



LUM CHANG HOLDINGS LIMITED

ANNUAL REPORT 2024

OUR VISION

TO BE A QUALITY PROPERTY DEVELOPER AND LEADING BUILDER IN SINGAPORE AND THE REGION.

OUR MISSION

We are committed towards global sustainability, safety, quality excellence and value creation for all our stakeholders. We establish partnerships with strategic players and deliver projects exceeding clients' satisfaction. We are a progressive organisation that fosters a people-excellence culture based on merit and equal opportunity.

OUR CORE VALUES

We are a progressive company built upon eight decades of traditional values and cooperative team work which shape our business framework. Our core values represented by the acronym, **IMPRESS**, are:

INTEGRITY

Uncompromising honesty, fairness and accountability in everything we do

MARK

Making our mark, staying ahead of the curve and establishing new benchmarks

PASSION

Doing whatever it takes to deliver what we promise

RESOURCEFULNESS

Pioneering creative solutions for business and operational transformation

EXCEPTIONAL VALUE

Leveraging modern, cost-effective techniques to deliver quality, durability and value multiplication

SAFETY

Committing to a Zero Accident policy, upholding respect for life

SERVICE EXCELLENCE

Exceeding expectations, building trust to keep our clients returning

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HIGHLIGHTS

2023

September

- Secured the contract for the addition and alteration works to the Bank of East Asia Building
- Completed the conservation, addition and alteration works to Red Cross House

October

- Secured the contract for the conservation, addition and alteration works to Temasek Shophouse

November

- Conferred the Singapore Concrete Institute Excellence Awards 2023 for Woodlands North Coast (1 and 7 North Coast)

December

- Completed the interior fit-out works for Eurokars Group's new corporate headquarters at Kung Chong Road



2024

February

- Marked the roof structural completion of Mandai Resort with topping out ceremony

March

- Secured the contract for the conservation and restoration works to the National Museum, a national monument gazetted in 1992

April

- Launched new phase of 34 Indica bungalows at Twin Palms, Sungai Long

July

- Conferred the Workplace Safety and Health (WSH) Performance (Gold) Award at the WSH Awards 2024
- Won the Gold Award in the Royal Society for the Prevention of Accidents (RoSPA) Occupational Health & Safety Awards 2024

September

- Obtained TOP for Family Justice Courts
- Secured the contract for the provision of retrofitting works to the Community Hospital at Bedok

CORPORATE PROFILE



From its modest beginnings as a sole proprietorship in the 1940s, Lum Chang has grown to become a leading construction firm listed on the Singapore Exchange, backed by an extensive portfolio of projects.

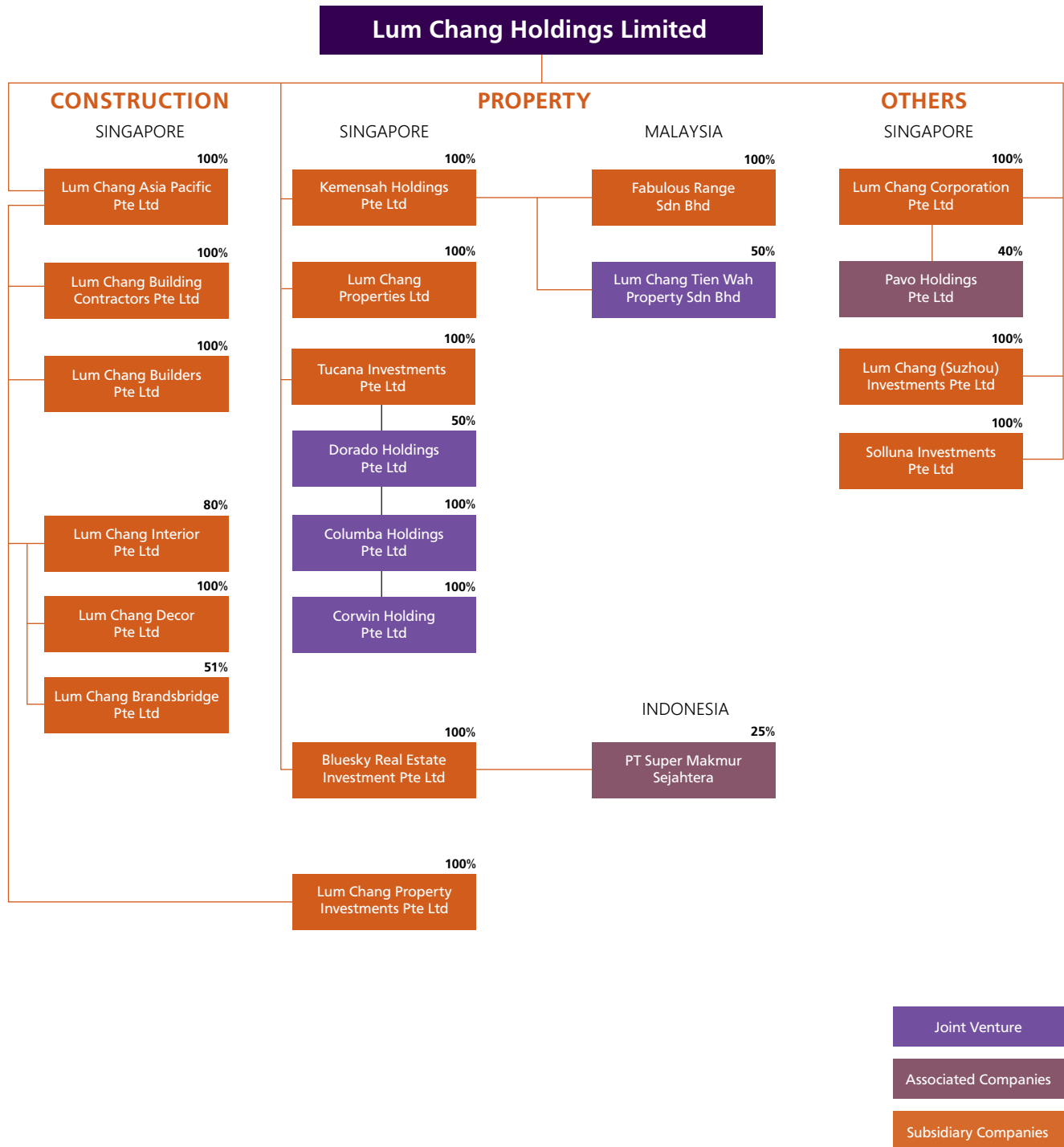
With firm foundations built upon more than eight decades in construction, the Group has evolved and expanded its businesses to include property development, investment and interior finishing works. The success of the Group is recognised through its impressive diversity of award-winning residential and commercial developments in Singapore and Malaysia.

Recognising that sustainability should be an inherent part of its business, the Group strives to integrate its uncompromising commitment to quality, health and safety, and the environment into its business operations. It works closely with key stakeholders to implement initiatives that will minimise the environmental impact that may be associated with its business activities. It also incorporates innovative green solutions into its business practices and development projects.

Guided by sound management strategies and good corporate governance, the Company has been rewarded with steadfast and sustained growth, and a solid reputation for quality and reliability. With a proven track record, a keen eye for investment opportunities and its strategic network of business alliances, Lum Chang remains committed to delivering its best to shareholders, clients and associates, employees and the community as a whole.

CORPORATE STRUCTURE

As at 17 September 2024



* For the complete list of subsidiary companies and associated companies, please refer to Note 39 of the Notes to the Financial Statements.

BOARD OF DIRECTORS



From left to right: Mr Clement Leow Wee Kia, Mr Raymond Lum Kwan Sung (seated, left), Mr Kelvin Lum Wen Sum, Dr Willie Lee Leng Ghee, Mr David Lum Kok Seng (seated, right), Mr Peter Sim Swee Yam and Mdm Constance Lee Sok Koon
Not in image: Mr Benedict Ho Kok Keong

MR RAYMOND LUM KWAN SUNG is the Executive Chairman of Lum Chang Holdings Limited (LCH), a position he has held since 1984.

With about 50 years of business experience, Mr Lum's visionary leadership has seen the Group through diversification, successful business alliances and timely corporate moves, leading to its present focus on construction and property development, both locally and overseas. In particular, Mr Lum has been instrumental in growing Lum Chang into a foremost and well-regarded construction firm in Singapore.

Mr Lum is active in community work and was awarded the Public Service Medal (Pingat Bakti Masyarakat) in 1982. He had served on the boards of various public institutions and quasi-government organisations such as the then Singapore Trade Development Board (now known as Enterprise Singapore). He was also a board member of the Commercial & Industrial Security Corporation (CISCO). Mr Lum was appointed an Honorary Director of Kwong Wai Shiu Hospital in 2023. He relinquished his duties as Honorary Consul-General of Ghana to Singapore in February 2017.

Mr Lum holds a Bachelor of Science in Civil Engineering from the University of London, United Kingdom.

MR DAVID LUM KOK SENG is the Managing Director of LCH. His dynamic entrepreneurial leadership coupled with about 50 years of industry experience have led Lum Chang towards increasing its footprint, affirming it as a strong and trusted local construction brand known for quality and reliability.

Mr Lum has also successfully led the expansion of the Group's property development activities in Singapore, Malaysia and the United Kingdom.

His insightful market knowledge, strategic business contacts and relentless entrepreneurial drive have significantly contributed to the development of the Group and will continue to drive the Group to achieve greater heights.

MR KELVIN LUM WEN SUM is a non-independent non-executive Director of LCH, appointed in November 2016. He was appointed member of the Remuneration Committee in May 2024.

Mr Lum had previously held the position of Chief Executive Officer of another mainboard-listed company, Ellipsiz Ltd. He was responsible for charting its corporate directions and implementing growth strategies, including managing its investment activities. Prior to that, he was Group Managing Director of another mainboard-listed company, the former LCD Global Investments Ltd, where he oversaw its group operations focusing on strategic planning, investments and business development. He was with the financial sector prior to joining the LCD group.

Mr Lum currently sits on the School Management Committees of Nanyang Primary School and Nanyang Kindergarten, serving as Vice Chairman. He is also a director of Nanyang Girls' High School Ltd and Nanyang International Education (Holdings) Limited.

Apart from his work commitments, Mr Lum is also an active supporter of grassroots initiatives. He is currently Patron of both the Marine Parade Community Club Building Fund Committee and charitable organisation, The Hut.

He holds a Bachelor of Commerce from the University of Western Australia.

MR PETER SIM SWEE YAM, BBM, PBM, is an independent Director of LCH, appointed in November 2001. He chairs the Remuneration Committee and serves on the Audit and Risk Committee, and the Nominating Committee. Mr Sim is also the Lead Independent Director of LCH.

Mr Sim is a solicitor by profession and a director of the law firm, Sim Law Practice LLC.

Mr Sim also serves as an independent director of the following listed companies, namely Singapore Land Group Limited, ST Group Food Industries Holdings Limited and Talkmed Group Limited. He stepped down as a director of the Singapore Heart Foundation in September 2023.

DR WILLIE LEE LENG GHEE is an independent Director of LCH, appointed in February 2006. He was appointed Chairman of the Nominating Committee in December 2015. He also serves on the Audit and Risk Committee, and the Remuneration Committee.

Dr Lee has an MBBS from the then University of Singapore and had been a medical practitioner for about 50 years.

MDM CONSTANCE LEE SOK KOON is an independent Director of LCH, appointed in August 2021. She chairs the Audit and Risk Committee.

Mdm Lee also serves as an independent director at SBS Transit Ltd, Mooreast Holdings Ltd, Jason Marine Group Ltd and NUS America Foundation, Inc. In addition, she serves as an honorary member of the fundraising committee of Singapore Arts School Ltd. She retired as the lead independent Director of Japan Foods Holding Ltd in July 2024 and stepped down as a member of Finance and Investment Committee of the Singapore Island Country Club in August 2023.

Mdm Lee had previously held the position of Director of Operations in the Development Office of the National University of Singapore. Prior to that, she was Executive Director of Lum Chang Holdings Limited and the former L.C. Development Limited, where she oversaw the finance and corporate affairs of the two mainboard-listed companies for more than 20 years.

Mdm Lee holds a Bachelor of Accountancy (Hons) from the then University of Singapore, and is a member of both the Institute of Singapore Chartered Accountants and the Singapore Institute of Directors.

MR CLEMENT LEOW WEE KIA is an independent Director of LCH, appointed in May 2018. He serves on the Audit and Risk Committee.

Mr Leow also serves as an independent director of mainboard-listed Ellipsiz Ltd. He retired as an independent director of Overseas Education Limited in April 2024 and MSM International Limited in July 2024.

Mr Leow is currently the Managing Director and Head of Corporate Finance of GSUM-Titanland Capital Pte Ltd. Prior to this, Mr Leow was the Chief Executive Officer and an Executive Director of Allied Technologies Limited and Crowe Horwath Capital Pte Ltd. He was also the Head of Corporate Finance of Partners Capital (Singapore) Pte Ltd. Mr Leow, who has held senior positions in corporate finance and banking in Singapore, has more than 20 years of corporate finance experience in initial public offerings, mergers and acquisitions including corporate advisory transactions.

Mr Leow graduated from Cornell University with a Bachelor of Science in Applied Economics and also holds a Master in Business Administration and a Postgraduate Diploma in Financial Strategy from the University of Oxford. He completed the Governance as Leadership Program at Harvard University and is a member of the Singapore Institute of Directors.

Mr Leow is also an Executive Committee member of the Singapore Tennis Association and was awarded the Singapore Armed Forces Good Service Medal in 2007.

MR BENEDICT HO KOK KEONG is an independent Director of LCH, appointed in September 2024.

Mr Ho is currently the Senior Director, Business Development at Hiap Teck Venture Berhad. He had previously held several key leadership roles, including Senior General Manager at JAKS Resources Berhad, Chief Business Development Officer at Minetech Resources Berhad, a senior management team member of DRB-HICOM Berhad and CEO of Edaran MODENAS, a wholly-owned subsidiary of DRB-HICOM Berhad.

His earlier career includes significant lead roles in business development and public affairs. At the Islamic bank, Bank Muamalat Malaysia Berhad, he was a key management member and served as Head of Consumer Banking. He also served as an alternate board member at Malaysia Electronic Payment System (MEPS). With over 30 years of corporate experience, Mr Ho has expertise in strategic planning, operations, marketing, and corporate communications in both the corporate and banking sectors in Malaysia.

Mr Ho holds a Bachelor of Arts from the National University of Malaysia. He attended the Executive Management Programme at the School of Economic & Management of Tsinghua University Beijing (China) and the School of Business of Mochtar Riady, National University of Singapore (NUS).

PRESENT AND PAST DIRECTORSHIPS

As at 17 September 2024

The list of current and past directorships in other listed companies and/or other principal commitments held by the respective Directors are set out in page 9-11.

