareholder of a subsidiary	200	200
	1,005	805
Accruals:		
- Project costs	279	462
- Operating expenses	1,085	1,268
	4,838	4,904
	Company	
	2021 S\$'000	2020 S\$'000
Other payables:		
- Non-related parties	250	159
- Subsidiary	266	-
Accruals for operating expenses	315	290
	831	449

Trade payables are non-interest bearing with credit period generally 30 to 60 days term.

Bill payables have an average maturity of 30-90 days (2020: 30-60 days) term.

Amount due to a director is non-trade in nature, interest-free, unsecured and repayable on demand in cash.

Amount due to shareholder of a subsidiary is non-trade in nature, interest bearing of 8% (2020: 8%) per annum, unsecured and repayable on demand in cash.

Amount due to a subsidiary relates to the share capital consideration payable for the incorporation of the subsidiary (Note 15(b)).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

19. Borrowings

	Group	
	2021 S\$'000	2020 S\$'000
<i>Current</i>		
Bank overdraft (Note 12)	6,616	7,643
Bank borrowings		
- Term loan I	393	1,875
- Term loan II	736	3,000
- Other facilities	565	2,394
	1,694	7,269
Lease liabilities	877	581
	9,187	15,493
<i>Non-current</i>		
Bank borrowings		
- Term loan I	1,098	-
- Term loan II	1,848	-
	2,946	-
Lease liabilities	647	200
	3,593	200
Total borrowings	12,780	15,693

(a) Terms of borrowings

Bank overdraft bears interest at bank's prime lending rate prevailing from time to time and repayable on demand.

Term loan I with a principal amount of S\$2,000,000 is repayable over 60 fixed monthly principal instalments, commencing from September 2020. The loan bears interest of 2.5% (2020: 2.5%) per annum. The term loan is for working capital purposes.

Term Loan II with a principal of S\$3,000,000 is repayable over 48 fixed monthly principal repayments commencing in twelve months after the first drawn down, on June 2021. The loan bears interest rate of 3.0% (2020: 3.0%) per annum. The term loan is for working capital purposes.

Other facilities include factoring facilities bears interest of 2% per annum over Bank's cost of funds or 2% per annum over the applicable SWAP offer rate prevailing from time to time, whichever is higher. (2020: 2% per annum over Bank's cost of funds or 2% per annum over the applicable SWAP offer rate prevailing from time to time, whichever is higher).

(b) Securities granted

Bank overdraft and bank borrowings drawn by the respective subsidiaries are guaranteed by the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

19. Borrowings (cont'd)

(c) Breach of loan covenants

Some of the Group's loan arrangements are subject to covenant clauses, whereby the Group is required to meet certain key financial ratios.

2021

There is no non-adherence of covenant clauses by the Group as at 31 December 2021.

2020

The Group did not fulfil its banks' key financial ratio of maintaining a consolidated tangible net worth of not less than S\$14,000,000.

Due to this breach of covenant clause, the bank was contractually entitled to request for immediate repayment of the outstanding loan amount of S\$7.3 million. Accordingly, the outstanding balance was presented as a current liability as at 31 December 2020. As the Group was in a net asset position of S\$9,001,000, hence in the event of the bank call back the loan facilities, the directors of the Company were of the opinion that the Group was able to repay the outstanding loan immediately.

20. Deferred Tax Assets

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the consolidated statement of financial position as follows:

	Group	
	2021	2020
	S\$'000	S\$'000
Deferred tax assets - unutilised tax losses	(778)	(763)

Movement in deferred tax account is as follows:

	Group	
	2021	2020
	S\$'000	S\$'000
At the beginning of year	(763)	(776)
Currency translation differences	(15)	13
At the end of year	(778)	(763)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

21. Share Capital and Treasury Shares

	No. of ordinary shares		Amount	
	Issued share capital	Treasury shares	Share capital S\$'000	Treasury shares S\$'000
Group and Company				
2021				
At the beginning of year	1,065,646,234	(251,000)	26,161	(11)
Shares issued pursuant to:				
- Placement exercised on 30 June	187,863,480	-	2,055	-
- Placement exercised on 12 November	172,400,000	-	1,414	-
- Warrants exercised	38,800,000	-	318	-
At the end of year	<u>1,464,709,714</u>	<u>(251,000)</u>	<u>29,948</u>	<u>(11)</u>
At 31 December 2020				
At the beginning and end of year	<u>1,065,646,234</u>	<u>(251,000)</u>	<u>26,161</u>	<u>(11)</u>

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares (except for treasury shares) carry one vote per share and carry a right to dividends as and when declared by the Company.

On 30 June 2021, the Company allotted and issued 187,863,480 new ordinary shares in the capital of the Company to the Subscriber pursuant to the Placement Agreement. The share placement proceeds are to fund acquisitions and new business opportunities and for general working capital requirements.

On 12 November 2021, the Company allotted and issued 172,400,000 Subscription Shares to the Subscribers pursuant to the Placement Agreements. The share placement proceeds are for general working capital requirements.

Following the above, the Company has on 29 November 2021 issued 172,400,000 free warrants ("Warrants") to the Subscribers pursuant to the Placement Agreements. The Warrants shall grant the holder thereof the right to subscribe for one Exercised Share at an exercise price of S\$0.0082 for each Exercised Share.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

21. Share Capital and Treasury Shares (cont'd)

On 23 December 2021, the Company allotted and issued a total of 38,800,000 new ordinary shares in the capital of the Company (the “New Shares”) at an exercise price of S\$0.0082 for each New Share to the exercise of 38,800,000 Warrants.

(a) Treasury shares

The Company did not acquire any of its shares in the open market during the financial years ended 31 December 2021 and 2020.

(b) Warrants

On 29 November 2021, the Company issued 172,400,000 unlisted warrants (the “Warrants”) to the Subscribers pursuant to the Placement Agreements. Each Warrants shall grant the holder thereof the right to subscribe for one new ordinary share of the Company at an exercise price of S\$0.0082 for each share. The Warrants may be exercised during the period commencing on the date of issue of the Warrants and expiring on the date falling five calendar years after the date of issue of the Warrants.

The details of the outstanding Warrants are as follows:

	2021	2020
	S\$'000	S\$'000
Group and Company		
At the beginning of year	–	–
Warrants issued during the year	172,400,000	–
Warrants exercised during the year	(38,800,000)	–
At the end of year	133,600,000	–

(c) Ntegrator Employee Share Option Scheme

The Ntegrator Employee Share Option Scheme (the “Scheme”) of the Company was adopted and approved by the shareholders of the Company at the Extraordinary General Meeting held on 15 December 2021. The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the date on which the Scheme is adopted.

