

ECOWISE HOLDINGS LIMITED
Company Registration No. 200209835C

- 1. QUALIFIED OPINION ISSUED BY THE INDEPENDENT AUDITOR ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (“FY2025”)**
 - 2. MATERIAL DIFFERENCES BETWEEN THE AUDITED FINANCIAL STATEMENTS AND THE UNAUDITED FINANCIAL RESULTS FOR FY2025**
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The Board of Directors (“**Board**”) of ecoWise Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to:

- (i) the Company’s announcement dated 28 June 2025 in relation to the unaudited financial results for the FY2025 (“**Unaudited FY2025 Results**”); and
- (ii) the Company’s Annual Report for FY2025 (“**AR2025**”) published on 14 August 2025.

Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning ascribed to them in the abovementioned announcements.

The Board is pleased to announce the completion of the audit of the financial statements for FY2025 (“**FY2025 Audit**”). The Board would like to highlight the following in relation to the FY2025 Audit:

1. Qualified Opinion issued by the Independent Auditor, Baker Tilly TFW LLP (“**Baker Tilly**”)

Pursuant to Rule 704(4) of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Board wishes to announce that Baker Tilly has issued a Qualified Opinion on their Independent Auditor’s Report dated 14 August 2025 (the “**Independent Auditor’s Report**”) in relation to the audited consolidated financial statements of the Group and the Company for FY2025 (the “**Audited FY2025 Financial Statements**”).

The basis for the Qualified Opinion is outlined in the Independent Auditor’s Report. For further details, please refer to the Independent Auditor’s Report extracted from the AR2025 and set out in **Appendix 1** to this announcement.

The Independent Auditor’s Report and the complete set of Audited FY2025 Financial Statements are included in the AR2025 which was released on SGXNet on 14 August 2025. Shareholders of the Company are advised to read this announcement in conjunction with the AR2025.

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2. Material Variances between Unaudited FY2025 Results and the Audited FY2025 Financial Statements

Pursuant to Catalist Rule 704(5), the Board would like to announce that following completion of the FY2025 Audit, certain adjustments were made to the Unaudited FY2025 Results previously announced. The adjustments were necessary to finalise the Audited FY2025 Financial Statements. The details and explanations for material variances are set out in **Appendix 2** to this announcement.

By Order of the Board

Lee Thiam Seng
Executive Chairman and CEO
14 August 2025

This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Lee Khai Yinn (Tel: (65) 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ECOWISE HOLDINGS LIMITED****Report on the Audit of the Financial Statements*****Qualified Opinion***

We have audited the accompanying financial statements of ecoWise Holdings Limited (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 30 April 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") 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 30 April 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

Basis for Qualified Opinion***1. Limitation of scope in relation to disposal of China Subsidiaries***

During the financial year ended 30 April 2025, the Group completed the disposal of Chongqing Ecowise Investment Management Co., Ltd ("CQEIM"), Changi Enersave Biomass to Energy Co., Ltd ("CEBEC"), and Chongqing Eco-CITG Rubber Technology Co., Ltd ("CECRT") (collectively referred to as the "China subsidiaries"), as disclosed in Note 11 "Disposal group classified as held for sale" to the financial statements. The assets and liabilities directly associated with the China subsidiaries classified as Disposal group held for sale amounted to \$938,000 and \$2,140,000 respectively as at 30 April 2024. The Group recognised a profit from discontinued operations of \$935,000 (2024: \$Nil) during the financial year ended 30 April 2025.

As disclosed in Note 36 to the financial statements, we have issued a disclaimer of opinion on the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 April 2024. We have not been able to and are still unable to obtain sufficient appropriate audit evidence to satisfy ourselves regarding the impact of the recording of transactions relating to the China subsidiaries, the adequacy of disclosures, and the possible effects of findings arising from the "Notice of Compliance" ("NOC") to the financial statements of the China subsidiaries until the date of their disposals. The details of the pertinent matters relating to the China subsidiaries are set out in Note 36(1)(1a) and (1b) to the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ECOWISE HOLDINGS LIMITED (cont'd)****Report on the Audit of the Financial Statements (cont'd)*****Basis for Qualified Opinion (cont'd)*****1. *Limitation of scope in relation to disposal of China Subsidiaries (cont'd)***

In view of the matters described above, we were unable to determine whether the opening balances as at 1 May 2024 are fairly stated. Since the opening balances as at 1 May 2024 enter into the determination of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended 30 April 2025, we are unable to determine whether any adjustments might have been found necessary in respect of the profit from discontinued operation of \$935,000 (2024:\$nil) as included in the consolidated financial performance, consolidated changes in equity and consolidated cash flows and related notes to financial statements relating to the discontinued operations for the financial year ended 30 April 2025.