RAYMOND LUM KWAN SUNG

Present Directorships/Principal Commitments

Lum Chang Holdings Limited *
Lum Chang Asia Pacific Pte Ltd
Lum Chang Auriga Pte Ltd
Lum Chang Corporation Pte Ltd
Lum Chang Properties Ltd
Lum Chang Property Investments Pte Ltd
Lum Chang (Suzhou) Investments Pte Ltd
Binjai Holdings Pte Ltd
Sky Real Estate Investment Pte Ltd
Lum Chang Sdn Bhd
Lum Chang Investments Pte Ltd
RMDV Investments Pte Ltd
Arandeur Holdings Pte Ltd
SG Link Pte Ltd
Kwong Wai Shiu Hospital

Past Directorships over the Preceding Three Years

Lum Chang Building Contractors Pte Ltd
Singapore-Suzhou Township Development Pte Ltd
UK Property Investment Pte Ltd

DAVID LUM KOK SENG

Present Directorships/Principal Commitments

Lum Chang Holdings Limited *
Lum Chang Asia Pacific Pte Ltd
Lum Chang Auriga Pte Ltd
Lum Chang Building Contractors Pte Ltd
Lum Chang Corporation Pte Ltd
Lum Chang Properties Ltd
Lum Chang Property Investments Pte Ltd
Lum Chang (Suzhou) Investments Pte Ltd
Binjai Holdings Pte Ltd
Tucana Investments Pte Ltd
Lum Chang Tien Wah Property Sdn Bhd
FCL Compassvale Pte Ltd
Pavo Holdings Pte Ltd
Beverian Holdings Pte Ltd
Bevrian Pte Ltd
RMDV Investments Pte Ltd
Arandeur Holdings Pte Ltd
DML London Pte Ltd
Nanyang Girls' High School Ltd

Past Directorships over the Preceding Three Years

Kemensah Holdings Pte Ltd
Singapore-Suzhou Township Development Pte Ltd
Wembley Properties Pte Ltd

KELVIN LUM WEN SUM

Present Directorships/Principal Commitments

Lum Chang Holdings Limited *
Beverian Holdings Pte Ltd
Bevrian Pte Ltd
RMDV Investments Pte Ltd
LS Investments Pte Ltd
Nanyang Kindergarten
Nanyang Primary School
Nanyang Girls' High School Ltd
Nanyang International Education (Holdings) Limited
PT Super Makmur Sejahtera ^

Past Directorships over the Preceding Three Years

UK Property Investment Pte Ltd
Ellipsiz Ltd
Ellipsiz DSS Pte Ltd
EIR Investments Pte Ltd
iNETest Resources Pte Ltd
Axis-Tec Pte Ltd
Ellipsiz Agro Investments Pte Ltd
ISE Capital Management Pte Ltd
ISE Foods Holdings Pte Ltd
iNETest Malaysia Sdn Bhd
Ellipsiz iNETest Co Ltd
Ellipsiz Taiwan Inc

ADRIAN LUM WEN HONG

Present Directorships/Principal Commitments

Lum Chang Holdings Limited *
(Alternate Director to Mr David Lum Kok Seng)
Lum Chang Asia Pacific Pte Ltd
Lum Chang Auriga Pte Ltd
Lum Chang Brandsbridge Pte Ltd
Lum Chang Corporation Pte Ltd
Lum Chang Decor Pte Ltd
Lum Chang Interior Pte Ltd
Lum Chang Properties Ltd
Lum Chang Property Investments Pte Ltd
Lum Chang (Suzhou) Investments Pte Ltd
Binjai Holdings Pte Ltd
Bluesky Real Estate Investment Pte Ltd
Kemensah Holdings Pte Ltd
Solluna Investments Pte Ltd
Sky Real Estate Investment Pte Ltd
Tucana Investments Pte Ltd
Lum Chang Sdn Bhd
Lum Chang Brandsbridge (M) Sdn Bhd
Fabulous Range Sdn Bhd
Nexus Sdn Bhd
PJBOX Sdn Bhd
Twin Palms Development Sdn Bhd
Venus Capital Corporation Sdn Bhd
CLI CP (Netherlands) Pte Ltd
Columba Holdings Pte Ltd
Corwin Holding Pte Ltd
Dorado Holdings Pte Ltd
Dorado Retail Holdco Pte Ltd
Dorado Retail Pte Ltd
Lum Chang Tien Wah Property Sdn Bhd *
Pavo Holdings Pte Ltd
PT Super Makmur Sejahtera
Beverian Holdings Pte Ltd
Bevrian Pte Ltd
Ellipsiz Ltd *
Ellipsiz Agro Investments Pte Ltd
Singapore Suzhou Township Development Pte Ltd
LS Investments Pte Ltd
Kwong Wai Shiu Hospital

Past Directorships over the Preceding Three Years

Lum Chang Development Services Limited
KWSH Foundation
Kelaty Holdings Limited
Wembley Properties Pte Ltd
Xin Tekka Pte Ltd

PETER SIM SWEE YAM

Present Directorships/Principal Commitments

Lum Chang Holdings Limited *
Gravitas Alliance International Pte Ltd
Sim Law Practice LLC
Singapore Land Group Limited *
SKB & Associates Pte Ltd
ST Group Food Industries Holdings Limited *
Talkmed Group Limited *

Past Directorships over the Preceding Three Years

Singapore Heart Foundation

DR WILLIE LEE LENG GHEE

Present Directorships/Principal Commitments

Lum Chang Holdings Limited *

CONSTANCE LEE SOK KOON

Present Directorships/Principal Commitments

Lum Chang Holdings Limited *
Mooreast Holdings Ltd *
Jason Marine Group Ltd *
NUS America Foundation, Inc
SBS Transit Ltd *
Singapore Arts School Ltd ^

Past Directorships over the Preceding Three Years

Japan Foods Holding Ltd

CLEMENT LEOW WEE KIA

Present Directorships/Principal Commitments

Lum Chang Holdings Limited *
Ellipsiz Ltd *
Grand Team Technologies Pte Ltd
GSUM-Titanland Capital Pte Ltd ^

Past Directorships over the Preceding Three Years

Allied Technologies Limited
MSM International Limited
Overseas Education Limited

BENEDICT HO KOK KEONG

Present Directorships/Principal Commitments

Lum Chang Holdings Limited *
Hiap Teck Venture Berhad **^

* Public-listed company
Alternate Director
^ Principal Commitments

SENIOR MANAGEMENT



TAN WEY PIN
Managing Director, Construction

Mr Tan Wey Pin joined LCBC in 2003 and was subsequently appointed Executive Director in 2007. Mr Tan was promoted to Managing Director of LCBC in 2010, and as Head of Construction, is responsible for its overall management and strategy development to spearhead its growth.

Mr Tan holds a Bachelor of Engineering (Civil) from the University of New South Wales, Australia. He has more than 30 years of construction industry experience, during which he managed a number of complex and largescale projects in infrastructure, civil and building works.

ADRIAN LUM WEN HONG
Alternate Director to Mr David Lum Kok Seng/
Director, Property Development

Mr Adrian Lum Wen Hong joined LCH in 2006. He currently serves as Director, Property Development. He oversees the Property Division and is responsible for formulating business strategy and identifying investment opportunities, land and property development, potential joint ventures, and business acquisitions for the Group.

Prior to joining Lum Chang, Mr Lum held management positions whilst working locally and abroad. Mr Lum is currently a non-independent non-executive Director of Ellipsiz Ltd. He is also a Director of Kwong Wai Shiu Hospital. In August 2021, Mr Lum was appointed as Alternate Director of the Company to Mr David Lum Kok Seng.

Mr Lum holds a Master's Degree in Engineering with First Class Honours from the Imperial College of London, United Kingdom, and was awarded the Governor's MEng Prize for academic excellence.





LIM THIAM HOOI
Managing Director, Interior

Mr Lim Thiam Hooi is the Managing Director of Lum Chang Interior (LC Interior). He oversees the day-to-day operations of the business and is responsible for developing and executing business strategies to achieve profitability and drive sustainable growth.

Mr Lim has over 35 years of experience in the building industry, with more than 20 years managing projects in the specialised fields of interior-retrofitting, conservation, and additions and alterations.

Mr Lim graduated with a Bachelor of Engineering (Civil) from National University of Singapore.

CHAM KOOI JOO
Managing Director, Malaysia

Mr Cham Kooi Joo joined Lum Chang Malaysia in 2002 as General Manager and assumed the role of Managing Director in 2016. He oversees the overall management and strategic planning of Malaysia's property development operations.

Mr Cham holds a Masters Degree in Construction Project Management from the University of Manchester, United Kingdom. He has over three decades of property development and construction experience, during which he was involved in the successful completion of a number of largescale developments.





NG KEAR JIN
General Manager, Commercial, Construction

Mr Ng Kear Jin, General Manager of Commercial, joined LCBC in 2004. As Head of the Commercial Unit, he is responsible for the business development, purchasing, and contracts departments. He is also directly involved in, and oversees the tendering of projects for the Company.

With almost 30 years of diversified experience in construction, Mr Ng has extensive experience in managing both building and infrastructure projects.

Mr Ng graduated with a Bachelor of Engineering (Hons) degree (Mechanical) from Nanyang Technological University, Singapore. He is also a registered Design for Safety and Green Mark Accredited Professional.

TAN JUI HOCK
General Manager, Projects, Construction

Mr Tan Jui Hock, General Manager of Projects, is responsible for leading LCBC's Civil and Infrastructure Team. Mr Tan joined the company in 2009 as Deputy Project Manager and has been involved in many key civil projects.

Mr Tan has more than two decades of experience with core competencies in infrastructure projects including design coordination, site operation and project management. He holds a Bachelor of Science (Civil Engineering) from the National Chiao Tung University, Taiwan.





YAP LAY HOON

Finance Director

Ms Yap Lay Hoon joined LCH as an Accountant in 2000 and was appointed Financial Controller in July 2022. In Jan 2024, Ms Yap was promoted to Finance Director.

Ms Yap has more than 20 years of financial and accounting experience, and is responsible for managing the finance and accounting functions of the Group, including financial reporting and planning, treasury management, taxation and fund-raising.

Ms Yap holds a Bachelor of Accountancy degree from the Nanyang Technological University of Singapore, and is a member of the Institute of Singapore Chartered Accountants. Prior to joining Lum Chang, Ms Yap was an auditor in a local audit firm.

DAWN LIM

Head of Corporate Services
(Corporate Communications and Human Resources)

Ms Dawn Lim joined the Group in 2010 and was appointed Head of Corporate Services (Corporate Communications and Human Resources) in July 2022.

With more than 20 years of experience in communications and corporate affairs in both the public and private sectors, Ms Lim was the Group's Senior VP for Corporate Communications prior to her current role. She is responsible for the overall planning and implementation of corporate communications activities and all matters pertaining to human resources.

Ms Lim graduated with a Bachelor of Business Administration from the National University of Singapore.



CORPORATE DATA

Board of Directors

Raymond Lum Kwan Sung
Executive Chairman

David Lum Kok Seng
Managing Director

Kelvin Lum Wen Sum
*Non-independent
Non-executive Director*

Adrian Lum Wen Hong
Alternate Director to Mr David Lum Kok Seng

Peter Sim Swee Yam
Lead Independent Director

Dr Willie Lee Leng Ghee
Independent Director

Constance Lee Sok Koon
Independent Director

Clement Leow Wee Kia
Independent Director

Benedict Ho Kok Keong (wef 4 September 2024)
Independent Director

Registered Office

14 Kung Chong Road, #08-01
Lum Chang Building, Singapore 159150

Tel: (65) 6273 8888

Fax: (65) 6933 6688

Email: lch@lumchang.com.sg

www.lumchang.com.sg

Registrars & Transfer Office

Tricor Barbinder
Share Registration Services
(A division of Tricor Singapore Pte Ltd)

9 Raffles Place, #26-01 Republic Plaza Tower I,
Singapore 048619

Company Registration No.

198203949N

Audit and Risk Committee

Constance Lee Sok Koon
Chairman

Peter Sim Swee Yam
Dr Willie Lee Leng Ghee
Clement Leow Wee Kia

Nominating Committee

Dr Willie Lee Leng Ghee
Chairman

Peter Sim Swee Yam
Raymond Lum Kwan Sung

Remuneration Committee

Peter Sim Swee Yam
Chairman

Dr Willie Lee Leng Ghee
Kelvin Lum Wen Sum

Company Secretaries

Yap Lay Hoon
Wong Yi

Independent Auditor

PricewaterhouseCoopers LLP
Public Accountants
and Chartered Accountants
Singapore
Audit Partner
Tan Bee Nah
(effective from the financial year ended
30 June 2020)

Principal Bankers

CIMB Bank Berhad
HL Bank
Malayan Banking Berhad
Oversea-Chinese Banking Corporation Limited
The Hongkong and Shanghai Banking
Corporation Limited
United Overseas Bank Limited

NETWORK OF OPERATIONS

Singapore

14 Kung Chong Road
#08-01 Lum Chang Building
Singapore 159150

Tel: (65) 6273 8888

Fax: (65) 6933 6688

- Lum Chang Holdings Limited
- Lum Chang Asia Pacific Pte Ltd
- Lum Chang Auriga Pte Ltd
- Lum Chang Building Contractors Pte Ltd
- Lum Chang Builders Pte Ltd
- Lum Chang Corporation Pte Ltd
- Lum Chang Properties Ltd
- Lum Chang Property Investments Pte Ltd
- Lum Chang (Suzhou) Investments Pte Ltd
- Binjai Holdings Pte Ltd
- Bluesky Real Estate Investment Pte Ltd
- Columba Holdings Pte Ltd
- Corwin Holding Pte Ltd
- Dorado Holdings Pte Ltd
- Kemensah Holdings Pte Ltd
- Pavo Holdings Pte Ltd
- Sky Real Estate Investment Pte Ltd
- Solluna Investments Pte Ltd
- Tucana Investments Pte Ltd

14 Kung Chong Road
#07-02 Lum Chang Building
Singapore 159150

Tel: (65) 6716 9200

Fax: (65) 6716 9211

- Lum Chang Interior Pte Ltd
- Lum Chang Decor Pte Ltd

701 Sims Drive
#02-02, LHK Building
Singapore 387383

Tel: (65) 6259 3522

- Lum Chang Brandsbridge Pte Ltd

West Malaysia

Lot 10-02 & 10-03
Level 10, Menara HLA
No. 3 Jalan Kia Peng
50450 Kuala Lumpur, Malaysia

Tel: 03 2171 2222

Fax: 03 2171 2333

- Lum Chang Brandsbridge (M) Sdn Bhd
- Lum Chang Tien Wah Property Sdn Bhd
- Fabulous Range Sdn Bhd

CHAIRMAN'S STATEMENT

Year in Review

The year under review was marked by uncertain global economic conditions and dominated by disruptive geopolitical tensions, persistent inflationary pressures and elevated interest rates. Against this backdrop, Singapore's economic growth slowed to 1.1% in 2023, moderating from the 3.8% expansion the previous year.

Meanwhile, the construction sector experienced continued recovery, improving from 4.6% growth in 2022 to 5.2% in 2023. This growth was bolstered by an uptick in demand from both the public and private sectors. However, sector challenges remained prevalent. The industry had to grapple with, amongst others, continued manpower shortages, rising interest rates and increased raw material prices.

Notwithstanding a challenging operating environment, the Group returned to profitability in FY2024, on the back of better results from our construction division and increased sales at our Malaysian residential development. Total Group revenue increased from \$393.4 million to \$500.4 million, translating into a net profit attributable to shareholders of \$7.4 million, a turnaround from the loss of \$28.7 million the previous financial year.

Dividends

To reward shareholders for their continuous and loyal support, the Board has proposed a final cash dividend of 1.0 cents per share for FY2024, subject to shareholders' approval at our upcoming Annual General Meeting (AGM) scheduled on 24 October 2024. This together with the interim dividend of 0.5 cents per share already paid, totals to a full year dividend of 1.5 cents per share.

Property & Investment

For the year under review, the performance of our Property Division remained stable, generating a slightly lower revenue of \$22.1 million compared to \$26.3 million last year.

Retail occupancy at our joint venture project, Tekka Place, improved from 80% to almost 83% as at the end of FY2024. We will continue with leasing activities for the remaining vacant units, while continuing with promotional campaigns to boost footfall and drive tenant sales. Meanwhile, occupancy at Tekka Place's apart'hotel, Citadines Rochor Singapore, registered robust occupancy, averaging 77% over the financial year under review.

In tandem with Malaysia's GDP growth of 3.7% in 2023, its property market continued to show consistent improvement. The Group launched 34 units of bungalows in April 2024 and as of end August, seven bungalows from the April launch have been sold. For FY2024, a total of 28 units and one shop unit were sold during the financial year. In the meantime, we had completed and successfully handed over nine shop units in November 2023.