Since the commencement of the Scheme till the end of the financial year, no options have been granted to the directors and employees of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

22. Other Reserves

(a) *Composition:*

	Group	
	2021	2020
	S\$'000	S\$'000
Currency translation reserve	–*	–

* Amount below S\$1,000

Other reserves are non-distributable.

(b) *Movements:*

	Group	
	2021	2020
	S\$'000	S\$'000
At the beginning of year	–	(840)
Net currency translation differences of financial statements of foreign subsidiary	–*	–
Reclassification to accumulated losses	–	840
At the end of year	–*	–

* Amount below S\$1,000

23. Accumulated Losses

Movements in accumulated losses of the Company are as follows:

	Company	
	2021	2020
	S\$'000	S\$'000
At the beginning of year	(551)	(838)
Net (loss)/profit for the year	(2,318)	287
At the end of year	(2,869)	(551)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

24. Contingent Liabilities

Group

Performance guarantees

The Group has issued performance guarantees via banks and insurance companies amounting to S\$3.4 million (2020: S\$1.0 million) to its subsidiaries' customers to secure project contracts.

Company

Letter of statutory demand from Asian Corporate Advisors Pte. Ltd. (the "ACA")

On 6 August 2021, the Company received a letter of statutory demand from the lawyers of ACA pursuant to Section 125(2) (a) of the Insolvency, Restructuring and Dissolution Act 2018 for alleged fees owing by the Company (the "**Letter of Statutory Demand**"). Subsequently the Company announced that ACA has, through its lawyers, confirmed that ACA will not commence winding up proceedings against the Company on the basis of the Letter of Statutory Demand on the condition that the Company places a sum of S\$177,432, being the sum alleged to be due and owing by the Company to ACA ("**Alleged Outstanding Fees**"), into an escrow account (the "**Escrow Account**").

The Company has, on 27 August 2021, placed the Alleged Outstanding Fees in the Escrow Account. The payment of the Alleged Outstanding Fees into the Escrow Account as disclosed above is not an admission by the Company of any liability in relation to the Letter of Statutory Demand. The Company maintains its position that it disputes, *inter alia*, the Alleged Outstanding Fees owing by the Company set out in the Letter of Statutory Demand. Unless an amicable settlement is reached between the parties, any payment which may be made out of the Escrow Account would be subject to the Singapore Courts' determination of the merits of ACA's claims in the event that legal proceedings are commenced by ACA against the Company.

On 4 April 2022, the Board announced that both parties did not come to any conclusion after several rounds of discussion and the Company had, on 1 April 2022 received a writ of summons ("**Writ**") dated 25 March 2022 from the solicitor acting for ACA, against the Company in the State Courts of Singapore. Pursuant to the Writ, ACA claims from the Company a total S\$188,244 for services allegedly rendered by ACA to the Company and the Company intends to enter an appearance in accordance with the Writ to defend the claim vigorously in consultation with its legal advisors.

Corporate guarantees

The Company has issued corporate guarantees amounting to S\$34.7 million (2020: S\$37.8 million) to banks for borrowings of one of its subsidiary. These bank borrowings of the subsidiary amounted to S\$11.3 million (2020: S\$14.9 million) at the reporting date.

The Company has evaluated that the fair values of the corporate guarantees are not material and is of the view that the consequential liabilities derived from its guarantees to the banks with regard to the subsidiary is minimal. The subsidiary for which the guarantees were provided are in favourable equity positions, with no default in the payment of borrowings and credit facilities.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

25. Related Party Transactions

No related party transactions took place between the Group and related parties during the financial year other than those disclosed elsewhere in the financial statements.

Key management personnel compensation

Key management personnel compensation representing directors and other key management personnel of the Group are as follows:

	Group	
	2021 \$'000	2020 \$'000
Salaries and bonuses	1,875	1,571
Employer's contribution to defined contribution plan, including Central Provident Fund	62	51
Directors' fees	94	184
	2,031	1,806
Comprised amounts paid to:		
Directors of the Company	1,360	1,133
Other key management personnel	671	673
	2,031	1,806

26. Segment Information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors comprises executive and non-executive directors.

The Group is organised into three operating segments:

- (i) Corporate;
- (ii) Project sales, project management and maintenance services; and
- (iii) Retail.

Corporate segment consists of investment holding company and dormant company which do not meet any of the quantitative threshold for determining a reportable segment.

Project sales segment engages in integration of network infrastructure that enable the customers to communicate electronically within an organisation or with another organisation whether located in the same country or globally. It also provides the customers with seamless integration of a wide variety of voice and data signals used in large institutional telecom applications. Project management and maintenance services segment provides installation and implementation services of the network infrastructure or voice communication systems that have been purchased by the customers from the Group's principals, and maintenance and support services mainly for the network infrastructure and voice communication systems.

Retail segment involves in sales of watches.

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Transfer prices between business segments are set on an agreed terms basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

26. Segment Information (cont'd)

The segment information provided to the Board of Directors for the reportable segments are as follows:

	Corporate		Project sales, project management and maintenance services		Retail		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue								
Revenue to external parties	-	-	22,567	23,102	3,128	-	25,695	23,102
Segment results	-	-	5,433	1,924	72	-	5,505	1,924
Other gains/(losses) - net								
- Reversal of impairment loss/(Impairment loss) on financial assets	-	-	11	(5)	-	-	11	(5)
- Others	6	58	1,326	2,825	-	-	1,332	2,883
- Distribution and marketing	(24)	(36)	-	(82)	-	-	(24)	(118)
- Administrative	(2,419)	(1,591)	(6,467)	(7,465)	(291)	-	(9,177)	(9,056)
- Finance	-	-	(549)	(660)	-	-	(549)	(660)
Loss before income tax	(2,437)	(1,569)	(246)	(3,463)	(219)	-	(2,902)	(5,032)
Income tax for the year	-	-	-	-	-	-	-	-
Net loss	(2,437)	(1,569)	(246)	(3,463)	(219)	-	(2,902)	(5,032)
Assets and liabilities								
Segment assets	1,340	233	23,413	30,482	3,214	-	27,967	30,715
Segment liabilities	(564)	(450)	(16,968)	(21,264)	(549)	-	(18,081)	(21,714)
Other segment information								
Expenditure for property, plant and equipment	-	-	(110)	(198)	-	-	(110)	(198)
Other non-cash items:								
Depreciation of property, plant and equipment and investment property	-	-	(439)	(384)	-	-	(439)	(384)
Loss on disposal of property, plant and equipment	-	-	(3)	(1)	-	-	(3)	(1)
Property, plant and equipment written off	-	-	(1)	(1)	-	-	(1)	(1)
Trade receivables written off	-	-	-	(2)	-	-	-	(2)

* Segment information for the previous financial year has been represented to conform with the current financial year's presentation due to the change of Board of Directors during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

26. Segment Information (cont'd)

Geographical information

	Singapore		Hong Kong		Myanmar		Vietnam		Others		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue												
Sales to external parties	22,335	20,876	3,128	–	232	1,412	–	646	–	168	25,695	23,102

Other geographical information:

	Singapore		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Non-current assets	2,864	2,452	2,864	2,452

Revenue of approximately S\$16,851,000 (2020: S\$13,806,000) is derived from a single external customer. This revenue is attributable to the project sales, project management and maintenance services segments.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

27. Financial Instruments

Financial risk management objectives

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk, liquidity risk and capital risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance. It is, and has been throughout the financial year, the Group's policy that no trading in derivative financial instruments shall be undertaken.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes establishing detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits.