Accordingly, our opinion on the current financial year's financial statements is also modified due to the possible effects of these matters on the comparability of the current year's figures with the corresponding figures of the prior year.

2. *Valuation of financial asset at fair value through profit or loss*

As of 30 April 2025, the carrying amount of the Group's equity investment at fair value through profit or loss ("FVTPL") in relation to China-UK Low Carbon Enterprise Co., Ltd ("CULCEC") was \$1,111,000 (30 April 2024: \$1,013,000).

As disclosed in Note 36 to the financial statements, we were unable to satisfy ourselves if the opening balances of the FVTPL and accumulated losses as at 1 May 2023 contained misstatements and consequently, we were unable to determine if the fair value loss on financial asset at fair value through profit or loss recognised during the preceding financial year ended 30 April 2024 of \$500,000, was appropriate.

Our opinion on the current financial year's financial statements is modified because of the possible effect of this matter on the comparability of the current financial year's figures and the corresponding figures.

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 year. 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. In addition to the matters described in the *Basis of Qualified Opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ECOWISE HOLDINGS LIMITED (cont'd)****Report on the Audit of the Financial Statements (cont'd)*****Key Audit Matters (cont'd)***Impairment assessment on the Group's non-current assets

Description of key audit matter:

As at 30 April 2025, the Group's non-current assets comprise mainly property, plant and equipment ("PPE") and right-of-use assets ("ROU") of \$6,970,000 and \$1,057,000 which represented 24% of the Group's total assets. As disclosed in the Note 14 and 15 to the financial statements, the PPE and ROU of certain operation of the Group was subjected to impairment test due to operating losses incurred.

The Group performed impairment assessment on the PPE and ROU by estimating the recoverable amount based on fair value less cost of disposal ("FVLCD").

The Group engaged external valuation experts to assist in estimating the fair values of the leasehold land and property using valuation approaches as disclosed in Note 14(b) to the financial statements.

Given the significant level of judgement and estimation involved, and the significance of the assets to the Group's consolidated financial position, we identified this to be a key audit matter.

Our procedures to address key audit matter:

We obtained an understanding of management's impairment assessment process. In reviewing management's impairment assessment using FVLCD, we evaluated the competence, objectivity and capabilities of the external valuation experts engaged by the Group and read the terms of engagement of the external valuation experts to understand the scope of their work. We held discussions with the external valuation experts to understand the valuation methodology and significant assumptions and estimates used. We evaluated the appropriateness of the valuation methodology and the reasonableness of the assumptions used by the external valuation experts.

We also reviewed the adequacy and appropriateness of the disclosures made in the financial statements.

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report 2025 but does not include the financial statements and our auditors' 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ECOWISE HOLDINGS LIMITED (cont'd)****Report on the Audit of the Financial Statements (cont'd)*****Other information (cont'd)***

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. As described in our report above, we have issued a qualified opinion due to the matter highlighted in the *Basis for Qualified Opinion* section. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

Responsibilities of Management and Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ECOWISE HOLDINGS LIMITED (cont'd)****Report on the Audit of the Financial Statements (cont'd)*****Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)***

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of 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
ECOWISE HOLDINGS LIMITED (cont'd)**

Report on Other Legal and Regulatory Requirements

In our opinion, except for the matter referred to in the *Basis for Qualified Opinion* section of our report, the accounting and other records required 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 Low See Lien.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

14 August 2025

Variations between Unaudited FY2025 Results and the Audited FY2025 Financial Statements

Consolidated Statement of Financial Position of the Group As at 30 April 2025

	Audited FY2025 S\$'000	Unaudited FY2025 S\$'000	Variance S\$'000	Note
Total current assets	22,921	22,889	32	i/m
Current loans and borrowings	677	1,226	(549)	A
Total current liabilities	7,453	8,002	(549)	
Net working capital	15,468	14,887	581	B
Non-current loans and borrowings	4,050	3,501	549	A
Deferred tax liabilities	745	550	195	C
Total non-current liabilities	5,349	4,605	744	D
Deferred tax assets	195	-	195	C
Total non-current assets	10,580	10,417	195	
Net assets	20,699	20,699	-	

i/m – immaterial

Notes:

- A. The reclassification from current to non-current borrowings reflects an update following further review, which determined that certain borrowings classified under current liabilities should have been categorised as non-current borrowings.
- B. Increase in net working capital was due mainly to decrease in current loan and borrowings as explained in Note A above.
- C. The adjustment relates to the grossing up of net deferred tax liabilities into separate deferred tax assets and deferred tax liabilities for the Malaysia subsidiaries. This had no effect on tax expense, net income, net assets, or working capital.
- D. Total non-current liabilities increased due to mainly to reclassifications as explained in Notes A and C above.