Construction

Continuing its position as top revenue contributor, the Construction Division accounted for 95% of total revenue for the financial year under review. The division's revenue grew by 30% from \$365.9 million in FY2023 to \$477.3 million in FY2024, due largely to increased construction activities in both the building and interior divisions.

No new construction projects were added to LCBC's order book during the year under review. LCBC focused on the execution of existing projects, among which, the Family Justice Court project obtained TOP in September 2024 while the resort under the Mandai Rejuvenation Project achieved roof structural completion earlier this year in February.

LC Interior, our interior specialist contracting arm was awarded contracts for conservation/restoration/addition and alteration works for Temasek Shophouse, Bank of East Asia Building, and the National Museum. In September 2024, it was also awarded a contract by the Ministry of Health, for the design and retrofitting works to operationalise the

Community Hospital at Bedok. During the financial year, LC interior also completed a couple of milestone projects - the conservation and addition works to Red Cross House, and the interior fitting-out works for the Eurokars Group new corporate headquarters at Kung Chong Road.

LCBC continued its digital strategy implementation to drive enterprise and project value. Operationally, it continued to build on its digitalisation efforts by allocating resources to enable better project design, safety, operational efficiency and talent management. Specifically, leveraging data analytics from a digital safety feedback dashboard to improve safety initiatives, automating BIM server size monitoring, and migrating its talent development programme online.

It also adopted new technologically enabled construction operations including thermographic mapping, 3D photogrammetry and remote controlled electric robotic crusher. Thermographic mapping facilitates efficient rectification of defects on conservation façade walls by identifying specific locations of defects, while the cutting-edge 3D photogrammetry transforms ordinary photographs into precise three-dimensional models.

In recognition of its contributions towards the Built Environment industry, LCBC was conferred the Singapore Concrete Institute Excellence Award 2023 for its work on the Woodlands North Coast project. The award recognises achievements of industry players towards improvement of productivity in their building or civil projects.

The Group has always prioritised safety and continues to strive for consistently high standards of safety across all our projects. Its safety programmes seek to empower employees to identify and report safety hazards, and in doing so, encourage a proactive culture that prioritises the well-being of our workforce.

LCBC won the Gold Award in RoSPA's Occupational Health and Safety Awards 2024, while LC Interior took home the coveted WSH Performance Gold Award at the WSH Awards 2024, after three years of consecutively securing Silver Awards.

Looking Ahead

Looking ahead, the Ministry of Trade and Industry (MTI) expects that global economic downside risks will remain significant, including geopolitical tensions in the Middle East and the Ukraine war which could potentially disrupt global supply chains and trade. Despite these challenges, MTI projects Singapore's economic growth to come in at between 2% and 3% for 2024.

With the public sector expected to drive more than half (55%) of total construction demand in 2024, the Building and Construction Authority (BCA) anticipates total local construction demand to range between \$32 billion and \$38 billion. Public sector projects expected to be awarded in 2024 include public housing contracts, additional Cross Island MRT Line projects, infrastructure works for the future Changi Airport Terminal 5, Tuas Port developments, and other major road enhancement and drainage improvement works.

In the medium term, BCA expects a steady improvement in construction demand to reach between \$31 billion and \$38 billion per year from 2025 to 2028 led by public sector demand. Besides public housing projects, public sector construction over the medium term include MRT projects (Cross Island Line Phase 3 and Downtown Line extension to Sungei Kadut), Alexandra Hospital redevelopment, Toa Payoh and Siglap South Integrated Developments, and the redevelopment of various Junior Colleges.

As we look ahead, the Group expects operating conditions to remain challenging, with increasing competition, rising costs of manpower and uncertainty due to geopolitical tensions. We expect tenders in the construction sector will continue to be challenging, and tender prices will likely remain competitive and compressed. The Group remains well-positioned to tender for new projects and will continue to be selective and strategic in our bids, while working on existing projects. In parallel, the Group continues to review overall cost structure and remains disciplined in capital management.

Acknowledgements and Appreciation

We announced in December 2023, that Mr Tony Fong would be stepping down from his role as Executive Director and Company Secretary from 1 January 2024, and subsequently from the Board at the end of June 2024. One of our long-serving colleagues, Tony played an important role in the Group's financial and treasury management, focusing on disciplined cost control, robust cashflow generation and effective capital deployment. He was also actively involved in business development and the exploration of the Group's strategic investments. Beyond that, Tony was also instrumental in establishing corporate governance policies and practices. We thank Tony for his commitment and invaluable contributions to the Group.

I would also like to recognise the dedicated service and contributions of our esteemed long-serving directors, Mr Peter Sim and Dr Willie Lee, who have advised the Board of their intention to retire as Independent Directors at the Company's AGM in October 2024. Both gentlemen have, through their invaluable wisdom and insights, made decisive contributions to the Group's development since the early 2000s.

Separately, Mr Kenneth Ho who had been a member of the Board since 2021 had stepped down from the Board in May 2024. The Board and Management would like to thank him for his advice and dedication. We wish Mr Sim, Dr Lee, Mr Ho and Mr Fong the very best for the future.

The Directors and I are committed to ensuring that the Board is sufficiently diverse with an appropriate balance of experience and fresh perspective. To ensure that the Board continues to be fit for purpose, we recently welcomed Mr Benedict Ho, who joined us as an Independent Director in early September 2024. Mr Benedict Ho brings with him over thirty years of business and leadership experience in various public listed firms and banks, and I am confident he will prove to be a strong asset to the Board.

Finally, I wish to thank my fellow Board Members whose expertise, experience and independent assessments of issues have contributed greatly to ensuring that the Group remains resilient to prevailing challenges. I would also like to commend the Senior Management team and all Lum Chang employees for their unwavering dedication and diligence during the year. My thanks also go out to our partners, clients and shareholders for their continuous support and trust.

May you and your loved ones enjoy good health and success in the year ahead.



A handwritten signature in black ink, appearing to read 'Raymond Lum Kwan Sung'. The signature is fluid and cursive, with a horizontal line underneath it.

Raymond Lum Kwan Sung
Executive Chairman
17 September 2024

PROPERTY & INVESTMENT

Designing Opulent Living Environments



Throughout the years, the Group has built a diverse portfolio of high-quality real estate projects. These include luxury homes, premium condominiums, outstanding commercial properties, and integrated developments in Singapore, Malaysia, and the United Kingdom.

By leveraging our expertise and proven success in creating remarkable projects, our developments embody an opulent lifestyle with stunning green spaces; or offer well-designed areas that meet specific commercial requirements.

Tekka Place, the Group's joint venture integrated development, continues to market a variety of retail space options, and occupancy of the mall is around 83%.

The Group's Malaysian luxury gated residences, Twin Palms Sungai Long, launched 34 units of bungalows for sale in April 2024, and sold seven units from the launch. During the year under review, 28 units of landed homes were sold.

SINGAPORE

TEKKA PLACE

Tekka Place features a 10-storey main block and a seven-storey annex with a rooftop deck. Jointly developed with LaSalle Investment Management, this integrated development consists of a retail mall and an apart'hotel.

Retail units are spread across the basement, the first two floors of the main block and ground floor of the annex block, with current occupancy at approximately 83%.

The apart'hotel, Citadines Rochor, has 320 units and occupies the third to tenth floors of the main block. It offers studio and one-bedroom apartments, and is fully equipped with a range of amenities.



MALAYSIA

TWIN PALMS SUNGAI LONG

Twin Palms Sungai Long is a luxurious, modern residential estate spread across 126 acres of freehold land, adorned with lush greenery.

Situated within a gated and guarded community, this exclusive development is located on the hillside of Bandar Sungai Long, Kajang, near the SILK and Lekas Highways, as well as the Grand Saga Cheras-Kajang and East Klang Valley Expressways.

The estate comprises 573 bungalows, semi-detached, and superlink homes, along with nine shop lots. Twin Palms offers a wide range of recreational and sports facilities, including an infinity pool, wading and children's pool, gymnasium, sauna, activity hall with badminton, table tennis, and basketball courts, a multipurpose hall, children's playroom, convenience kiosk, poolside café, and BBQ area.

During the year under review, a new phase of 34 Indica bungalows were launched. In total, one shop unit, seven semi-detached and 21 bungalows were sold during the year under review. To date, the total number of units sold is 496, or 93% of the units launched.



DEVELOPMENT AT PETALING JAYA, KUALA LUMPUR

Development plans of the Petaling Jaya mixed-use project are currently on hold while we continue to monitor market conditions and explore other development options.

CONSTRUCTION

Sustaining Business Stability and Building a Resilient Future



During the year under review, LCBC focused on the execution of existing projects. The Mandai Rejuvenation Project's resort roof structure was completed while the construction of Faber House, LTA's Tanah Merah MRT project and the North-South Corridor are making good progress. The Family Justice Courts project, obtained TOP in September this year.

Looking forward, the Group anticipates that operating conditions will remain challenging due to increasing competition, rising manpower costs, and uncertainty from geopolitical tensions. Despite this, the Group is well-prepared to bid for new projects and will remain selective and strategic in its approach.

FABER HOUSE

LCBC is currently constructing a 19-storey hotel comprising 246 hotel rooms with ancillary facilities along Orchard Road.

The redevelopment of Faber House is a \$110.0 million contract awarded by UOL Property Investments Pte Ltd, in line with URA's Master Plan to enhance existing buildings in Orchard Road, Central Business District and Marina Centre.

The project is expected to be completed in the first half of 2026.



FAMILY JUSTICE COURTS

The former State Courts building at Havelock Square, received conservation status in 2013, and will be repurposed as the Family Justice Courts upon completion.

The \$155.5 million contract awarded for the refurbishment of the existing nine-storey octagonal building, includes façade conservation, structural strengthening, new floor slab construction, and lift replacements. The contract also includes an optional five-year comprehensive maintenance package valued at \$9.4 million, should it be exercised.

Constructed in three phases, works for Phases 1 and 2 were completed in January 2021 while the remaining Phase 3 was completed in September 2024.

MANDAI REJUVENATION PROJECT

The Mandai rejuvenation project, by Mandai Park Development, includes the construction of a transport hub, nature-themed indoor attractions, and a resort.

The overall development plan for Mandai is set to be completed in stages, combining urban planning, ecology, and technology to enhance Singapore's "city in a garden" vision while preserving Mandai's natural heritage.

TANAH MERAH STATION (CONTRACT T315)

Construction work on the Tanah Merah MRT Station addition and alteration project is now in its seventh year.

Under a \$325.0 million contract awarded by the LTA, the station will see a new platform and concourse, as well as two new entrances connected by an underpass near the Tanah Merah Kechil Avenue intersection. The project also includes associated road and drainage works.

Additionally, the project involves extending tracks and viaducts parallel to the current East-West Line, providing connections to the new East Coast Integrated Depot at Changi.

The project is expected to be completed in 2025.



NORTH-SOUTH CORRIDOR (CONTRACT N110)

In support of the Government's car-lite vision, the 21.5 km North-South Corridor will be Singapore's first integrated transport corridor, featuring continuous bus lanes and at-grade cycling trunk routes for public bus commuters, cyclists, and pedestrians.

LCBC was awarded a \$799.0 million contract by the Land Transport Authority (LTA) for the construction of a section of the North-South Corridor tunnel. This design and construction contract covers a 1.95-kilometre tunnel section between Ang Mo Kio Avenues 3 and 9, a facility building near Ang Mo Kio Town Garden, at-grade roads, and a drainage system. It also includes the construction of culverts, connections, commuter facilities, and pedestrian overhead bridges. Now in its sixth year, the project is slated for completion in 2027.



INTERIOR

Interior Space Planning and Design

LC Interior is the Group's specialist interior and conservation contracting arm, focused on high-end interior fit-out solutions, conservation and restoration, and addition and alteration services.

During the year under review, LC Interior was awarded contracts for conservation and restoration work on the National Museum Building, as well as addition and alteration works on the existing Temasek Shophouse, and addition and alteration works on the Bank of East Asia office building.

During the year, contracts previously awarded for Red Cross House and VivoCity were completed, along with the interior fit-out works for Eurokars Group's new corporate headquarters.

In July 2024, LC Interior was awarded the WSH Performance (Gold) award, marking the fourth consecutive year the company has been recognised for its safety initiatives. It previously received the Silver award from 2021 to 2023.

NATIONAL MUSEUM

The National Museum at Stamford Road was first constructed in 1887, and gazetted as a national monument on 14 February 1992.

To preserve this nationally iconic building, LC Interior was awarded a contract for proposed conservation and restoration works to the existing monument block of the museum. The scope of the contract includes restorative work on the building's ornamental facade and critical repairs to the timber and structural elements.

The project is expected to complete around end 2026.



TEMASEK SHOPHOUSE

Temasek Shophouse is a row of shophouses along Orchard Road, with the oldest shophouse dating back to 1925. The site was gazetted for conservation in 2017.

LC Interior was awarded the contract to conserve and restore the shophouses at 16, 22, 28, and 38 Orchard Road, as well as rejuvenate surrounding community spaces.

The project is expected to be completed by 2025.



BANK OF EAST ASIA BUILDING

The existing 15-storey Bank of East Asia Building is currently undergoing addition and alteration works carried out by LC Interior.

Work on the commercial building located along Robinson Road in the CBD, includes the change of use of levels one and two, from banking hall to F&B outlets.

The project is expected to complete in end 2024.

2 CAVAN ROAD

LC Interior is currently building a hotel at 2 Cavan Road.

The contract scope involves constructing an eight-storey hotel with a swimming pool, ancillary facilities, and a multi-storey carpark, including the conversion of an existing three-storey conserved warehouse to hotel ancillary facilities.

The project is scheduled to be completed in end 2025.



44 & 46 CLUB STREET

Addition and alteration works are currently being carried out to an integrated development comprising two units of three-storey shophouses.

The contract, awarded to LC Interior, also encompasses a change of use for the first storey to office space.

The project is expected to be completed in end 2024.



APARTMENT AT WILKIE ROAD

LC Interior is currently in the midst of the construction of a six-storey apartment block with nine service apartments and carpark at Upper Wilkie Road.

The project is expected to be completed in end 2024.



BEDOK SOUTH STATION (CONTRACT T311)

LC Interior was awarded a sub-contract for architectural works at Bedok South Station and tunnels for the Thomson East Coast Line (TEL).

The Bedok South Station architectural works sub-contract consists of two underground levels and is designed as a Civil Defence Shelter Station. The station at-grade structure consists of entrances, lift and vent shafts, escape stairs, and commuter facilities such as covered linkways, which connect the station entrance structures to pick-up points, taxi stand and bus shelters.

The project is expected to complete in end 2024.



TANAH MERAH STATION (CONTRACT T315)

The Tanah Merah Station architectural works subcontract involves the upgrading of the headway and conversion of two of the existing platforms to the Thomson East Coast Line. A new elevated six-car island platform will also be constructed. Other additional alteration works include the upgrading of the public toilets and family facilities.

The project is expected to complete in 2026.



SUSTAINABILITY REPORT SUMMARY



SUSTAINABILITY AT LUM CHANG

Sustainability is a core element of our business strategy, guiding our efforts to make environmentally and socially responsible decisions. We are committed to minimising our environmental impact by implementing sustainable practices across our operations. In alignment with Singapore's Green Plan and the growing demand for green buildings and infrastructure, we actively incorporate sustainable features and materials in our projects, contributing to the broader goal of creating resilient and green communities.

Recognising the opportunities presented by the transition to a low-carbon economy, we have set short- and medium-term objectives to adopt green technologies in our development projects and improve the energy efficiency of our investment properties. In FY2024, we have furthered our commitment by incorporating scenario analysis to assess climate-related risks and opportunities in line with the TCFD recommendations and integrating these insights into our sustainability report.