Financial risk management is carried out by the finance department in accordance with the policies set. The finance personnel identifies and evaluates financial risks in close co-operation with the Group's operating units. The finance personnel measures actual exposures against the limits set and prepares periodic reports for review by the Financial Controller. Regular reports are also submitted to the Board of Directors.

(a) *Market risk*

(i) Currency risk

The Group operates in Asia with dominant operations in Singapore, Myanmar and Hong Kong. Entities in the Group regularly transact in currencies other than their respective functional currencies ("**foreign currencies**").

Currency risk arises within entities in the Group when transactions are denominated in foreign currency is primarily the United States Dollar ("**USD**").

In addition, the Group is exposed to currency translation risk on the net assets in foreign operations. Currency exposure to the net assets of the Group's foreign operations has been monitored throughout the year and the impacts to the Group's financial statements are not significant.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

27. Financial Instruments (cont'd)

Financial risk management objectives (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The Group's currency exposure based on the information provided to key management is as follows:

	SGD S\$'000	USD S\$'000	HKD S\$'000	Other S\$'000	Total S\$'000
Group					
2021					
Financial assets					
Cash and bank balances	4,556	270	8	2	4,836
Trade and other receivables*	2,993	851	3,123	266	7,233
Contract assets	12,045	-	-	-	12,045
	19,594	1,121	3,131	268	24,114
Financial liabilities					
Trade and other payables*	3,601	382	549	4	4,536
Contract liabilities	463	-	-	-	463
Borrowings	12,780	-	-	-	12,780
	16,844	382	549	4	17,779
Net financial assets	2,750	739	2,582	264	6,335
Less: Net financial assets denominated in the respective entities' functional currencies	(2,750)	-	(2,582)	-	(5,332)
Currency exposure of financial assets net of those denominated in the respective entities' functional currencies	-	739	-	264	1,003
2020					
Financial assets					
Cash and bank balances	7,250	1,067	-	2	8,319
Trade and other receivables*	6,050	845	-	3	6,898
Contract assets	12,226	-	-	-	12,226
	25,526	1,912	-	5	27,443
Financial liabilities					
Trade and other payables*	3,744	1,011	-	-	4,755
Contract liabilities	1,117	-	-	-	1,117
Borrowings	15,693	-	-	-	15,693
	20,554	1,011	-	-	21,565
Net financial assets	4,972	901	-	5	5,878
Less: Net financial assets denominated in the respective entities' functional currencies	(4,972)	-	-	-	(4,972)
Currency exposure of financial assets net of those denominated in the respective entities' functional currencies	-	901	-	5	906

* Financial assets exclude prepayments and GST receivable; Financial liabilities exclude GST payable.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

27. Financial Instruments (cont'd)

Financial risk management objectives (cont'd)

(a) *Market risk* (cont'd)

(i) Currency risk (cont'd)

If the foreign currencies change against the SGD decrease/increase by 1.0% (2020: 1.8%) with all other variables including income tax rate being held constant, the effects arising from the net financial assets/liabilities position on the Group's loss after tax are not significant.

The Company is not exposed to currency risk since all its financial assets and liabilities at the reporting date are denominated in Singapore Dollar.

(ii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates. The Group's interest rate risk mainly arises from bank overdraft and borrowings at floating interest rates. The Group manages its interest rate risks by keeping bank loans to the minimum required to sustain the operations of the Group.

The Group's borrowings at variable rates on which effective hedges have not been entered into are denominated mainly in SGD. If the SGD interest rates had increased/decreased by 0.5% (2020: 0.5%) with all other variables including income tax rate being held constant, the loss after tax would have been higher/lower by S\$27,000 (2020: S\$32,000) respectively as a result of higher/lower interest expense on these borrowings.

(b) *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are cash and cash equivalents and trade and other receivables. The Group's and the Company's exposure to credit risk arises primary from trade and other receivables. For trade receivables, the Group adopts the policy of dealing with customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk. For other financial assets, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. Cash and bank balances are subject to immaterial credit loss as cash are mainly placed at banks with high credit-rating.

It is also the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Customers with high credit risks are required either to pay on cash term, make advance payments or issue letter of credits. The Group trades only with recognised, creditworthy and secured third parties, there is no requirement for collateral. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

27. Financial Instruments (cont'd)

Financial risk management objectives (cont'd)

(b) Credit risk (cont'd)

As the Group and the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the consolidated statement of financial position, except as follows:

	Company	
	2021 S\$'000	2020 S\$'000
Corporate guarantees provided to banks on subsidiaries' loans (Note 24)	11,256	14,912

The trade receivables, bills receivables and contract assets of the Group comprise of 3 debtors (2020: 3 debtors) that individually represented 2% - 13% (2020: 3% - 23%) of trade receivables, bills receivables and contract assets at the reporting date.

The credit risk for trade receivables, bills receivables and contract assets based on the information provided to key management is as follows:

	Group	
	2021 S\$'000	2020 S\$'000
By geographical areas		
Singapore	14,939	17,883
Hong Kong	2,858	-
Vietnam	595	559
Denmark	266	-
Other	-	29
	18,658	18,471
By types of customers		
Non-related parties		
- Government agencies	96	111
- Other companies	18,562	18,360
	18,658	18,471

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

27. Financial Instruments (cont'd)

Financial risk management objectives (cont'd)

(b) Credit risk (cont'd)

Expected credit loss for financial assets

The Group uses a provision matrix to measure the lifetime expected credit loss (“ECL”) allowance for trade receivables, bills receivables and contract assets as these items do not have significant financing components.

Trade receivables, bills receivables and contract assets are grouped based on shared credit risk characteristics and days past due to measure the lifetime ECL by reference to the Group’s historical observed default rates, customer’s ability to pay and adjusted with forward looking information.

Trade receivables, bills receivables and contract assets are written-off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where trade receivables, bills receivables and contract assets have been written-off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Group’s credit risk exposure in relation to trade receivables, bills receivables and contract assets at the reporting date are set out follows.