Consolidated Statement of Consolidated Cash Flows
For the year ended 30 April 2025

	Audited FY2025 S\$'000	Unaudited FY2025 S\$'000	Variance S\$'000	Note
<u>Cash flows from operating activities</u>				
Profit before tax from continuing operations	659	659	-	
Profit from discontinued operations	935	935	-	
	<u>1,594</u>	<u>1,594</u>	-	
Adjustments for:				
Depreciation of property, plant and equipment	1,646	1,634	12	i/m
Depreciation of right-of-use assets	400	412	(12)	i/m
Depreciation of investment properties	120	120	-	
Gain on disposal of asset held for sale	(955)	(955)	-	
Gain on disposal of property, plant and equipment	(51)	(51)	-	
Gain on disposal of assets and liabilities directly associated with disposal group	(799)	(779)	(20)	i/m
Gain on derecognition of lease liabilities	(70)	(70)	-	
(Reversal)/impairment of allowance for doubtful debts	(3)	86	(89)	i/m
Inventories (reversal)	(2)	-	(2)	i/m
Provision for retirement benefit obligations	16	16	-	
Reversal of provision for reinstatement cost	(84)	-	(84)	i/m
Finance income	(416)	(416)	-	
Finance costs	660	659	1	i/m
Net foreign exchange (gain)/loss	(65)	224	(289)	E
Operating cash flows before changes in working capital	1,991	2,474		
Inventories	(214)	(216)	2	i/m
Trade and other receivables	(7)	(62)	55	i/m
Lease receivables	1,932	1,900	32	i/m
Other non-financial assets	(332)	(367)	35	i/m
Trade and other payables	(728)	(716)	(12)	i/m
Provisions	(170)	(240)	70	i/m
Net cash flows from operations	<u>2,472</u>	<u>2,773</u>		
Income tax paid	(256)	(218)	(38)	i/m
Net cash flows from operating activities	<u>2,216</u>	<u>2,555</u>		
<u>Cash flows from investing activities</u>				
Acquisition of property, plant and equipment	(517)	(642)	125	F
Additions to investment properties	(39)	(39)	-	
Proceeds from disposal of property, plant and equipment	65	65	-	
Proceeds from disposal of assets held for assets	7,421	7,512	(91)	i/m
Net cash outflow arising from disposal of subsidiary	(18)	-	(18)	i/m
Net cash flows from investing activities	<u>6,912</u>	<u>6,896</u>		
<u>Cash flows from financing activities</u>				
Repayments of loans and borrowings	(3,956)	(4,055)	99	F
Lease liabilities - principal portion paid	(472)	(608)	136	F
Repayment of other payables to key management	(598)	(663)	65	i/m
Interest expense paid	(651)	(652)	1	i/m
Issuance of new shares, net of issue costs	3,063	3,063	-	
Increase in restricted cash balance	(5)	(5)	-	
Net cash flows used in financing activities	<u>(2,619)</u>	<u>(2,920)</u>		

Consolidated Statement of Consolidated Cash Flows
For the year ended 30 April 2025

	Audited FY2025 S\$'000	Unaudited FY2025 S\$'000	Variance S\$'000	Note
Net increase in cash and cash equivalents	6,509	6,531	22	i/m
Effect of exchange rate changes on cash and cash equivalents	12	(10)	22	i/m
Cash and cash equivalents, beginning balance	625	625	-	
Cash and cash equivalents, ending balance	<u>7,146</u>	<u>7,146</u>		
Cash and cash equivalents as per consolidated statement of financial position	7,272	7,272	-	
Cash restricted in use	(126)	(126)	-	
Cash and cash equivalents, ending balance	<u>7,146</u>	<u>7,146</u>		

i/m – immaterial

Notes:

- E. The difference in net foreign exchange gain/loss reflects the net effect of the revised presentation of foreign currency-denominated cash flows of the Group's foreign subsidiaries, as explained below, primarily resulting from the use of average rates instead of year-end rates.
- F. The differences in the respective cash outflows reflects the impact of using different currency exchange rates for foreign currency-denominated transactions in the Group's foreign subsidiaries. The revised presentation uses average rates, compared with year-end rates in the previously reported cash flows, which accounts for the observed difference.