The Group remains focused on enhancing energy and water conservation practices, minimising material wastage and reducing construction waste across our operations. We actively monitor our carbon footprint and are exploring ways to integrate more renewable energy sources into

our energy mix to reduce emissions. We also uphold high standards of ethics, transparency and compliance with all applicable laws and regulations, extending this commitment to our key suppliers and sub-contractors.

Health and safety are key priorities for the Group. We adhere to all relevant safety protocols and regulations to ensure a secure and safe working environment for our employees and workers, with the aim of achieving zero fatalities and high-consequence injuries at our work sites. Additionally, we conduct robust assessments of our suppliers and sub-contractors to ensure their compliance with workplace health and safety, environmental and socioeconomic regulations.

We are dedicated to being an employer of choice by cultivating a skilled and experienced workforce and ensuring equal opportunities for all employees. We are committed to nurturing talent, providing career development opportunities, and promoting a diverse and inclusive workplace.

We remain actively engaged with our communities through meaningful partnerships with charitable organisations and institutions. We will continue to support various social causes and involve our employees in initiatives that contribute to the well-being of the communities in which we operate.

SUSTAINABILITY FRAMEWORK

Our sustainability framework drives our overall strategy and channels our collective efforts towards achieving sustainable operations across our business activities. We aim to ensure that sustainability is embedded into our core business practices, promoting responsible stewardship and long-term value creation for our stakeholders. Our refreshed sustainability framework now comprises five focus areas to direct our sustainability strategy and focus on our business's most significant impacts on the environment, people, economy, and the wider community.



Our full standalone sustainability report will be published separately by end October 2024.

To minimise the impact on the environment and align with the Group's efforts towards more significant environmental conservation, no hard copies of the Sustainability Report will be printed. An electronic version of the report may be viewed or downloaded at: <https://www.lumchang.com.sg/sustainability/our-sustainability-story/>



CORPORATE GOVERNANCE

INTRODUCTION

The Company recognises the importance of adhering to sound governance practices and processes to establish and maintain a high standard of corporate governance and transparency, and in turn to enhance shareholder value and preserving the interests of all shareholders and stakeholders. To that end, the Company is committed to upholding the standards set out in the Code of Corporate Governance 2018 (the “Code”) issued by the Monetary Authority of Singapore on 6 August 2018. The Board is pleased to present this Corporate Governance Report which outlines the Company’s corporate governance practices for the financial year ended 30 June 2024 (“FY2024”) with specific reference made to the principles and provisions of the Code and accompanying Practice Guidance issued on 6 August 2018 and updated as of 14 December 2023 (“Practice Guidance”), which forms part of the continuing obligations of the Listing Manual of the Mainboard (“Listing Manual”) of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Company has complied in all material aspects with the principles and guidelines set out in the Code and has explained its position if not, in accordance with the “comply or explain” requirement as laid down in the Code. Minimal adjustments to the Group’s corporate governance practices and processes should be expected as its commitment to sound corporate governance has already ensured significant compliance with the Code.

This report should be read as a whole as other sections of this Report may also have an impact on the specific disclosures made in this report.

BOARD MATTERS

The Board’s Conduct of Its Affairs (Principle 1)

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with the Company’s management for the long-term success of the Group.

The Board oversees the business affairs of the Group and is principally responsible for setting the Group’s business direction, approving strategic plans, and monitoring and reviewing its financial performance. The Board continually monitors and assesses the internal controls which enables risks to be properly assessed and managed. More particularly, the Board also maintains oversight and overall control over review of management performance, identification of key stakeholder groups, setting the Group’s values and standards and the sustainability of the Group’s operations, and works constructively with the Group’s management. These are recognised as being crucial to the proper long-term governance of the Group as a whole.

Board committees have been constituted in order to assist the Board in the discharge of its oversight function. All Board committees are actively engaged and play an important role in ensuring good corporate governance in the Group by making recommendations on courses of action, in accordance with their respective terms of reference, for the Board’s collective decision. Any decisions and recommendations made by the Board committees, even if permitted by their respective terms of reference, are nevertheless subject to confirmation by the Board.

The Board schedules regular meetings but ad hoc meetings are held as and when required. Otherwise, approvals from the Board are sought by way of circular board resolutions. Meetings by telephone and video conferencing are also allowed under the Company’s Constitution (“Company’s Constitution”). Records of all such meetings and resolutions including discussions on key deliberations and decisions taken by the Board are maintained by the Company Secretaries.

The Company adheres to internal guidelines which set out specific authorisations, materiality thresholds and approval limits for borrowings, acquisitions, disposals, investments and capital or operational expenditure so that Board approval is only required when transactions exceed such limits or where such transactions are otherwise considered material in nature. However, specific matters such as share issues, dividend distribution and share buybacks, always require the Board's approval regardless of approval limits or materiality. Details of the attendance of the Board members at Board meetings and meetings of the various Board committees for the period 1 July 2023 to 30 June 2024 (FY2024) are set out in Table 1.

Table 1	BOARD	AUDIT AND RISK COMMITTEE	NOMINATING COMMITTEE	REMUNERATION COMMITTEE
NAME				
Number of Meetings held	4	4	2	4
Number of Meetings attended				
Raymond Lum Kwan Sung	4	N.A.	2	N.A.
David Lum Kok Seng ⁽¹⁾	4	N.A.	N.A.	N.A.
Tony Fong ⁽²⁾	4	N.A.	N.A.	N.A.
Kelvin Lum Wen Sum	4	N.A.	N.A.	N.A.
Peter Sim Swee Yam ⁽⁴⁾	4	4	2	4
Dr Willie Lee Leng Ghee ⁽⁴⁾	4	4	2	4
Constance Lee Sok Koon	4	4	N.A.	N.A.
Clement Leow Wee Kia	4	4	N.A.	N.A.
Kenneth Ho Siew Keong ⁽³⁾	4	4	N.A.	4

Note:

- (1) Mr Adrian Lum Wen Hong, alternate director to Mr David Lum Kok Seng, attended 4 board meetings as observer during the course of FY2024.
- (2) Mr Tony Fong stepped down as the Non-independent Non-executive Director of the Company with effect from 1 July 2024.
- (3) Mr Kenneth Ho Siew Keong stepped down as the Independent Director of the Company with effect from 22 May 2024. Consequent to his cessation, he also vacated his positions as a member of the Audit and Risk Committee and the Remuneration Committee of the Company.
- (4) Mr Peter Sim Swee Yam and Dr Willie Lee Leng Ghee will not be seeking re-election at the forthcoming AGM and will retire from the Board and Board Committees upon the conclusion of the AGM.

Prior to each Board Meeting, each director is supplied with complete, adequate and timely information by management pertaining to matters to be brought before the Board for its decision as well as ongoing reports relating to operational and financial performance of the Group. The management provides the Board with its accounts on a quarterly basis. Financial information, reports and assessments are provided for circular meetings as well as to provide sufficient information to the Board to make informed decisions.

Management generally takes the lead in updating the Board on new developments in the Group's business environment and on the conduct of the day-to-day affairs of the Company. In addition, members of the Board are regularly updated on changing commercial risks and industry developments (as deemed appropriate) and are provided with opportunities (arranged and funded by the Group at the Group's cost and expense) to train and update themselves on corporate governance matters and new developments in the regulatory regimes.

Pursuant to Rule 720(7) of the Listing Manual, all of the Directors underwent the required training on sustainability matters as prescribed by the SGX-ST. The Company arranges for newly appointed directors to undergo training on sustainability as well.

BOARD MATTERS (CONTINUED)

The Board's Conduct of Its Affairs (Principle 1) (continued)

The Board also has separate and independent access to senior management and the Company Secretaries at all times. To assist the Board in fulfilling its responsibilities, the Board is fully aware that they may seek or direct management to seek independent professional advice, where appropriate. The costs of such independent professional advice are borne by the Company. The Company Secretaries ensure that the communication and flow of information between the Board, the Board committees and management is maintained.

At least one of the Company Secretaries also attends all Board and Board committees meetings and is responsible, under the Board's auspices, for taking adequate steps to ensure that Board procedures and relevant legislative and regulatory requirements are complied with. The appointment and removal of the Company Secretaries are subject to the approval of the Board.

New directors are subject to a tailored induction programme upon joining the Board, which includes, *inter alia*, briefings on the business activities, policies and internal controls of the Group, and site visits to the Group's various projects in Singapore and overseas. New directors are also issued a formal letter setting out their duties and obligations as directors in the context of the Code and the Companies Act 1967 (the "Act"), and the Company's expectations as regards their conduct and contributions in the performance of their functions.

The directors are subject to the requirements of the Code and specific fiduciary duties which are set out in the Act, the key aspects of which may be summarised as follows:

- To act honestly in good faith and in the interests of the Company;
- To avoid conflicts of interest;
- To exercise skill, care and diligence in the performance of duties; and
- To not misuse power and information for personal gain.

Whilst the Company places great emphasis on continuity of its serving directors and the vast experience that they provide in their various fields of expertise, the Company nevertheless understands the need for renewal from time to time and therefore has in place a modified induction programme for new directors who, whilst providing a fresh perspective and outlook on their functions, may require some guidance in specific areas of expertise such as accounting, legal, and industry-specific knowledge so as to better perform their functions as directors. In such cases, the Company will either enlist the assistance of its organic expertise or, if necessary, by external agencies to train the new director, at the Company's expense, in such specific areas of expertise that he or she may require.

Board Composition and Guidance (Principle 2)

Principle 2: 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 has a formal and transparent process for the appointment and re-appointment of directors, which takes into account the need for progressive renewal of the Board. In doing so, the Board strives to maintain an appropriate level of independence and diversity of thought, gender and background in its composition to enable it to make decisions in the best interests of the Group.

The composition of the Board is reviewed regularly and the current composition ensures that the mix of independence, experience and expertise is appropriate as members of the Board collectively possess a wealth and diversity of expertise ranging from legal, financial, management, human resources and industry knowledge. During FY2024, the Board comprised nine members. Mr Benedict Ho Kok Keong was appointed as a new director to the Board on 4 September 2024. The structure of the Board as well as its size, which currently stands at eight, is suitable

given the nature and scope of the Group, ensuring that meetings and decision-making are effective and productive. The size and composition of the Board is reviewed from time to time, taking into account the scope and nature of the Company's operations, to ensure that the size of the Board remains adequate to provide for a diversity of views, facilitate effective decision-making, and that the Board has an appropriate balance of executive, non-executive, independent and non-independent members so as to enable it to make decisions in the best interests of the Group.

The Board practices diversity which provides for the inclusion of directors with a wide mix of expertise, experience, perspectives, skills and backgrounds by considering diversity factors which include but not limited to, diversity in business or professional experience, age and gender, ethnicity and culture, geographical background and nationalities. The Board values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Company has the opportunity to benefit from all available talent and perspectives, which is essential to the effective governance of the business and for ensuring long-term sustainable growth. The Nominating Committee, in carrying out its duties of determining the composition of the Board, looks for a diversity of background and opinion from candidates with the appropriate background and industry or related expertise and experience. In identifying candidates as part of the Board's refresh and casual vacancy processes, and making recommendations for appointment to the Board, the Nominating Committee considers diversity factors such as age, gender, ethnicity and educational, business and professional background of its members in order to achieve an appropriate level of diversity in the Board composition so as to enable it to make decisions in the best interests of the Group. In its annual review of the Board's composition, the Nominating Committee considers the subject of the diversity in the composition of the Board. The current Board has one female member, Mdm Constance Lee Sok Koon.

With eight members, comprising two executive and six non-executive directors, five of whom are independent, the Board maintains its independence as more than half its members are independent from any management and business relationship with the Company in accordance with Provisions 2.2 and 2.3 of the Code. Furthermore, the Lead Independent Director has the authority to convene and lead meetings of the independent directors without the presence of the executive directors from time to time as deemed necessary, and acts as the leader of the independent directors at board meetings in raising queries and pursuing matters in accordance with Provision 2.5 of the Code. This ensures that the Board is able to exercise its powers judiciously, independently and objectively.

In considering the independence of the non-executive directors, the Nominating Committee and the Board consider the criteria set out in Provision 2.1 of the Code which defines an independent director as one who has no 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 the director's independent business judgement with a view to the best interests of the Group. Additionally, the Nominating Committee and the Board, in accordance with Provision 4.4 of the Code, determine if a director is independent, having regard to the circumstances set forth in Provision 2.1 and taking into account disclosures by directors of their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence.

The Board recognises the contribution of the independent directors who over time have developed deep insights into the Group's business and operations, and who are therefore able to provide invaluable contributions to the Board as a whole.

As the SGX-ST has limited the tenure of independent director serving on the boards of listed companies to nine years, Mr Peter Sim Swee Yam and Dr Willie Lee Leng Ghee will not be deemed independent and therefore will retire as Directors of the Company at the forthcoming AGM.

The Board notes that Mr Kelvin Lum Wen Sum, notwithstanding his non-independent status, had nevertheless demonstrated a high level of autonomy in the discharge of his fiduciary duties and that he had exercised his business judgement in the best interests of the Company and its minority shareholders.

The Company progressively staggers refreshing of the Board composition as needed, taking into account diversity considerations.

BOARD MATTERS (CONTINUED)

Chairman and Managing Director (Principle 3)

Principle 3: 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.

There is no clear division of responsibilities between the leadership of the Board and management; however no one individual has unfettered powers of decision-making, as explained below.

Mr Raymond Lum Kwan Sung is the Executive Chairman of the Company and he provides overall leadership and strategic vision for the Group. He strives to promote high standards of corporate governance in the Group by facilitating a culture of openness and debate at the Board level by ensuring that all directors, and especially the independent and non-executive directors, receive complete, adequate and timely information, so as to ensure that they are able to contribute their experience and expertise to Board proceedings. Facilitated by the Executive Chairman, his thoughtful and targeted guidance at Board meetings also allows proper time management of the agenda at meetings and ensures that comprehensive and detailed discussions of strategic issues and other pressing agenda items can take place. The management level functions relating to the planning, execution and achievement of targets and directives set by the Board as well as the execution of existing businesses and management of funds and cashflow are undertaken by a management-level committee (the "Management Committee"). The Management Committee comprises executive directors, managing directors of the Construction division, director of Property division and finance director. The Executive Chairman's role as a member of the Management Committee also allows him to act as a bridge with management such that the Board is able to boost an amicable and constructive relationship with management to the Group's mutual benefit. The close working relationship between the Board and management fostered by the Executive Chairman allows him to provide a clear, consistent and cohesive narrative of the Company's activities as part of the Company's constant efforts towards effective communications with its shareholders.

The Executive Chairman and the Managing Director, Mr David Lum Kok Seng, are siblings and their executive roles are not clearly separated as both are closely involved in the day-to-day management and operations of the Group. The Board notes the familial relationship between the Executive Chairman and the Managing Director and the unique circumstances that govern such relationships, and is of the opinion that the Company's best interests are served by taking advantage of the sibling dynamic cultivated over a lifetime of mutual support in the consolidation and expansion of the Group from its modest beginnings in the construction industry. As such, the Board can raise no objections to the overlap in their respective executive roles. However, the Nominating Committee's view is that the Board remains independent in accordance with Provision 2.2 of the Code since more than half the Board and more than half of the Board committees (excluding the Management Committee) remain independent. In this respect also, and in accordance with Provision 3.3 of the Code, the Lead Independent Director avails himself to the shareholders who may have concerns, and for which contact through normal channels cannot resolve or is otherwise inappropriate or inadequate.

Board Membership (Principle 4)

Principle 4: The Board has a formal and transparent process for the appointment and reappointment of directors, taking into account the need for progressive renewal of the Board.