	Current S\$'000	Within 30 days S\$'000	31 to 60 days S\$'000	61 to 90 days S\$'000	91 to 120 days S\$'000	More than 120 days S\$'000	Total S\$'000
Group							
2021							
Trade receivables	2,021	777	1,037	44	1,931	651	6,461
Bills receivables	156	-	-	-	-	-	156
Contract assets	12,045	-	-	-	-	-	12,045
Gross amount	14,222	777	1,037	44	1,931	651	18,662
Loss allowance	-	-	-	-	-	(4)	(4)
Net amount	14,222	777	1,037	44	1,931	647	18,658
2020							
Trade receivables	1,914	1,735	594	292	337	852	5,724
Bills receivables	-	-	535	-	-	-	535
Contract assets	12,069	-	-	-	-	157	12,226
Gross amount	13,983	1,735	1,129	292	337	1,009	18,485
Loss allowance	-	-	-	-	-	(14)	(14)
Net amount	13,983	1,735	1,129	292	337	995	18,471

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

27. Financial risk management (cont'd)

Financial risk management objectives (cont'd)

(b) Credit risk (cont'd)

The movements in expected credit loss allowance during the financial year are as follows:

	Group	
	2021	2020
	S\$'000	S\$'000
At the beginning of year	14	71
Impairment loss recognised in profit or loss during the year	–	5
Reversal of expected credit loss on financial assets	(10)	(62)
At the end of year	4	14

No other loss allowances are recognised as the management believes that the amounts that are past due are collectible, based on historical payment behaviour and credit-worthiness of the customers.

Other financial assets, at amortised cost

The Group's and the Company's other financial assets recognised at amortised cost mainly comprised of deposits, other receivable from non-related parties, and other receivables from subsidiary corporations. These other financial assets are subject to immaterial credit loss.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to these receivables in estimating the probability of default of each of these other financial assets.

For the purpose of impairment assessment, loss allowance is generally measured at an amount equal to 12-month ECL as there is low risk of default and strong capability to meet contractual cash flows. When the credit quality deteriorates and the resulting credit risk of other financial assets increase significantly since its initial recognition, the 12-month ECL would be replaced by lifetime ECL.

Other financial assets are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of other receivables to engage in a repayment plan with the group, and a failure to make contractual payments.

At the reporting date, no loss allowance is recognised as the management believes that the amounts that are collectible, based on historical payment behaviour and credit-worthiness of the other receivables. There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries have strong financial capacity to meet their contractual cash flow obligations in the near future and hence does not expect any significant credit losses arising from these guarantees.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

27. Financial risk management (cont'd)

Financial risk management objectives (cont'd)

(c) *Liquidity risk*

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities. At the reporting date, assets held by the Group and the Company for managing liquidity risk included cash and cash equivalents as disclosed in Note 12.

Management monitors rolling forecasts of the liquidity reserve, comprises of undrawn borrowing facility and cash and cash equivalents (Note 12) of the Group and the Company on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Group in accordance with the practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these obligations, monitoring liquidity ratios and maintaining debt financing plans.

At the reporting date, the Group has at its disposal unused trade financing, credit card and bank overdraft facilities amounting to approximately S\$4,675,000 to draw down, if required.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year S\$'000	Between 1 and 2 years S\$'000	Between 2 and 5 years S\$'000
Group			
2021			
Trade and other payables	4,552	–	–
Borrowings	9,332	1,742	1,969
2020			
Trade and other payables	4,771	–	–
Borrowings	15,493	160	46
Company			
2021			
Trade and other payables	565	–	–
Financial guarantee contracts	11,256	–	–
2020			
Trade and other payables	449	–	–
Financial guarantee contracts	14,912	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

27. Financial risk management (cont'd)

Financial risk management objectives (cont'd)

(d) *Capital risk*

The Group's objectives when managing capital are to safeguard the Group'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 Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a debt-equity ratio. Additionally, the Group is also required by the banks to maintain a debt-equity ratio of not exceeding 3.0 times (2020: 3.0 times).

The debt-equity ratio is calculated as total liabilities divided by total net tangible assets.

	Group	
	2021	2020
	\$'000	\$'000
Total liabilities	18,081	21,714
Total equity	9,886	9,001
Debt-equity ratio	1.83 times	2.41 times

The Group is in compliance with all externally imposed capital requirements for the financial years ended 31 December 2021 and 2020 except for the breach of loan covenants for the previous financial year ended 31 December 2020 which is disclosed in Note 19(c).

The Company is not subject to any significant externally imposed capital requirements.

(e) Fair value measurements

The carrying amounts of the Group's long-term term loans and lease liabilities approximate their carrying amounts based on discounted cash flow analysis at market incremental lending rates for similar types of lending or leasing arrangements at the end of the reporting period, with most significant inputs being the discount rate that reflects the credit risk of counterparties.

The carrying amounts of the Group's and the Company's current financial assets and current financial liabilities approximate their fair values due to their short-term maturity.

28. Events Occurring After Reporting Date

Secured Contracts

- (a) On 16 February 2022, the Company secured a contract worth approximately S\$4.0 million from a leading network service provider in the region to construct approximately 7.8km long 16-way underground pipelines in the Changi area in Singapore. The contract will commence on 1st April 2022 and is expected to be completed by the end of 2022.
- (b) On 14 March 2022, the Company secured two contracts from a regional network service provided worth a maximum of approximately S\$43.5 million including the one-year options: (i) the first two-year contract of S\$26.0 million is for a mega installation, maintenance and diversion services of fibre and copper cables in the East, West, North and Central zones in Singapore with an option by the customer to extend the contract for an additional year for S\$13.0 million; (ii) the second two-year contract of approximately S\$3.0 million is for the provision, installation and maintenance of direct exchange lines ("DEL"), air blown fibre system, fibre cable works, customer premises equipment ("CPE") and other miscellaneous related services in the Central zone with an option by the customer to extend the contract for an additional S\$1.5 million approximately.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

28. Events Occurring After Reporting Date (cont'd)

Entry into a Non-Binding Letter of Intent relating to the Acquisition of Watches.com

As announced on 19 January 2022, the Company entered into an exclusive non-binding Letter of Intent with Watchismo LLC for the proposed acquisition of its assets. Further details are in the Company's announcement dated 19 January 2022.

Exercise of Warrants

As announced on 28 January 2022, the number of ordinary shares in the capital of the Company ("**Shares**") has increased from 1,464,458,714 Shares to 1,566,508,714 Shares, following the allotment and issuance of 102,050,000 new ordinary shares in the capital of the Company (the "**New Shares**") at an exercise price of S\$0.0082 for each New Share on 28 January 2022 pursuant to the exercise of 102,050,000 unlisted warrants issued on 29 November 2021 (the "**Warrants**").

Following the exercise of the said 102,050,000 Warrants into 102,050,000 New Shares, there are 31,550,000 Warrants outstanding as at 28 January 2022.

Proposed Acquisitions and Change of Name of the Company

In an Extraordinary General Meeting held on 4 March 2022, the shareholders of the Company approved the following resolutions:

- (a) The proposed acquisition of 85% of the issued share capital of Gadmobee Group for a consideration of S\$15.2 million;
- (b) The proposed acquisition of 55% of the issued share capital of Golden Ultra Limited for a consideration of HK\$82.5 million (approximately S\$14.4 million); and
- (c) The proposed change of name from "Ntegrator International Limited" to "Watches.com Limited".

The aforesaid acquisitions have not been completed as at the date of these financial statements.

The proposed change of the Company's name is in progress as at the date of these financial statements.

The Proposed Share Consolidation and The Proposed Renounceable Non-Underwritten Rights cum Warrants Issue

- (a) The Company is proposing to, in conjunction with and immediately prior to the Rights cum Warrants Issue, undertake a share consolidation of every three (3) existing issued ordinary shares in the capital of the Company held by shareholders of the Company as at a time and date to be determined by the directors into one (1) ordinary share, fractional entitlements to be disregarded (the "**Proposed Share Consolidation**"); and
- (b) subject to and conditional upon the completion of the Proposed Share Consolidation, the Company is proposing to undertake a renounceable non-underwritten rights cum warrants issue on the basis of fifteen (15) Rights Shares for every one (1) Consolidated Share held by shareholders of the Company as at a time and date to be determined by the directors, with two (2) Warrant A, two (2) Warrant B, two (2) Warrant C, two (2) Warrant D and two (2) Warrant E for every fifteen (15) Rights Share subscribed by the shareholder, fractional entitlements to be disregarded, of up to 8,890,293,570 new ordinary shares (post-share consolidation) in the capital of the Company at an issue price of S\$0.01 for each Rights Share, with up to 5,926,862,380 free detachable warrants ("Warrants"), every one (1) Warrant, in the form of Warrant A, Warrant B, Warrant C, Warrant D and Warrant E, each granting the holder thereof the right to subscribe for one (1) new ordinary share in the capital of the Company at their respective exercise prices.

The aforesaid matters have been approved by the shareholders of the Company in an Extraordinary General Meeting held on 11 April 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

28. Events Occurring After Reporting Date (cont'd)

Proposed Issuance and Subscription

Proposed Issuance of Perpetual Convertible Bonds and Warrants

As announced on 1 January 2022:

The Company had on 31 December 2021 entered into a subscription agreement with Incredible Holdings Ltd. in relation to, inter alia, a proposed issuance of:

- (a) 0% perpetual convertible bonds of an aggregate principal amount of S\$9,000,000 which shall, at the option of the holder thereof, be convertible into new ordinary shares in the Company at a conversion price of S\$0.003333 per conversion share; and
- (b) 10,000,000,000 free warrants, each said warrant shall grant the holder thereof the right to subscribe for one new ordinary share in the Company at an exercise price of S\$0.003333.

Proposed Subscription of Perpetual Bonds, Perpetual Convertible Bonds and Warrants

As announced on 1 January 2022:

The Company has on 31 December 2021 entered into a subscription agreement with Incredible Holdings Ltd. in relation to, inter alia, a proposed subscription of:

- (a) 0% perpetual bonds of an aggregate principal amount of S\$6,900,000;
- (b) 0% perpetual convertible bonds of an aggregate principal amount of S\$2,100,000 which shall, at the option of the holder thereof, be convertible into new ordinary shares in the Issuer at a conversion price of S\$0.004 per conversion share; and
- (c) 1,000,000,000 free warrants, each said warrant shall grant the holder thereof the right to subscribe for one new ordinary share in the Issuer at an exercise price of S\$0.0016.

The notice of an Extraordinary General Meeting to be convened on 28 April 2022 and Circular to Shareholders for the foregoing matters was announced by the Company on 6 April 2022.

Proposed Acquisition of Shares of Arion Entertainment Singapore Limited

As announced on 13 April 2022, the Company entered into a share purchase agreement with Mr Ng Kai Man, Ms Chan Shui Sheung, Ivy and Mr Lee Chun Ming, in relation to, inter alia, the proposed acquisition of 256,320,900 ordinary shares in the capital of Arion Entertainment Singapore Limited (the “**Target**”), representing approximately 27.44% of the total number of ordinary shares in the issued share capital of the Target. Further details are in the Company’s announcement dated 13 April 2022.

29. 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 14 April 2022.

DISTRIBUTION OF SHAREHOLDINGS

as at 1 April 2022

CLASS OF SHARES

Issued and fully paid-up capital (including Treasury Shares)	: Ordinary shares
Issued and fully paid-up capital (excluding Treasury Shares)	: S\$26,313,006
Number of Shares issued (excluding Treasury Shares)	: S\$26,301,711
Number (Percentage) of Treasury Shares	: 1,566,508,714 ordinary shares
Voting rights (excluding Treasury Shares)	: 251,000 (0.016%)
Subsidiary Holdings	: One vote per share
	: NIL

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No of shareholders	% of shareholders	No of shares	% of Shares
1 - 99	14	0.68	617	0.00
100 - 1,000	107	5.21	80,494	0.01
1,001 - 10,000	165	8.03	948,033	0.06
10,001 - 1,000,000	1,603	78.00	352,030,967	22.47
1,000,001 and above	166	8.08	1,213,699,603	77.46
GRAND TOTAL	2,055	100.00	1,566,759,714	100.00

TWENTY LARGEST SHAREHOLDERS

NAME	NO. OF SHARES	%
MAYBANK SECURITIES PTE. LTD.	209,493,080	13.37
MISSION WELL LIMITED	120,142,900	7.67
INDUSTRIAL ELECTRONICS PTE LTD	72,893,600	4.65
KOH KOW TEE MICHAEL	57,269,022	3.66
HSBC (SINGAPORE) NOMINEES PTE LTD	51,431,600	3.28
UNITED OVERSEAS BANK NOMINEES P L	39,421,937	2.52
LOW HENG SIONG	35,864,000	2.29
DBS NOMINEES PTE LTD	27,185,060	1.74
PHILLIP SECURITIES PTE LTD	25,411,816	1.62
OCBC NOMINEES SINGAPORE PTE LTD	24,774,116	1.58
OCBC SECURITIES PRIVATE LTD	24,075,683	1.54
TAN ENG CHUA EDWIN	21,228,300	1.35
LEE KEEN WHYE	18,911,500	1.21
YOW HOCK GUAN	17,500,000	1.12
TANG SOI LIK OR TANG EI FUN (CHEN YIFEN)	16,500,000	1.05
GOH SIOK KUAN	16,491,000	1.05
CHANG JOO WHUT	16,448,240	1.05
KELVIN TAN CHENG SIONG (CHEN QINGXIANG)	13,000,000	0.83
TAN LYE SENG	11,924,200	0.76
HAN MENG SIEW	11,390,640	0.73
TOTAL	831,356,694	53.07

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

74.27% of the Company's shares are held in the hands of the public. Accordingly, the Company has complied with Catalist Rule 723 of the Listing Manual of the SGX-ST.