The Board has established various Board committees to assist and facilitate the execution of its duties. These are the Executive Committee, the Audit and Risk Committee, the Nominating Committee and the Remuneration Committee. Apart from the Executive Committee, the Board committees are led by and comprise a majority of independent directors. Notwithstanding the establishment of the various Board committees as aforementioned, it must be emphasized that the Board nevertheless retains overall authority and control over the activities of the Board committees as decisions and recommendations of each Board committee must subsequently be confirmed by the Board. The composition of the Board committees and the dates of initial appointment and re-election of the directors to the Board for the period 1 July 2023 to 30 June 2024 (FY2024) are set out in Table 2.

Table 2 BOARD MEMBERS	EXECUTIVE COMMITTEE ⁽⁶⁾	AUDIT AND RISK COMMITTEE	NOMINATING COMMITTEE	REMUNERATION COMMITTEE	DATE OF INITIAL APPOINTMENT TO THE BOARD	DATE OF LAST RE-ELECTION TO THE BOARD
Raymond Lum Kwan Sung	C		M		18.09.1982	28.10.2022
David Lum Kok Seng ⁽¹⁾	M				18.09.1982	27.10.2023
Tony Fong ⁽²⁾	M				02.07.2012	27.10.2023
Kelvin Lum Wen Sum ⁽³⁾				M	10.11.2016	28.10.2022
Peter Sim Swee Yam ⁽⁴⁾		M	M	C	30.11.2001	29.10.2021
Dr Willie Lee Leng Ghee ⁽⁴⁾		M	C	M	28.02.2006	29.10.2021
Constance Lee Sok Koon		C			27.08.2021	29.10.2021
Clement Leow Wee Kia		M			03.05.2018	28.10.2022
Kenneth Ho Siew Keong ⁽⁵⁾		M		M	10.09.2021	27.10.2023

C – Chairman
M – Member

- (1) Mr Adrian Lum Wen Hong was appointed as alternate director to Mr David Lum Kok Seng on 27 August 2021.
- (2) Mr Tony Fong stepped down from the Executive Committee on 1 January 2024 and as the Non-independent Non-executive Director of the Company with effect from 1 July 2024.
- (3) Mr Kelvin Lum Wen Sum was appointed as member of the Remuneration Committee on 22 May 2024.
- (4) Mr Peter Sim Swee Yam and Dr Willie Lee Leng Ghee will not be seeking re-election at the 2024 AGM and will retire from the Board and Board committees upon the conclusion of the AGM.
- (5) Mr Kenneth Ho Siew Keong stepped down as the Independent Director of the Company with effect from 22 May 2024. Consequent to his cessation, he also vacated his positions as a member of the Audit and Risk Committee and the Remuneration Committee of the Company.
- (6) The Executive Committee was dissolved with effect from 22 May 2024 and reconstituted as Management Committee.

Nominating Committee

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. In that regard, the Board and the Nominating Committee strive to ensure that directors on the Board possess the experience, knowledge and skills critical to the Group's business so as to enable the Board to make sound and well-considered decisions; and as such considers the respective experience, field-specific expertise and industry knowledge of prospective Board candidates.

BOARD MATTERS (CONTINUED)

Board Membership (Principle 4) (continued)

Nominating Committee (continued)

The Nominating Committee held two meetings in FY2024. Dr Willie Lee Leng Ghee remains the Chairman of the Nominating Committee which continues to comprise a majority of independent directors. The Nominating Committee's key responsibilities, as defined in its terms of reference, include:

- (a) the review of succession plans for directors, in particular the appointment and/or replacement of the Executive Chairman, the Managing Director and key management personnel;
- (b) the process and criteria for evaluation of the performance of the Board, the Board committees and directors;
- (c) the review of training and professional development programs for the Board and the directors;
- (d) assessing the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board;
- (e) making recommendations on appointment and re-nomination of directors, having regard to the relevant director's contribution and performance;
- (f) making recommendations having regard to the changing needs of the Group as regards diversity, experience and expertise so as to maximise the effectiveness of the Board as a whole in the performance of its functions;
- (g) reviewing each director's independence annually; and
- (h) considering whether or not a director who has multiple board representations is able to and has been properly carrying out his duties as a director of the Company.

With regard to the selection of new directors, the Nominating Committee evaluates the balance of diversity, skills, knowledge and experience on the Board and, arising from such evaluation, determines the role and the desirable competencies for a particular appointment to enhance the existing Board composition. The Nominating Committee meets with short-listed candidates to assess their suitability and availability for appointment to the Board. The Nominating Committee then makes recommendations to the Board for approval. New directors are appointed by the Board upon the recommendation of the Nominating Committee and they must submit themselves for re-election at the next AGM in accordance with the Company's Constitution.

On 4 September 2024, the Board appointed Mr Benedict Ho Kok Keong ("Mr Ho") as an independent director of the Company. The Nominating Committee having considered, *inter alia*, the credentials, qualifications, skills and experience of Mr Ho and was of the view that the new appointment will bring valuable advice and fresh insights to the Board. The Board had deliberated and concurred with the recommendation of the Nominating Committee.

The Company's Constitution requires that at each AGM, not less than one-third of the directors for the time being (being those who have been longest in office since the last re-election) retire from office by rotation and may seek re-appointment. The Company's Constitution also requires that every director of the Company shall retire at least once every three years.

Before making its recommendation to the Board for the re-appointment of a retiring director, the Nominating Committee takes into consideration the director's contribution and performance which are determined by factors such as attendance, preparedness, participation and candour (as well as contribution to the effectiveness of the Board). The director is also assessed based on his or her ability to adequately carry out the duties expected while performing roles in other companies or in other appointments. Mr Raymond Lum Kwan Sung and Mdm Constance Lee Sok Koon will be seeking re-election as directors pursuant to Article 107(2) of the Company's Constitution and Mr Benedict Ho Kok Keong will be seeking re-election as a director pursuant to Article 89 of the Company's Constitution (collectively, the "Retiring Directors") at the FY2024 AGM. The Nominating Committee has reviewed and is satisfied with their contribution

as directors, and has therefore endorsed their nomination for re-election. Pursuant to Rule 720(6) of the Listing Manual issued by Singapore Exchange Securities Trading Limited (the "Listing Manual"), the information relating to the Retiring Directors as set out in Appendix 7.4.1 of the Listing Manual may be found in pages 50 to 57 of this Annual Report.

The independence of each director is assessed and reviewed by the Nominating Committee. As part of the review, each independent director is required to complete a checklist annually to confirm his independence. To facilitate this process, each director is required to disclose, among others, his/her relationship(s) 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 the directors' independent business judgement in the best interests of the Company. Based on the checklists received and reviewed by the Nominating Committee, the independent directors have no association with management that would compromise their independence. An independent director shall notify the Nominating Committee immediately, if as a result of a change in circumstances, he/she no longer meets the criteria for independence. The Nominating Committee shall review the change in circumstances and make its recommendations to the Board.

Further, in determining the independence of its independent directors, the Nominating Committee and the Board also took into account Rules 210(5)(d)(i) and (ii) of the Listing Manual, on the circumstances in which a director will not be deemed independent and provisions in the Code as to the circumstances in which a director should not be deemed independent.

On the bases set out above and on the basis of the checklist provided by each independent director, the Nominating Committee examined the different relationships identified by the Code that might impair the independent directors' independence and objectivity, and determined that all the independent directors were independent within the meaning of the Code. In addition to the requirements of the Listing Manual and the Code, the Nominating Committee considered whether each of the independent directors had demonstrated an appropriate level of independence of character and judgement in the discharge of his responsibilities as a director of the Company, and is satisfied that each of them acted with independent judgement. The Board therefore considers that there is nothing to indicate that their ability and willingness to act independently has been compromised in any way. It should be noted that all directors, including independent directors, are required to recuse themselves from any transactions that might give rise to a conflict of interest. Following the review, the Nominating Committee was of the view that Mr Clement Leow Wee Kia, Mdm Constance Lee Sok Koon and Mr Benedict Ho Kok Keong should be deemed independent within the meaning of the Code.

Board Performance (Principle 5)

Principle 5: 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 Board, based on the recommendation of the Nominating Committee, adopts a formal process with objective performance criteria for the annual evaluation of the effectiveness and performance of the Board as a whole. The Nominating Committee annually assesses the effectiveness of each Board committee and the Board by evaluating factors such as the adequacy and size of the Board and the Board committees, each individual director's contributions at Board committee level and towards the effectiveness of the Board, the Board's access to information, Board processes and accountability and communication with senior management. The Nominating Committee's assessment confirmed that the Board and the Board committees were generally functioning effectively and performing well within a highly competitive and challenging environment. In the conduct of its assessment, the Nominating Committee compared the Board's overall performance with its industry peers.

Each member of the Board is also assessed individually according to, amongst other things, his or her contributions, knowledge and abilities, teamwork, integrity and effectiveness. The Nominating Committee also reviews the criteria for evaluation annually, making changes where necessary.

BOARD MATTERS (CONTINUED)

Board Performance (Principle 5) (continued)

The Nominating Committee is of the view that directors who have multiple board representations have devoted sufficient time and attention to the affairs of the Group, and that their multiple board representations do not hinder their abilities to perform their duties as directors of the Company. Indeed, such multiple board representations of the directors benefit the Group, as the directors are able to bring with them the experience and knowledge obtained from board representations in other companies. The Nominating Committee continually monitors the performance of directors who have multiple board representations with a view to ensuring that they are not thereby distracted from their immediate duties to the Company. In view of this, the Nominating Committee has not set any prescribed maximum number of listed company board representations which any director may hold and is satisfied that the current criteria adopted is adequate and appropriate for the Group. The Nominating Committee will continue to monitor the performance and contributions of directors who have multiple board representations to ensure that their ability to perform their duties as directors of the Company is not hampered.

Key information on the Board; in particular, all the directorships in listed companies held by the directors, both current and those held over the preceding three years, as well as their principal commitments as defined in Provision 4.5, footnote 15 of the Code, may be found in pages 6 to 11 of this Annual Report.

Share Purchase Committee

At the AGM on 27 October 2023, the shareholders of the Company had approved the renewal of the mandate for the Company to carry out share buybacks as permitted by the Act (the "Share Purchase Mandate").

The Share Purchase Committee, comprising Mr Raymond Lum Kwan Sung, Mr David Lum Kok Seng and Mr Peter Sim Swee Yam, was authorised to purchase shares of the Company at such time as it deems suitable subject to the prescribed conditions in the Share Purchase Mandate.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies (Principle 6)

Principle 6: 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.

Level and Mix of Remuneration (Principle 7)

Principle 7: 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.

Disclosure on Remuneration (Principle 8)

Principle 8: 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.

Remuneration Committee

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.

The Remuneration Committee comprises majority independent directors. The Chairman of the Remuneration Committee is Mr Peter Sim Swee Yam. The Remuneration Committee held four meetings in FY2024.

The scope of the Remuneration Committee includes reviewing and recommending to the Board the remuneration packages of the executive directors and key management personnel including termination terms to ensure they are fair, as well as the fees of the non-executive directors. No director is involved in deciding his or her own remuneration.

Directors' remuneration and fees are set in accordance with a general remuneration framework consisting of basic retainer fees benchmarked against the remuneration and fees paid by other companies in related industries, and this general framework is reviewed and approved by the Remuneration Committee. The fee framework for the non-executive directors and remuneration packages of the executive directors contains appropriate and meaningful measures to assess and evaluate the performance of the directors and key management personnel. Such appropriate and meaningful measures are arrived at with the assistance of external expertise engaged for that purpose, as deemed necessary and/or appropriate by the Remuneration Committee.

The remuneration of the executive directors and key management personnel consists of a basic component, a variable component and other appropriate benefits in kind. The remuneration of the executive directors and key management personnel are arrived at having regard to the following:

- Alignment with the interests of shareholders with a view to promoting the long-term success of the Group; and
- Appropriate and meaningful measures for the purpose of assessing the performance of the executive directors and key management personnel.

As regards the non-executive directors, their remuneration is pegged to their level of contribution, and takes into account factors such as the effort and time spent in the discharge of their functions and their individual scope of responsibilities. Non-executive directors' fees are subject to approval at each AGM.

The Board is of the view and explains that, given the highly competitive industry conditions coupled with the sensitivity and confidentiality of remuneration matters, the disclosure of the remuneration packages of the independent directors and key management personnel, on a named basis, as required by Provisions 8.1 and 8.2 of the Code, would be prejudicial to the Company's interests.

REMUNERATION MATTERS (CONTINUED)

Remuneration Committee (continued)

A breakdown, showing the level and mix of each individual director's remuneration (round off to the nearest thousand) paid or payable for FY2024, is set out in Table 3.

Table 3	FEES ⁽¹⁾	SALARY	BONUS	OTHER BENEFITS
	(%)	(%)	(%)	(%)
\$1,248,000				
Raymond Lum Kwan Sung	-	57	37	6
\$1,241,000				
David Lum Kok Seng	-	57	37	6
\$347,000				
Tony Fong ⁽²⁾	23	50	7	20
Below \$100,000				
Kelvin Lum Wen Sum	100	-	-	-
Peter Sim Swee Yam	100	-	-	-
Dr Willie Lee Leng Ghee	100	-	-	-
Constance Lee Sok Koon	100	-	-	-
Clement Leow Wee Kia	100	-	-	-
Kenneth Ho Siew Keong ⁽³⁾	100	-	-	-

- (1) Directors' fees are only payable after approval by shareholders at the forthcoming AGM.
- (2) Mr Tony Fong was an Executive Director before being re-designated as Non-independent Non-executive Director on 1 January 2024 and ceased to be a Director of the Company on 1 July 2024. Hence, director's fees will be payable for the period 1 January 2024 to 30 June 2024 subject to approval by shareholders at the forthcoming AGM. Other benefits paid to him include the award of an ex-gratia payment in the form of a club membership in recognition of his past service and contributions.
- (3) Mr Kenneth Ho Siew Keong stepped down as an Independent Director of the Company on 22 May 2024.

The remuneration of the Group's top 5 key executives for FY2024 is set out in Table 4.

Table 4	FEES	SALARY	BONUS	OTHER BENEFITS
	(%)	(%)	(%)	(%)
\$1,350,000 to \$1,500,000	-	39	58	3
1				
\$500,000 to \$749,999	-	62	35	3
1				
\$250,000 to \$499,999	-	77	19	4
3				

The Remuneration Committee and the Board are of the view that

- (i) A significant and appropriate proportion of the executive directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance, and that performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company;
- (ii) The remuneration of non-executive directors is appropriate to their respective levels of contribution, taking into account factors such as effort, time spent, and responsibilities; and
- (iii) The level of remuneration is appropriate to 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.

Remuneration Committee (continued)

Mr Adrian Lum Wen Hong, son of Mr David Lum Kok Seng (the Managing Director) and nephew of Mr Raymond Lum Kwan Sung (the Executive Chairman), and who is employed by the Company as Director, Property Development, has received remuneration between \$350,000 to \$400,000 during FY2024.

Save as aforementioned, there are no employee who are immediate family members of the Executive Chairman, the Managing Director or a substantial shareholder, and whose remuneration exceeds \$100,000 during FY2024.

For FY2024, the aggregate total remuneration paid to key management personnel, excluding the Board of Directors, was approximately \$3,281,000.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls (Principle 9)

Principle 9: 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 ensures that management maintains a sound system of risk management and internal controls in order to safeguard the interests of the Group and its stakeholders. The Audit and Risk Committee addresses this by putting in place an enterprise risk management framework to define the strategic objectives and determine the risk appetite, tolerance and risk mitigation measures to address potential impediments to achieving the Group's business strategies.