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders (other than Directors)	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Mission Well Limited ⁽¹⁾	120,142,900	7.67	51,171,600	3.27
Zheng Ze Li	-	-	201,100,000	13.02

Note

(1) Mr Christian Kwok-Leun Yau Heilesen is deemed to have an interest in 171,314,500 Shares held by Mission Well Limited.

USE OF PROCEEDS

- ISSUANCE OF PLACEMENT SHARES

As at 31 December 2021, approximately S\$3.8 million of proceeds were raised from the issuance of shares from the following:

Placement

- (i) Completion of the placement entered into with Ms Zhou Qi Lin on 30 June 2021;
- (ii) Two separate conditional placement agreements with Ms Zheng Ze Li and Industrial Electronics Pte Ltd on 20 October 2021; and
- (iii) The allotment and issuance of 38,000,000 new ordinary shares in the capital of the Company at an exercise price of \$0.0082 for each new share pursuant to the exercise of 38,800,000 unlisted warrants issued on 29 November 2021.

The below table sets out the use of proceeds raised from each of the above events as numbered.

Placement	Intended use of Net Proceeds	Amount allocated (S\$)	Amount utilised (S\$)	Balance (S\$)
(i)	To fund Acquisitions and New Business Opportunities	1,604,181	(1,604,181)	-
(i)	General Working Capital**	451,045	(451,045)	-
(ii)	General Working Capital**	1,413,680	(1,413,680)	-
(iii)	General Working Capital**	318,160	(318,160)	-
	Total	3,787,066	(3,787,066)	-

** Breakdown of general working capital

S\$000

Professional Fees & Expenses	50
Purchase of inventory / Goods	774
General & Administrative Expenses (includes payment for salaries, office rental and general expenses)	1,358
Total	2,182

The above utilisations are in accordance with the intended use of proceeds of announcements dated 25 May 2021 and 20 October 2021.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Ntegrator International Ltd. (the “**Company**”) will be convened and held by way of electronic means on 13 May 2022 (Friday) at 11.00 am, for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2021 together with the Auditors’ Report thereon.

(Resolution 1)

2. To re-elect the following Directors retiring pursuant to Regulation 122 of the Company’s Constitution:

Mr Han Meng Siew

(Resolution 2)

Mr Han Meng Siew will, upon re-election as a Director, remain as an Executive Director of the Company. Information on Mr Han Meng Siew can be found on pages 16 and 45 to 52 of the annual report.

Mr Christian Kwok-Leun Yau Heilesen

(Resolution 3)

Mr Christian Kwok-Leun Yau Heilesen will, upon re-election as a Director, remain as an Executive Director of the Company. Information on Mr Christian Kwok-Leun Yau Heilesen can be found on pages 16 and 45 to 52 of the annual report.

3. To re-elect the following Directors retiring pursuant to Regulation 123 of the Company’s Constitution:

Mr Chay Yiowmin

(Resolution 4)

*Mr Chay Yiowmin will, upon re-election as a Director, remain as the Independent Non-Executive Chairman and Independent Non-Executive Director of the Company, the Chairman of the Audit Committee, and a member of the Nominating Committee and Remuneration Committee. Information on Mr Chay Yiowmin can be found on pages 16 and 45 to 52 of the annual report. The Board considers Mr Chay Yiowmin to be independent for the purposes of Rule 704(7) of the Catalist Rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Catalist Rules**”).*

Mr Tao Yeoh Chi

(Resolution 5)

Mr Tao Yeoh Chi will, upon re-election as a Director, remain as an Independent Non-Executive Director of the Company. Information on Mr Tao Yeoh Chi can be found on pages 17 and 45 to 52 of the annual report. The Board considers Mr Tao Yeoh Chi to be independent for the purposes of Rule 704(7) of the Catalist Rules of the SGX-ST.

4. To approve the payment of Directors’ fees of S\$93,667 for the financial year ended 31 December 2021 (FY2020: S\$165,600).

(Resolution 6)

5. To re-appoint Moore Stephens LLP as the Company’s Auditors and to authorise the Directors to fix their remuneration.

(Resolution 7)

6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

NOTICE OF ANNUAL GENERAL MEETING

7. Authority to allot and issue new Shares in the capital of the Company and/or instruments

“That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “Act”) and Rule 806 of the Catalist Rules, authority be and is hereby given to the Directors of the Company to:

- (a) (i) allot and issue new shares in the capital of the Company (“Shares”) (whether by way of rights, bonus or otherwise); and/or
- (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require new Shares to be allotted and issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) notwithstanding the authority conferred by this Resolution may have ceased to be in force, allot and issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:

- (1) the aggregate number of new Shares (including shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to this Resolution) to be allotted and issued pursuant to this Resolution shall not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of new Shares to be allotted and issued other than on a *pro rata* basis to Shareholders of the Company (including Shares to be allotted and issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company (as calculated in accordance with subparagraph (2) below);

- (2) (subject to such manner of calculations as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares that may be allotted and issued under sub-paragraph (1) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time this Resolution is passed after adjusting for:-

- (a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities;
- (b) new Shares arising from exercising of share options or vesting of share awards, provided that the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
- (c) any subsequent bonus issue, consolidation or subdivision of Shares.

Any adjustments made in accordance with sub-paragraphs (2)(a) or (2)(b) above shall only be made in respect of new Shares arising from convertible securities and Instruments which were issued and outstanding and/or subsisting at the time of the passing of this Resolution.

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company for the time being; and

NOTICE OF ANNUAL GENERAL MEETING

- (4) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”

[See Explanatory Note (i)]

(Resolution 8)

8. Authority to grant options and to allot and issue Shares under the Ntegrator Employee Share Option Scheme

“That pursuant to Section 161 of the Act, the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the provision of the Ntegrator Employee Share Option Scheme (the “**Scheme**”) and to allot and issue such Shares as may be required to be allotted and issued pursuant to the exercise of the options under the Scheme provided always that the aggregate number of Shares to be allotted and issued pursuant to the Scheme shall not exceed fifteen per cent (20%) of the total number of issued Shares excluding treasury shares and subsidiary holdings on the date preceding the grant of the option from time to time.”

[See Explanatory Note (ii)]

(Resolution 9)

By Order of the Board

Christian Kwok-Leun Yau Heilesen

Executive Director

Singapore, 28 April 2022

Explanatory Notes:

- (i) The Ordinary Resolution 8 proposed in item 7 above, if passed, will empower the Directors from the date of the passing of Ordinary Resolution 8 until the date of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, to allot and issue new Shares and Instruments in the Company. The aggregate number of new Shares (including Shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to Ordinary Resolution 8), to be allotted and issued pursuant to Ordinary Resolution 8 shall not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of Ordinary Resolution 8. For the allotment and issue of new Shares other than on a *pro rata* basis to shareholders of the Company, the aggregate number of new Shares (including Shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to Ordinary Resolution 8), to be allotted and issued pursuant to Ordinary Resolution 8 shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of Ordinary Resolution 8. This authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
- (ii) The Ordinary Resolution 9 proposed in item 8 above, if passed, will empower the Directors, to grant options and to allot and issue Shares upon the exercise of such options in accordance with the Scheme.

Important Notes to Shareholders on arrangements for the Annual General Meeting:

- The Annual General Meeting is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice of Annual General Meeting, Proxy Form and the Annual Report for the financial year ended 31 December 2021 (the “**FY2021 Annual Report**”) will not be sent to members. Instead, this Notice of Annual General Meeting, Proxy Form and the FY2021 Annual Report may be accessed at the Company’s website at the URL <https://www.ntegrator.com/announcements>. This Notice of Annual General Meeting and the FY2021 Annual Report are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.
- Alternative arrangements relating to attendance at the Annual General Meeting of the Company via electronic means (including arrangements by which the meeting may be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the Annual General Meeting of the Company, addressing of substantial and relevant questions at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms and voting by appointing the Chairman of the Meeting as proxy at the Annual General Meeting of the Company, are set out in the Company’s accompanying announcement dated 28 April 2022. This announcement may be accessed at the Company’s website at the URL <https://www.ntegrator.com/announcements> and is also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

NOTICE OF ANNUAL GENERAL MEETING

3. **Due to the current Covid-19 restriction orders in Singapore, a member will not be able to attend the Annual General Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.** The Proxy Form for the Annual General Meeting of the Company may be accessed at the Company's website at the URL <https://www.nTEGRATOR.com/announcements> and is also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective Agent Banks/SRS operators to submit their votes by 5.00 p.m. on 3 May 2022, being at least seven (7) working days before the date of the Annual General Meeting.
4. The Chairman of the Meeting, acting as proxy, need not be a member of the Company.
5. The Proxy Form must be submitted to the Company in the following manner:
 - (i) if submitted by post, be deposited at the registered office of the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 24 Raffles #07-07 Clifford Centre Singapore 048621; or
 - (ii) if submitted electronically, be submitted via email in Portable Document Format (PDF) format to the Company's Share Registrar at nil-agm@kckcs.com.sg.in either case, by 11.00 a.m. on 10 May 2022, being at least 72 hours before the time fixed for holding the Annual General Meeting of the Company and/or any adjournment thereof. A member who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. **In view of the current COVID-19 restriction orders and the related safe distancing measures in Singapore which may make it difficult for members to submit the completed Proxy Forms by post, members are strongly encouraged to submit the completed Proxy Forms by way of electronic means via email.**
6. Members will not be able to ask questions at the Annual General Meeting of the Company during the live audio-visual webcast or live audio-only stream. It is therefore important for members who wish to ask questions to submit their questions to the Chairman of the Meeting in advance of the Annual General Meeting of the Company. Members should submit their questions by indicating their questions in the Online Pre-Registration Form and submitting it to <https://complete-corp.com/nTEGRATOR-agm/> or by post to the registered office of the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 24 Raffles Place #07-07 Clifford Centre Singapore 048621, by **9.00 a.m. on 6 May 2022**. For more details on the submission of questions in relation to the resolutions to be tabled at the Annual General Meeting, please refer to the accompanying announcement dated 28 April 2022 to this Notice of Annual General Meeting titled "Annual General Meeting of the Company to Be Held By Way of Electronic Means on Friday, 13 May 2022 At 11.00 a.m.".
7. The Management and the Board of Directors of the Company will endeavour to address all substantial and relevant questions received from members at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms by publishing the responses to those questions on SGXNET at the URL <https://www.sgx.com/securities/company-announcements> and the Company's website at the URL <https://www.nTEGRATOR.com/announcements>. Where substantial and relevant questions submitted by members are unable to be addressed prior to the Annual General Meeting, the Company will address them at the Annual General Meeting.
8. Copies of the minutes of the Annual General Meeting will be uploaded on the Company's corporate website at the URL <https://www.nTEGRATOR.com/announcements> and on SGXNET at the URL <https://www.sgx.com/securities/company-announcements> within one (1) month from the date of the Annual General Meeting.

PERSONAL DATA PRIVACY:

By submitting a proxy form appointing the Chairman of the Meeting as proxy to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents of service providers) for the purpose of the processing and administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

Ntegrator International Ltd.

(Incorporated in the Republic of Singapore)
(Company Registration Number 199904281D)

PROXY FORM

ANNUAL GENERAL MEETING

IMPORTANT:

1. The AGM will be convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, as amended or modified from time to time.
2. **Printed copies of the Notice of AGM, FY2021 Annual Report and this Proxy Form will not be sent to members of the Company.** The Notice of Annual General Meeting, FY2021 Annual Report and this Proxy Form may be accessed at the Company's website at the URL <https://www.ntegrator.com/announcements> and are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.
3. Alternative arrangements relating to attendance at the AGM via electronic means through the live audio-visual webcast or the live audio-only stream, submission of questions in advance of the AGM and appointment of the Chairman of the AGM as proxy to vote at the AGM are set out in the notes to the Notice of AGM.
4. **Due to the current COVID-19 situation in Singapore, members of the Company will not be able to attend the AGM in person. A member of the Company who wishes to exercise his/her/its voting rights at the AGM must appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM.** In appointing the Chairman of the AGM as proxy, a member of the Company must give specific instructions as to voting, or abstentions from voting, in respect of a resolution, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.
5. CPF/SRS investors, including persons who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act), who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF agent banks, SRS operators or relevant intermediaries to submit their votes by **5.00 p.m. (Singapore Time) on Tuesday, 3 May 2022** (that is, at least seven (7) working days before the date of the AGM).
6. By submitting a Proxy Form, a member of the Company is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of AGM.
7. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the AGM as proxy to vote at the AGM.**

I/We* _____ (Name) _____ (NRIC / Passport / Company Registration Number*)
of _____ (Address)

being a member of **Ntegrator International Ltd.** (the "**Company**"), hereby appoint the Chairman of the AGM as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the AGM to be convened and held by way of electronic means on 13 May 2022 (Friday) at 11.00 am. (Singapore Time) and at any adjournment thereof.