The Board, through its announcements of interim and full-year results, aims to provide shareholders with a balanced and understandable assessment of the Company's performance and prospects. To enable the directors to properly fulfil their duties, management also submits financial and business reports to the Board on a regular and timely basis, whether requested or not. Such reports compare actual performance against the budget and provide explanatory notes on material variances.

For FY2024, the Executive Directors of the Company, provided written representations to the Board that nothing has come to their attention which may render the half yearly interim financial statements to be false or misleading in any material aspect. Pursuant to Rule 705(5) of the Listing Manual, the Board provided a negative assurance confirmation on the Group's interim financial statements announcement.

In accordance with Provision 9.2 of the Code, for FY2024, the Audit and Risk Committee and Board has received assurance from:

- (a) the Managing Director and Finance Director that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (b) the Managing Director and other key management personnel regarding the adequacy and effectiveness of the Group's risk management and internal control systems.

Audit and Risk Committee (Principle 10)

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The Board has an Audit and Risk Committee that discharges its duties objectively. The main responsibilities of the Audit and Risk Committee are to assist the Board in discharging its statutory and other responsibilities relating to internal controls, financial and accounting matters, compliance, business and financial risk management, and other relevant legislative and regulatory requirements. The Audit and Risk Committee comprises five independent directors. It has explicit authority to investigate any matter within its terms of reference and full access to and the co-operation of management. It also has direct and independent access to the internal and external auditors.

ACCOUNTABILITY AND AUDIT (CONTINUED)

Audit and Risk Committee (Principle 10) (continued)

The Audit and Risk Committee is chaired by Mdm Constance Lee Sok Koon and its members are all independent directors. More than half of the members of the Audit and Risk Committee, including the Chairman of the Audit and Risk Committee, have recent and relevant experience in the financial or accounting fields. The Company believes in taking a holistic approach towards the constitution of its various Board committees and as such does not restrict membership in the Audit and Risk Committee only to directors who have financial and/or accounting experience. The Audit and Risk Committee meets on a regular basis to carry out its role of reviewing the financial reporting process, the systems of internal control, management of financial risks and the audit process.

The Audit and Risk Committee is tasked, under its terms of reference, to perform the following functions:

- (a) Independent review of financial statements and announcements;
- (b) Examination of the effectiveness of financial, operating, compliance and information technology controls;
- (c) Review and approval of audit plans of the external and internal auditors of the Company;
- (d) Review of the scope of internal audit reports as well as management's response to the findings;
- (e) Review of interested person transactions;
- (f) Review of the scope and results of the external audit, and the independence and objectivity of the external auditors;
- (g) Review of the nature and extent of non-audit services performed by external auditors; and
- (h) Review of procedures for detecting fraud and receive updates on whistle blowing reports.

The Audit and Risk Committee, having regard to the critical role it plays in business and financial risk management, ensures that each of its members take adequate measures to keep abreast of changes to accounting standards and issues which have a direct impact on the Group's financial statements.

The Audit and Risk Committee also makes a point of meeting the external auditors, PricewaterhouseCoopers LLP ("PwC"), and the internal auditor at least once annually without the presence of management, in accordance with Provision 10.5 of the Code.

Pursuant to Rule 1207(6)(b) and (6)(c) of the Listing Manual, the Audit and Risk Committee has reviewed the independence and objectivity of PwC (including the review of the non-audit services provided to the Group and the aggregate amount of audit fees paid to them), and is satisfied that (i) they have maintained their independence and (ii) the nature and extent of their non-audit services did not affect their objectivity. The Audit and Risk Committee has therefore recommended to the Board that PwC be nominated for re-appointment as auditors at the forthcoming AGM.

The Group has complied with Rule 712 and Rule 715 or Rule 716 of the Listing Manual in relation to the appointment of the external auditors. Pursuant to Rule 1207(6)(a), the fees paid and payable to the external auditors are set out in Note 6 on page 105 of this Annual Report.

The Audit and Risk Committee held four meetings in FY2024. During these meetings and in the course of FY2024, the Audit and Risk Committee carried out its functions set out above and in doing so reviewed the internal risk management function, whistle-blowing policy, interested person transactions and material contracts, amongst other activities.

The Audit and Risk Committee does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation. None of the Audit and Risk Committee members were previous partners or directors of the Company's existing auditors.

Internal Risk Management

The internal controls and systems of the Group have been designed to provide reasonable assurance that its assets are safeguarded, proper accounting records are maintained, and that financial information used within the business and for publication is reliable.

The Group has an independent internal audit function headed by an Internal Auditor (“Internal Audit”) who reports directly, with full and direct access at all times, to all members of the Audit and Risk Committee. The Audit and Risk Committee has the authority to approve the appointment, termination and remuneration of the internal auditor(s). The Internal Auditor is a member of the Singapore Chapter of the Institute of Internal Auditors (“IIA”) and is guided by the International Standards for the Professional Practice of Internal Auditing (the “IIA Standards”) laid down in the International Professional Practices Framework issued by the IIA. The Group identifies and provides training and development opportunities for its internal auditor(s) to ensure that their technical knowledge and skill set remains current and relevant. The functions of Internal Audit include the independent review and evaluation of the Group’s internal controls as well as financial, operational and compliance controls and risk management and as such has the necessary resources and standing required for full and unfettered access to all the Group’s documents, records, properties and personnel. Internal Audit independently performs regular audits of the Group’s individual business units and operations, which include overseas subsidiaries and associates.

The Audit and Risk Committee, together with Internal Audit, ensures the identification of undue business risk and the implementation of effective remedial action through the internal audit process. Internal Audit plans its internal audit schedules in consultation with, but independent of, management. The audit plan is submitted to the Audit and Risk Committee for approval prior to the commencement of the internal audit work. Regular reports on the effectiveness of the systems of internal control are prepared and presented to senior management and the Board.

The Audit and Risk Committee regards the systems of internal control and risk management as necessary components to safeguard the Shareholders’ investments and the Company’s assets. The Audit and Risk Committee reviews and assesses Internal Audit based on the Group’s adoption of the IIA Standards on a regular basis (but in any event not less than annually) and is satisfied with the adequacy and the overall effectiveness of Internal Audit as at 30 June 2024. Accordingly, the Audit and Risk Committee is satisfied that the internal audit function of the Group is independent, effective and adequately resourced for the financial year ended 30 June 2024.

The Audit and Risk Committee has the primary task of reviewing the risk controls implemented by the Group; and at suitable intervals, depending on developments in the business environment, conducts appropriate inquiry into the risks faced by the Group.

Internal Audit independently conducts audits that involve testing the material internal control systems in the Group. Any material non-compliance or lapses in internal controls together with corrective measures recommended by Internal Audit are reported to the Audit and Risk Committee. The Audit and Risk Committee also reviews the effectiveness of the measures taken by management in response to the recommendations made by Internal Audit. The system of internal control and risk management is continually refined by management, the Audit and Risk Committee and the Board.

The Group has reviewed its key risk factors, which include financial, operational, regulatory and strategic risks and formalised them in a risk register, together with practical business and internal controls to manage or mitigate them.

A risk management framework on the Group’s ongoing process in identifying, assessing and reporting risks was also formalised. Through Internal Audit under the supervision of the Audit and Risk Committee, the Board monitors the design and implementation of the risk management and internal control systems to be in line with the risk policies and risk tolerance levels of the Group. These initiatives enable key business risks to be assessed so as to better manage the exposure of the Group’s risks but at the same time allow the Group to leverage on growth and business opportunities as and when they arise.

The Group is committed to strengthening its risk management policies and procedures to keep abreast of the challenges and developments in the industry and will continue to identify, monitor, manage and mitigate the key risks.

ACCOUNTABILITY AND AUDIT (CONTINUED)

Audit and Risk Committee (Principle 10) (continued)

The ongoing process of identifying business risks and implementing suitable preventive or corrective measures continues to be carried out primarily by the Audit and Risk Committee together with Internal Audit, with overall oversight by the Board and with participation by various stakeholders within the Group in their respective specific areas. The system of internal controls is regularly assessed for its effectiveness and the results are presented to senior management and the Board.

The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group's assets and investments are safeguarded. The Board notes that no system of internal 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.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by the management, the Board, with the concurrence of the Audit and Risk Committee, is of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology controls, and risk management systems were effective and adequate as at 30 June 2024.

Whistle-Blowing Policy

The Company has in place whistle-blowing arrangements whereby employees may raise concerns about fraudulent activities, financial malpractices, conduct that would be considered as physically dangerous or harmful, unethical behaviour and harassment, sexual or otherwise. To ensure independent investigation of such matters and for appropriate follow-up action, whistle-blowing reports are sent to the independent directors who are the internal coordinators of the Whistle-Blowing Policy (the "Whistle-Blowing Coordinators"). The Whistle-Blowing Coordinators report to the Chairman of the Audit and Risk Committee. The Audit and Risk Committee is responsible for oversight and monitoring of the Whistle-Blowing Policy and whistle-blowing arrangements thereunder as a whole.

The Company accepts anonymous whistle-blowing reports where appropriate, but employees are encouraged to identify themselves in their reports in order to facilitate timely and effective investigations into their complaints. Where practicable, the Audit and Risk Committee and the Board ensure the identity of the whistleblower is kept confidential. The Whistle-Blowing Coordinators are required to treat all whistle-blowing reports in strictest confidence and act to investigate complaints promptly.

The Company has made it clear in the Whistle-Blowing Policy that any employee who makes a whistle-blowing report in good faith will not be dismissed, disciplined or otherwise unfavourably treated.

Interested Person Transactions

The Company has established procedures for reviewing, recording and reporting of interested person transactions to ensure they are carried out on an arm's length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its shareholders. There were no significant interested person transactions of \$100,000 or more in FY2024.

The Company does not have a general shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual.

Material Contracts

Other than disclosed elsewhere in this Annual Report, there were no other material contracts and loans entered into by the Company or any of its subsidiaries involving the interests of any director and/or the controlling shareholders and their associates, either still subsisting at the end of FY2024 or, if not subsisting, which were entered into during FY2024.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings (Principle 11)

Principle 11: 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.

Engagement with Shareholders (Principle 12)

Principle 12: 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 Company treats all its shareholders fairly and equitably in order to enable them to exercise shareholders' rights and accord them the opportunity to communicate their views on matters affecting the Group. The Company endeavours to give shareholders a balanced and understandable assessment of its performance, position and prospects.

The Company updates its shareholders primarily through SGXNET. Interim and full-year results are released within the prescribed periods and material and/or price-sensitive information are released promptly. This ensures that inadvertent disclosures of information made to selected groups of shareholders are promptly disseminated to all other shareholders. Annual Reports of the Company and the notices of general meetings are published on the Company's corporate website. Physical copies of the notices of general meetings are sent to shareholders but physical copies of the Annual Reports are only provided to shareholders upon request. In addition to the foregoing, the Company's website is an important source of information for shareholders and the investing community. Interim and full-year results announcements, news releases, annual reports and other key facts and figures about the Group are available on the investor relations section of the Company website in accordance with Provisions 12.1, 12.2 and 12.3 of the Code. A dedicated investor relations email address that serves as a mechanism for contacting the Company is maintained to enable the investing community to reach out to the Company.

General meetings provide an excellent opportunity for the shareholders to query the directors with regard to the Company and their recommendations. The Company values dialogue with its shareholders, and avails the respective chairs of the Audit and Risk, Nominating and Remuneration Committees, as well as the external auditors to address, or to assist the directors in addressing, any relevant queries by the shareholders during general meetings.

To accord shareholders their rights proportionate to their shareholdings in voting, the Company has implemented electronic voting by poll for each resolution tabled at general meetings. Voting by poll promotes greater transparency and effective participation as independent scrutineers are appointed to conduct the voting process by briefing the shareholders on the voting process, and to verify and tabulate votes after each resolution. Upon conclusion of general meetings, the voting results at the general meetings and the names of the independent scrutineers are announced via SGXNET.

The Company does not "bundle" resolutions at general meetings of shareholders unless the resolutions are interdependent and linked so as to form one significant proposal. The Company will explain the reasons and material implications in notices of meeting if ever such "bundling" becomes necessary or desired.

Minutes of general meetings are prepared and published on the Company's website. The Company's Constitution places no limit on the number of proxies for nominee companies so that shareholders who hold shares through nominees can attend general meetings as proxies.

Voting in absentia is allowed under the Company's Constitution but is not implemented due to concerns on the integrity of information transmitted through the available media and concerns over the authenticity of the identity of shareholders.

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders (Principle 13)

Principle 13: 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 identifies stakeholders that are impacted, or have the potential to be impacted by the Group's business and operations as well as those external organisations that have a material impact on the Group's business and operations. Accordingly, the Company engages its stakeholders through a variety of channels to ensure that the business interests of the Group are balanced against that of the stakeholders. More information on the Company's stakeholder engagement, including its engagement platforms and issues of concern may be found in the Company's Sustainability Report which will be made available on the Company's corporate website at the URL <https://lumchang.com.sg/sustainability/> and SGXNet at the URL <https://www.sgx.com/securities/company-announcements> by end October 2024.

The Board is committed to ensuring the Company's longevity and sustainability, including reviewing the Company's performance, policies and practices in relation to material environmental, social and governance ("ESG") topics including climate-related topics. The Board is assisted by its robust existing systems including audit, compliance, enterprise risk, financial, quality, environmental, health and safety, human resource, information technology, security and resilience, and operational management systems, along with the implementation of the Company's ESG framework across business units within the Group. In addition, the Board assesses opportunities and risks presented by material ESG and climate-related topics, and such assessment will be taken into consideration by the Board to determine the appropriate strategies, policies and practices that will provide the Company with the adaptability and flexibility to seize opportunities to deliver sustainable shared socio-economic value and progress to key stakeholders, while being well-supported by sound risk management. In determining the Company's risk appetite, the Board considers material ESG and climate-related topics that may affect reputational risk, ethical and moral considerations, human rights and have significant financial and non-financial implications. The Company releases an annual standalone Sustainability Report, prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option and also Task Force on Climate-Related Financial Disclosures (TCFD), and contains the components set out in Rule 711B of the Listing Manual of the SGX-ST that are applicable to the Company in respect of FY2024.

The Company maintains a corporate website (www.lumchang.com.sg) to engage its stakeholders.

DIVIDEND POLICY

The Company has not formally instituted a dividend policy. However it has a good track record of paying annual dividends to shareholders since its listing on the Singapore Exchange in 1984. When proposing any dividend payout and/or determining the form, frequency and/or the amount of such dividend payout, the Board will take into account, *inter alia*, the Group's financial position, business prospects, capital commitments, retained earnings, results of operations and cash flows, expected working capital requirements, expected capital expenditure, future expansion and investment plans and other funding requirements, general economic conditions, business risk assessments, economic cycles, changes in regulations or taxation and other internal or external factors that may have an impact on the business or financial performance and position of the Group.

DEALINGS IN SECURITIES

The Company has adopted an internal compliance code whereby directors and affected staff (collectively, "relevant persons") are prohibited from dealing in the Company's shares during "black-out" periods which are as prescribed under the Listing Manual; being a period of one (1) month before the announcement of its interim (i.e. half-year) financial results and one (1) month before the announcement of its full-year results. Relevant persons are also not allowed to deal in the Company's shares prior to the announcement of material price-sensitive information of which they are in possession.

Each year, the Company plans the release of the announcements of its interim and full-year results and sets out the "black-out" periods. The Company ensures that each of the relevant persons is informed of such "black-out" periods and each of the relevant persons is required to acknowledge and declare that he or she is fully aware of the same. The Company also specifically highlights in its policy that relevant persons should not deal in the Company's shares on short-term considerations even during the non "black-out" periods.

The Company provides regular updates to the directors and key management personnel on developments in insider trading regulations with particular focus on developments in local case law and changes in the regulatory framework, regularly highlighting the importance of safeguarding confidential information as well as the misuse of insider information.