I/We* direct the Chairman of the AGM to vote for or against, or abstain from voting on, the resolutions to be proposed at the AGM as indicated hereunder. **In absence of specific instructions as to voting, or abstentions from voting, in respect of a resolution, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.**

All resolutions put to vote at the AGM shall be decided by way of poll.

Resolutions relating to:	Number of Votes For#	Number of Votes Against#	Number of Votes Abstain#
Ordinary Business			
1. To adopt the Directors' Statement and the Audit Financial Statements of the Company for the financial year ended 31 December 2021			
2. Re-election of Mr Han Meng Siew as a Director of the Company (Retiring pursuant to Regulation 122)			
3. Re-election of Mr Christian Kwok-Leun Yau Heilesen (Retiring pursuant to Regulation 122)			
4. Re-election of Mr Chay Yiowmin (Retiring pursuant to Regulation 123)			
5. Re-election of Mr Tao Yeoh Chi (Retiring pursuant to Regulation 123)			
6. Approval of Directors' Fees amounting to S\$93,667 for the financial year ended 31 December 2021			
7. Re-appointment of Moore Stephens LLP as the Company's Auditors and to authorise the Directors to fix their remuneration			
Special Business			
8. Authority to allot and issue new Shares in the capital of the Company and/or Instruments			
9. Authority to grant options and to allot and issue Shares under the Ntegrator Employee Share Option Scheme			

* Delete as appropriate.

If you wish to exercise all your votes "For" or "Against" or "Abstain", please indicate so with a (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2022.

Signature or Common Seal of Member

Total number of Shares in:	Number of Shares
(a) CDP Register	
(b) Register of Members	



Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register, you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, a Proxy Form shall be deemed to relate to all the Shares held by you.
2. Alternative arrangements relating to attendance at the Annual General Meeting of the Company via electronic means (including arrangements by which the meeting may be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the Annual General Meeting of the Company, addressing of substantial and relevant questions at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms and voting by appointing the Chairman of the Meeting as proxy at the Annual General Meeting of the Company, are set out in the Company's accompanying announcement dated 28 April 2022. This announcement may be accessed at the Company's website at the URL <https://www.nTEGRATOR.com/announcements> and is also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.
3. **Due to the current COVID-19 situation in Singapore, members of the Company will not be able to attend the AGM in person. A member of the Company who wishes to exercise his/her/its voting rights at the AGM must appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM.** In appointing the Chairman of the AGM as proxy, a member of the Company must give specific instructions as to voting, or abstentions from voting, in respect of a resolution, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.
4. CPF/SRS investors, including persons who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act), who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF agent banks, SRS operators or relevant intermediaries to submit their votes by **5.00 p.m. (Singapore Time) on Tuesday, 3 May 2022** (that is, at least seven (7) working days before the date of the AGM).
5. The Chairman of the AGM, acting as proxy, need not be a member of the Company.
6. A member of the Company who wishes to submit a Proxy Form must first download, complete and sign the Proxy Form before submitting it to the Company in the following manner:
 - (a) by email to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at nil-agm@kckcs.com.sg; or
 - (b) by post to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 24 Raffles #07-07 Clifford Centre Singapore 048621.in either case, by **11.00 a.m. (Singapore Time) on Tuesday, 10 May 2022** (that is, not less than 72 hours before the time fixed for holding the AGM). Members of the Company are strongly encouraged to submit the completed and signed Proxy Forms to the Company's Share Registrar via email.
7. Where a Proxy Form is executed by an individual, it must be executed under the hand of the individual or his/her attorney duly authorised in writing. Where a Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or officer duly authorised in writing.
8. Where a Proxy Form is signed on behalf of an individual or a corporation, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be submitted to the Company together with the Proxy Form, failing which the Proxy Form may be treated as invalid.
9. The Company shall be entitled to reject a Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of a member of the Company whose Shares are entered against his/her/its name in the Depository Register, the Company may reject a Proxy Form if such member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time fixed for holding the AGM, as certified by the CDP to the Company.
10. Any amendments or modifications made in a Proxy Form must be initialled by the person who signs the Proxy Form.

CORPORATE INFORMATION

NOMINATING COMMITTEE

Independent Directors

Leung Kwok Kuen Jacob (Chairman)
Leung Yu Tung Stanley
Zhou Jia Lin
Chay Yiowmin

REMUNERATION COMMITTEE

Independent Directors

Leung Kwok Kuen Jacob (Chairman)
Leung Yu Tung Stanley
Zhou Jia Lin
Chay Yiowmin

AUDIT COMMITTEE

Independent Directors

Chay Yiowmin (Chairman)
Leung Yu Tung Stanley
Leung Kwok Kuen Jacob
Zhou Jia Lin

COMPANY SECRETARIES

Tan Wei Jie, Joel
Shu Shin Yee

REGISTERED OFFICE

4 Leng Kee Road
#06-04 SIS Building
Singapore 159088
Tel: (65) 6479 6033
Fax: (65) 6472 2966
Website: www.ntegrator.com

SHARE REGISTRAR

KCK CorpServe Pte. Ltd

24 Raffles Place
#07-07 Clifford Centre
Singapore 048621

INDEPENDENT AUDITOR

Moore Stephens LLP

10 Anson Road #29-15
International Plaza
Singapore 079903

Partner-in-charge : Willy Ng
(Appointed since 31 December 2021)

PRINCIPAL BANKERS

DBS Bank Ltd
United Overseas Bank Ltd

INVESTOR RELATIONS CONTACT

Ntegrator International Ltd.

Colin Lum
4 Leng Kee Road
#06-04 SIS Building
Singapore 159088
Tel: (65) 8755 8562
ir@ntegrator.com

SPONSOR

PrimePartners Corporate Finance Pte. Ltd.

16 Collyer Quay
#10-00 Income at Raffles
Singapore 049318

BOARD OF DIRECTORS

Chay Yiowmin

Independent Non-Executive
Chairman

Christian Kwok-Leun Yau Heilesen

Executive Director

Leung Kwok Kuen Jacob

Independent Non-Executive Director

Leung Yu Tung Stanley

Independent Non-Executive Director

Zhou Jia Lin

Independent Non-Executive Director

Tao Yeoh Chi

Independent Non-Executive Director

Han Meng Siew

Executive Director



NTEGRATOR

TODAY'S INTEGRATION, TOMORROW'S SOLUTION

NTEGRATOR INTERNATIONAL LTD.

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