ADDITIONAL INFORMATION ON RETIRING DIRECTORS SEEKING RE-ELECTION

Mdm Constance Lee Sok Koon, Mr Raymond Lum Kwan Sung and Mr Benedict Ho Kok Keong are the Retiring Directors seeking re-election at the forthcoming AGM.

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST is set out below:

<i>Name of Director</i>	Mdm Constance Lee Sok Koon	Mr Raymond Lum Kwan Sung	Mr Benedict Ho Kok Keong
<i>Date of Appointment</i>	27 August 2021	18 September 1982	4 September 2024
<i>Date of last re-appointment (if applicable)</i>	29 October 2021	28 October 2022	Not applicable
<i>Age</i>	71	78	56
<i>Country of principal residence</i>	Singapore	Singapore	Malaysia
<i>The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)</i>	<p>The Board of Directors of the Company has considered, <i>inter alia</i>, the recommendations of the Nominating Committee ("NC") and has reviewed and considered the qualification, work experience and suitability of Mdm Constance Lee for re-appointment as an Independent Director, and is considered independent of Management.</p> <p>The Board has reviewed and concluded that Mdm Constance Lee possesses the necessary and appropriate experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>	<p>The Board of Directors of the Company has considered, <i>inter alia</i>, the recommendations of the NC and has reviewed and considered the qualification, work experience and suitability of Mr Raymond Lum for re-appointment as the Executive Chairman and a member of the Nominating Committee of the Company.</p> <p>The Board has reviewed and concluded that Mr Raymond Lum possesses the necessary and appropriate experience, expertise, knowledge and skills to contribute towards the core competencies of the Board and the Nominating Committee.</p>	<p>The Board of Directors of the Company has considered, <i>inter alia</i>, the recommendations of the NC and has reviewed and considered the qualification, work experience and suitability of Mr Benedict Ho for re-appointment as an Independent Director, and is considered independent of Management.</p> <p>The Board has reviewed and concluded that Mr Benedict Ho possesses the necessary and appropriate experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>

Additional Information on Retiring Directors Seeking Re-Election (continued)

<i>Name of Director</i>	Mdm Constance Lee Sok Koon	Mr Raymond Lum Kwan Sung	Mr Benedict Ho Kok Keong
<i>Whether appointment is executive, and if so, the area of responsibility</i>	Non-executive.	Executive; provides overall leadership and strategic vision for the Group and together with Mr David Lum Kok Seng is responsible for the day-to-day management operations of the Group.	Non-executive.
<i>Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)</i>	Independent Director and Chairman of the Audit and Risk Committee.	Executive Chairman and a member of the Nominating Committee.	Independent Director
<i>Professional qualifications and working experience and occupation(s) during the past 10 years</i>	<p>Mdm Constance Lee graduated from the then University of Singapore with a Bachelor of Accountancy Second Class Honours.</p> <p>Mdm Constance Lee has, in the course of her 49-year career, accumulated a vast amount of professional and other corporate work experience in the functional areas of corporate finance, legal, tax, information technology and corporate communications.</p>	<p>Mr Raymond Lum holds a Bachelor of Science in Civil Engineering from the University of London, United Kingdom.</p> <p>Mr Raymond Lum has about 50 years of experience in the construction, construction-related and property development industries.</p>	<p>Mr Benedict Ho holds a Degree in Bachelor of Arts from the National University of Malaysia. He also attended executive management programs at the School of Economic and Management of Tsinghua University Beijing (China) and School of Business of Mochtar Riady, National University of Singapore.</p> <p>Mr Benedict Ho has, in the course of more than 30-year work experience, accumulated extensive experience across various public listed companies and the banking industry in Malaysia, specializing in business development, planning and operations, marketing and corporate communications.</p>
<i>Shareholding interest in the listed issuer and its subsidiaries</i>	Please refer to page 60 of the Directors' Statement in the Company's 2024 Annual Report.	Please refer to page 60 of the Directors' Statement in the Company's 2024 Annual Report.	Please refer to page 60 of the Directors' Statement in the Company's 2024 Annual Report.

Additional Information on Retiring Directors Seeking Re-Election (continued)

<i>Name of Director</i>	Mdm Constance Lee Sok Koon	Mr Raymond Lum Kwan Sung	Mr Benedict Ho Kok Keong
<i>Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries</i>	No	Mr Raymond Lum and Mr David Lum, the Managing Director of the Company, are siblings. Ms Emlyn Lum Wen Yan, who is deemed interested in Lum Chang shares held directly by Lum Chang Investments Pte Ltd and through its nominee accounts, is a daughter of Mr Raymond Lum.	No
<i>Conflict of interest (including any competing business)</i>	No	No	No
<i>Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer</i>	Yes	Yes	Yes
<i>Other Principal Commitments* Including Directorships# for the last 3 years</i> <small>* "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9).</small>	Please refer to pages 9 to 11 of the Present and Past Directorships section in the Company's 2024 Annual Report.	Please refer to pages 9 to 11 of the Present and Past Directorships section in the Company's 2024 Annual Report.	Please refer to pages 9 to 11 of the Present and Past Directorships section in the Company's 2024 Annual Report.
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
<i>(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?</i>	No	No	No

Additional Information on Retiring Directors Seeking Re-Election (continued)

<i>Name of Director</i>	Mdm Constance Lee Sok Koon	Mr Raymond Lum Kwan Sung	Mr Benedict Ho Kok Keong
<i>(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?</i>	No	No	No
<i>(c) Whether there is any unsatisfied judgment against him?</i>	No	No	No
<i>(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?</i>	No	No	No

Additional Information on Retiring Directors Seeking Re-Election (continued)

<i>Name of Director</i>	Mdm Constance Lee Sok Koon	Mr Raymond Lum Kwan Sung	Mr Benedict Ho Kok Keong
<i>(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?</i>	No	No	No
<i>(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?</i>	No	No	No

Additional Information on Retiring Directors Seeking Re-Election (continued)

<i>Name of Director</i>	Mdm Constance Lee Sok Koon	Mr Raymond Lum Kwan Sung	Mr Benedict Ho Kok Keong
<i>(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?</i>	No	No	No
<i>(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?</i>	No	No	No
<i>(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?</i>	No	No	No

Additional Information on Retiring Directors Seeking Re-Election (continued)

<i>Name of Director</i>	Mdm Constance Lee Sok Koon	Mr Raymond Lum Kwan Sung	Mr Benedict Ho Kok Keong
<p><i>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-</i></p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(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</p> <p>(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</p> <p>(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,</p> <p><i>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</i></p>	No	No	No

Additional Information on Retiring Directors Seeking Re-Election (continued)

<i>Name of Director</i>	Mdm Constance Lee Sok Koon	Mr Raymond Lum Kwan Sung	Mr Benedict Ho Kok Keong
<i>(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?</i>	No	No	No
Disclosure applicable to the appointment of Director only			
<p><i>Any prior experience as a director of an issuer listed on the Exchange?</i></p> <p><i>If yes, please provide details of prior experience.</i></p> <p><i>If no, 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.</i></p> <p><i>Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</i></p>	Not Applicable	Not Applicable	Not Applicable

GROUP FINANCIAL HIGHLIGHTS

	2024 \$'000	2023 \$'000	Increase/ (Decrease) %
For the Year:			
Revenue	500,418	393,421	27
Profit/(loss)			
Before income tax	12,509	(23,398)	153
After income tax	9,261	(27,610)	134
Attributable to equity holders of the Company	7,361	(28,662)	126
Profit/(loss) attributable to equity holders of the Company as a percentage of:			
Total revenue	1.47%	(7.29%)	
Average shareholders' equity	4.48%	(15.31%)	
At 30 June:			
Shareholders' equity	161,756	166,813	(3)
Total equity	165,933	170,547	(3)
Total assets	438,964	441,764	(1)
Per share:			
Profit/(loss) attributable to equity holders of the Company (Note 1)	1.96¢	(7.61¢)	126
Net asset value (Note 2)	\$0.43	\$0.44	(2)
Dividends paid & proposed (Note 3):			
Interim dividend	0.50¢	0.75¢	
Final dividend	1.00¢	1.00¢	

Notes:

- Earnings per share (basic) is computed based on the weighted average capital (excluding treasury shares) during the year.
- Net asset value per share is computed by dividing the shareholders' equity by the number of ordinary shares (excluding treasury shares) in issue at each year end.
- Please refer to Note 31 of the Notes to the Financial Statements for the treatment of the proposed dividend in the accounts.

FIVE-YEAR FINANCIAL SUMMARY

	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
Consolidated Income Statement					
Revenue	500,418	393,421	416,790	325,621	322,691
Profit/(loss) before income tax	12,509	(23,398)	(11,876)	11,053	(2,930)
Profit/(loss) after income tax	9,261	(27,610)	(11,382)	8,057	(6,107)
Profit/(loss) attributable to equity holders of the Company	7,361	(28,662)	(10,828)	2,973	(2,111)
Profit/(loss) attributable to non-controlling interests	1,900	1,052	(554)	5,084	(3,996)
Consolidated Balance Sheet					
Property, plant and equipment & investment properties	51,240	53,294	55,766	156,280	85,341
Investments in associated companies & joint ventures	20,244	23,466	27,539	30,554	38,265
Other assets	367,480	365,004	376,894	428,240	453,431
Total assets	438,964	441,764	460,199	615,074	577,037
Total borrowings	67,630	65,625	70,787	227,246	168,555
Other liabilities	205,401	205,592	179,707	129,782	138,060
Total liabilities	273,031	271,217	250,494	357,028	306,615
Net assets	165,933	170,547	209,705	258,046	270,422
Share capital	86,572	86,572	86,572	86,572	86,572
Treasury shares	(3,303)	(2,845)	(2,845)	(2,845)	(2,845)
Capital and other reserves	24,495	30,805	36,255	41,528	40,027
Retained profits	53,992	52,281	87,535	113,431	133,059
Shareholders' equity	161,756	166,813	207,517	238,686	256,813
Non-controlling interests	4,177	3,734	2,188	19,360	13,609
Total equity	165,933	170,547	209,705	258,046	270,422
Ratios					
Profit/(loss) attributable to equity holders of the Company as a percentage of:					
Total revenue	1.47%	(7.29%)	(2.60%)	0.91%	(0.65%)
Average shareholders' equity	4.48%	(15.31%)	(4.85%)	1.20%	(0.82%)
Per share:					
Earnings/(loss) attributable to the equity holders of the Company (Note 1)	1.96¢	(7.61¢)	(2.87¢)	0.79¢	(0.56¢)
Net asset value (Note 2)	\$0.43	\$0.44	\$0.55	\$0.63	\$0.68
Dividends paid & proposed (Note 3):					
Special dividend	-	-	2.25¢	4.25¢	-
Interim dividend	0.50¢	0.75¢	0.75¢	0.75¢	0.30¢
Final dividend	1.00¢	1.00¢	1.00¢	1.00¢	1.00¢

Notes: 1. Earnings per share (basic) is computed based on the weighted average capital (excluding treasury shares) during the year.
2. Net asset value per share is computed by dividing the shareholders' equity by the number of ordinary shares (excluding treasury shares) in issue at each year end.
3. Please refer to Note 31 of the Notes to the Financial Statements for the treatment of the proposed dividend in the accounts.

DIRECTORS' STATEMENT

for the Financial Year Ended 30 June 2024

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 30 June 2024 and the balance sheet of the Company as at 30 June 2024.

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 69 to 170 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 30 June 2024 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; 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.

DIRECTORS

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

Mr Raymond Lum Kwan Sung

Mr David Lum Kok Seng

Mr Kelvin Lum Wen Sum

Mr Adrian Lum Wen Hong (Alternate director to Mr David Lum Kok Seng)

Mr Peter Sim Swee Yam

Dr Willie Lee Leng Ghee

Mdm Constance Lee Sok Koon

Mr Clement Leow Wee Kia

Mr Benedict Ho Kok Keong (Appointed on 4 September 2024)

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 object was 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.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

- (a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee			Holdings in which a director is deemed to have an interest		
	At 21.7.2024	At 30.6.2024	At 1.7.2023	At 21.7.2024	At 30.6.2024	At 1.7.2023
The Company:						
Lum Chang Holdings Limited						
(Ordinary shares)						
Raymond Lum Kwan Sung	15,528,397	15,528,397	15,528,397	185,776,232	185,776,232	185,776,232
David Lum Kok Seng	10,938,436	10,938,436	10,938,436	209,770,612	209,770,612	209,770,612
Peter Sim Swee Yam	-	-	-	10,000	10,000	10,000
Adrian Lum Wen Hong	125,000	125,000	125,000	-	-	-
Constance Lee Sok Koon	8,000	8,000	8,000	-	-	-
Subsidiary of Lum Chang Holdings Limited:						
UK Property Investment Pte Ltd						
(Ordinary shares)						
Raymond Lum Kwan Sung	-	-	-	15	15	15
David Lum Kok Seng	-	-	-	15	15	15

- (b) By virtue of Section 7 of the Singapore Companies Act, Mr David Lum Kok Seng and Mr Raymond Lum Kwan Sung are deemed to have an interest in all the related corporations of the Company.

SHARE OPTIONS

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

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 subsidiaries.

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

AUDIT AND RISK COMMITTEE

The members of the Audit and Risk Committee at the end of the financial year were as follows:

Constance Lee Sok Koon, Chairman

Peter Sim Swee Yam

Dr Willie Lee Leng Ghee

Clement Leow Wee Kia

The Audit and Risk Committee carries out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 30 June 2024 before their submission to the Board of Directors, as well as the Independent Auditor's Report on the balance sheet of the Company and the consolidated financial statements of the Group.

The Audit and Risk Committee has recommended to the Board of Directors that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

INDEPENDENT AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Raymond Lum Kwan Sung
Director

David Lum Kok Seng
Director

17 September 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LUM CHANG HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Lum Chang Holdings Limited ("the Company") and its subsidiaries ("the Group") and the balance sheet 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)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 30 June 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated income statement of the Group for the financial year ended 30 June 2024;
- the consolidated statement of comprehensive income of the Group for the financial year then ended;
- the balance sheet of the Group as at 30 June 2024;
- the balance sheet of the Company as at 30 June 2024;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority 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.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

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 for the financial year ended 30 June 2024. 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.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Accounting for construction contracts</p> <p><i>Refer to Note 2.2(a) (Material accounting policy information relating to revenue recognition), Note 3(a) (Critical accounting estimates, assumptions and judgements), Note 4 (Revenue) to the financial statements.</i></p> <p>For the financial year ended 30 June 2024, revenue from construction contracts for civil and building works ("construction revenue") amounted to \$419.8 million.</p> <p>The Group recognised construction revenue over time by reference to the Group's progress towards completing the contract.</p> <p>Significant judgement is required to estimate the construction revenue, variation or claims, provision for liquidated damages and total construction costs that will affect the profit margins recognised from these construction contracts.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> (1) We obtained an understanding of the projects under construction through discussions with management and examination of project documentation (including contracts and correspondences with customers). (2) In relation to total contract revenue, we: <ol style="list-style-type: none"> a. traced, on a sample basis, total contract sums to contracts and variation orders entered into by the Group with its customers; b. assessed the adequacy of provision for liquidated damages to be net off against contract sums, where applicable; and c. assessed the reasonableness of the revenue recognised via discussion with the project teams and obtaining corroborating evidence such as correspondences with the customers.

Our Audit Approach (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Accounting for construction contracts (continued)</p>	<p>(3) In relation to total contract costs, we:</p> <ul style="list-style-type: none"> a. traced, on a sample basis, the actual costs incurred to supplier invoices, subcontractor progress billings and contracts, other supporting documents; and b. tested management’s estimates of costs to complete via the following: <ul style="list-style-type: none"> i. traced, on a sample basis, to quotations and contracts entered with suppliers and subcontractors. ii. reviewed the appropriateness of the estimated costs to completion for materials, labour and other construction work with reference to the progress of each project. iii. reviewed the adequacy of provision for foreseeable losses for contracts where total budgeted costs exceed total contract sum. iv. discussed with the relevant project teams regarding the progress of each project to assess the appropriateness of the estimated costs to completion for each project. <p>(4) In relation to the revenue recognised for projects in progress at the reporting date, we:</p> <ul style="list-style-type: none"> a. recomputed the measurement of progress based on the proportion of contract costs incurred-to-date to the estimated total contract costs; and b. recomputed the revenue for the current financial year based on the measurement of progress and traced to the accounting records. <p>We found no exceptions from performing the above procedures.</p> <p>We will also assess the appropriateness of the disclosures in the financial statements in relation to the sensitivity of changes in contract revenue and estimated costs to completion of uncompleted contracts to the Group’s construction revenue, gross profit, and profit before income tax.</p>

Other Information

Management is responsible for the other information. The other information comprises the Chairman's Statement, Corporate Governance, Group Financial Highlights, Five-Year Financial Summary and Directors' Statement but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

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)s, 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 have 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.
- 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 Group'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 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.
- 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.

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 Ms Tan Bee Nah.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 17 September 2024

CONSOLIDATED INCOME STATEMENT

for the Financial Year Ended 30 June 2024

	Note	Group	
		2024 \$'000	2023 \$'000
Revenue	4(a)	500,418	393,421
Cost of sales		(459,302)	(389,694)
Gross profit		41,116	3,727
Other income	5(a)	2,874	4,083
Other gains - net	5(b)	1,577	73
Expenses			
- Distribution and marketing		(182)	(392)
- Administrative and general		(26,449)	(25,253)
- Finance	8	(2,895)	(3,156)
Share of profits of associated companies	19	165	214
Share of losses of joint ventures		(3,697)	(2,694)
Profit/(loss) before income tax		12,509	(23,398)
Income tax expense	9(a)	(3,248)	(4,212)
Net profit/(loss)		9,261	(27,610)
Net profit/(loss) attributable to:			
Equity holders of the Company		7,361	(28,662)
Non-controlling interests		1,900	1,052
		9,261	(27,610)
Earnings/(loss) per ordinary share attributable to the equity holders of the Company (cents per share)	10		
- Basic		1.96	(7.61)
- Diluted		1.96	(7.61)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the Financial Year Ended 30 June 2024

	Note	Group	
		2024 \$'000	2023 \$'000
Net profit/(loss)		9,261	(27,610)
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Losses	28(e)	(533)	(3,885)
- Reclassification	28(e)	878	(107)
Share of other comprehensive income/(losses) of associated companies	19	68	(44)
		413	(4,036)
Items that will not be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- (Losses)/gains	28(e)	(11)	4
Financial assets, at fair value through other comprehensive income ("FVOCI")			
- Fair value losses	28(d)	(6,723)	(1,414)
		(6,734)	(1,410)
Other comprehensive loss for the year, net of tax		(6,321)	(5,446)
Total comprehensive income/(loss) for the year		2,940	(33,056)
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company		1,051	(34,112)
Non-controlling interests		1,889	1,056
		2,940	(33,056)

BALANCE SHEET - GROUP

As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	11	51,248	91,035
Trade and other receivables	12(a)	55,745	43,830
Contract assets	4(b)	90,612	62,327
Other financial assets	15	1,991	-
Tax recoverable	9(b)	-	1,593
Properties held for sale	13	-	325
Development properties	14	22,303	22,797
Other current assets	16(a)	10,529	7,567
		232,428	229,474
Non-current assets			
Trade and other receivables	12(b)	120,040	112,959
Club memberships	17	141	267
Other financial assets	15	13,104	19,827
Investments in joint ventures	18	14,027	17,069
Investments in associated companies	19	6,217	6,397
Investment properties	21	19,393	20,591
Property, plant and equipment	22	31,847	32,703
Deferred income tax assets	9(c)	1,043	1,817
Other non-current assets	16(b)	724	660
		206,536	212,290
Total assets		438,964	441,764
LIABILITIES			
Current liabilities			
Trade and other payables	25(a)	118,589	80,616
Contract liabilities	4(b)	13,018	30,550
Provision for other liabilities	25(b)	33,905	48,013
Current income tax liabilities	9(b)	1,558	972
Financial liability, at FVPL	25(c)	-	20,000
Borrowings	26	35,518	29,464
		202,588	209,615
Non-current liabilities			
Trade and other payables	25(a)	38,245	25,355
Borrowings	26	32,112	36,161
Deferred income tax liabilities	9(c)	86	86
		70,443	61,602
Total liabilities		273,031	271,217
NET ASSETS		165,933	170,547
EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital	27	86,572	86,572
Treasury shares	27	(3,303)	(2,845)
Capital and other reserves	28(a)	24,495	30,805
Retained profits	30(a)	53,992	52,281
		161,756	166,813
Non-controlling interests	29	4,177	3,734
Total equity		165,933	170,547

The accompanying notes form an integral part of these financial statements.

BALANCE SHEET - COMPANY

As at 30 June 2024

	Note	2024 \$'000	2023 \$'000 (Restated)
ASSETS			
Current assets			
Cash and cash equivalents	11	12,864	50,825
Trade and other receivables	12(a)	43,121	42,590
Other current assets	16(a)	132	69
		56,117	93,484
Non-current assets			
Trade and other receivables	12(b)	113,361	118,856
Club memberships	17	177	297
Investments in subsidiaries	20	27,300	35,828
Property, plant and equipment	22	1,956	1,977
Other non-current assets	16(b)	-	126
		142,794	157,084
Total assets		198,911	250,568
LIABILITIES			
Current liabilities			
Trade and other payables	25(a)	96,505	97,225
Financial liability, at FVPL	25(c)	-	20,000
Borrowings	26	6,333	25,495
		102,838	142,720
Non-current liabilities			
Borrowings	26	-	333
		-	333
Total liabilities		102,838	143,053
NET ASSETS		96,073	107,515
EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital	27	86,572	86,572
Treasury shares	27	(3,303)	(2,845)
Capital and other reserves	28(a)	3,182	3,182
Retained profits	30(b)	9,622	20,606
Total equity		96,073	107,515

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the Financial Year Ended 30 June 2024

← Attributable to equity holders of the Company →							
	Share capital	Treasury shares	Capital and other reserves	Retained profits	Total	Non- controlling interests	Total equity
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2024							
Balance as at 1 July 2023	86,572	(2,845)	30,805	52,281	166,813	3,734	170,547
Net profit	-	-	-	7,361	7,361	1,900	9,261
Other comprehensive loss	-	-	(6,310)	-	(6,310)	(11)	(6,321)
Total comprehensive (loss)/income	-	-	(6,310)	7,361	1,051	1,889	2,940
Purchase of treasury shares	-	(458)	-	-	(458)	-	(458)
Dividends paid	-	-	-	(5,650)	(5,650)	-	(5,650)
Dividends paid to non- controlling shareholders of subsidiaries	-	-	-	-	-	(1,446)	(1,446)
Total transactions with owners, recognised directly in equity	-	(458)	-	(5,650)	(6,108)	(1,446)	(7,554)
Balance as at 30 June 2024	86,572	(3,303)	24,495	53,992	161,756	4,177	165,933

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

for the Financial Year Ended 30 June 2024

		← Attributable to equity holders of the Company →						
		Share	Treasury	Capital	Retained	Total	Non-	Total
		capital	shares	and other	profits		controlling	equity
Note		\$'000	\$'000	\$'000	\$'000	\$'000	interests	\$'000
				reserves			\$'000	
2023								
	Balance as at 1 July 2022	86,572	(2,845)	36,255	87,535	207,517	2,188	209,705
	Net (loss)/profit	-	-	-	(28,662)	(28,662)	1,052	(27,610)
	Other comprehensive (loss)/income	-	-	(5,450)	-	(5,450)	4	(5,446)
	Total comprehensive (loss)/income	-	-	(5,450)	(28,662)	(34,112)	1,056	(33,056)
	Dividends paid	-	-	-	(6,592)	(6,592)	-	(6,592)
31	Capital contribution by a non- controlling shareholder of subsidiary	-	-	-	-	-	490	490
	Total transactions with owners, recognised directly in equity	-	-	-	(6,592)	(6,592)	490	(6,102)
	Balance as at 30 June 2023	86,572	(2,845)	30,805	52,281	166,813	3,734	170,547

CONSOLIDATED STATEMENT OF CASH FLOWS

for the Financial Year Ended 30 June 2024

	2024	2023
Note	\$'000	\$'000
Cash flows from operating activities		
Net profit/(loss)	9,261	(27,610)
Adjustments for:		
- Income tax expense	9(a) 3,248	4,212
- Share of losses of associated companies and joint ventures	3,532	2,480
- Allowance for impairment of non-trade receivables	-	55
- Amortisation of club memberships	6 21	23
- Depreciation of property, plant and equipment	6 5,624	6,116
- Dividend income from financial assets, at FVOCI	4(a) (863)	(903)
- Fair value losses/(gains) on investment properties	5(b) 29	(77)
- Fair value gain on financial liability, at FVPL	5(b) -	(547)
- Fair value gain on financial asset, at FVPL	15(a) (1,989)	-
- Impairment/(writeback) on club memberships	17 1	(2)
- Gain on disposal of property, plant and equipment - net	5(b) (135)	(172)
- Interest income	5(a) (1,431)	(1,557)
- Finance expense	8 2,895	3,156
- (Writeback of impairment)/impairment of property, plant and equipment	6 (125)	986
- Property, plant and equipment written off	6 57	46
- Gain on disposal of club memberships	5(b) (326)	-
Operating cash flows before working capital changes	19,799	(13,794)
Changes in working capital:		
- Trade and other receivables	(18,948)	(6,797)
- Contract assets	(28,285)	1,810
- Contract liabilities	(17,532)	24,221
- Other current assets	(3,026)	6,811
- Development properties/properties held for sale	701	12,528
- Trade and other payables and provision for other liabilities	37,755	2,480
Cash (used in)/generated from operations	(9,536)	27,259
Income tax paid	9(b) (304)	(1,739)
Net cash (used in)/provided by operating activities	(9,840)	25,520

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

for the Financial Year Ended 30 June 2024

	2024	2023
Note	\$'000	\$'000
Cash flows from investing activities		
Investment in a joint venture	(719)	-
Investment in an associated company	(23)	(26)
Dividends received from a joint venture	-	97
Dividends received from financial assets, at FVOCI	863	903
Interest income received	1,384	1,317
Proceeds from disposal of club memberships	430	-
Proceeds from disposal of property, plant and equipment	1,449	415
Proceeds from dissolution of a joint venture	-	235
Proceeds from disposal of financial assets, at amortised cost	-	4,000
Purchase of property, plant and equipment	(4,597)	(2,704)
Purchase of investment properties	-	(701)
	(1,213)	3,536
Cash flows from financing activities		
Cash and cash equivalents pledged	(11)	34
Dividends paid	(5,650)	(6,592)
Dividends paid to non-controlling shareholders of subsidiaries	(1,446)	-
Proceeds from issuance of shares to non-controlling interest by a subsidiary	-	490
Purchase of treasury shares	(458)	-
Bank facility fees	(25)	(32)
Interest paid	(2,852)	(3,127)
Proceeds from short term borrowings - net	26,267	-
Proceeds from bank and other loans	-	38,893
Repayment of bank and other loans	(22,436)	(43,339)
Repayment of lease liabilities and hire purchase loan	(2,018)	(2,040)
Repayment of financial liability, at FVPL	(20,000)	-
	(28,629)	(15,713)
Net change in cash and cash equivalents		
Cash and cash equivalents at beginning of financial year	90,480	78,675
Effect of changes in currency translation rates on cash and cash equivalents	(116)	(1,538)
Cash and cash equivalents at end of financial year	50,682	90,480

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

for the Financial Year Ended 30 June 2024

Reconciliation of liabilities arising from financing activities

	1 July 2023 \$'000	Proceeds from loans \$'000	Principal and interest payments \$'000	Proceeds from short term borrowings – net \$'000	Non-cash changes						30 June 2024 \$'000
					Modification of lease liability \$'000	Addition during the year \$'000	Fair value gain \$'000	Interest expense \$'000	Disposal of lease liability \$'000	Foreign exchange movement \$'000	
Borrowings											
Bank and other loans	61,266	-	(22,436)	26,267	-	-	-	20	-	(66)	65,051
Lease liabilities and hire purchase loan	4,359	-	(2,079)	-	220	503	-	61	(478)	(7)	2,579
Financial liability, at FVPL											
Financial liability, at FVPL	20,000	-	(20,026)	-	-	-	-	26	-	-	-
Trade and other payables											
Loan interest payable	16	-	(2,765)	-	-	-	-	2,763	-	-	14

	1 July 2022 \$'000	Proceeds from loans \$'000	Principal and interest payments \$'000	Proceeds from short term borrowings – net \$'000	Non-cash changes						30 June 2023 \$'000
					Modification of lease liability \$'000	Addition during the year \$'000	Fair value gain \$'000	Interest expense \$'000	Disposal of lease liability \$'000	Foreign exchange movement \$'000	
Borrowings											
Bank and other loans	66,602	38,893	(43,339)	-	-	-	-	19	-	(909)	61,266
Lease liabilities and hire purchase loan	4,185	-	(2,110)	-	1,272	1,091	-	70	-	(149)	4,359
Financial liability, at FVPL											
Financial liability, at FVPL	20,547	-	(444)	-	-	-	(547)	444	-	-	20,000
Trade and other payables											
Loan interest payable	37	-	(2,613)	-	-	-	-	2,592	-	-	16

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

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

1. GENERAL INFORMATION

Lum Chang Holdings Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 14 Kung Chong Road, #08-01 Lum Chang Building, Singapore 159150.

The principal activities of the Company are the holding of investments and provision of management services to the Group.

The principal activities of its subsidiaries during the financial year consist of construction, project management, property development for sale and property investment.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2023

On 1 July 2023, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group and the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in changes to the Group and the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Revenue recognition

(a) Construction contracts

The Group performs construction works for customers through fixed-price contracts. Contract revenue is recognised when the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the contract. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, there is no significant financing component present as the payment terms are an industry practice to protect the customer from the Group's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Estimates of revenue, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenue or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Contract modifications that add distinct goods or services at their standalone selling prices are accounted for as separate contracts. Contract modifications that add distinct goods or services but not at their standalone selling prices are accounted for as a continuation of the existing contract. The Group combines the remaining consideration in the original contract with the consideration promised in the modification to create a new transaction price that is then allocated to all remaining performance obligations. Contract modification that does not add distinct goods or services are accounted for as a continuation of the original contract and the change is recognised as a cumulative adjustment to revenue at the date of modification.

The customer is invoiced on a milestone payment schedule. If the value of the goods or services transferred by the Group exceed the payments (or amounts due), a contract asset is recognised. If the payments (or amounts due) exceed the value of the goods or services transferred, a contract liability is recognised.

For costs incurred in fulfilling the contract which are within the scope of another SFRS(I) (e.g. SFRS(I) 2 Inventories), these have been accounted in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will capitalise these as contract costs assets only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue over time. An impairment loss is recognised in the profit or loss to the extent that the carrying amount of capitalised contract costs exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Revenue recognition (continued)

(b) Development properties

Revenue and profits from development properties is recognised as disclosed in Note 2.6 "Development properties".

(c) Properties held for sale

Revenue from sale of completed properties is recognised at a point in time upon completion of the sales and purchase agreements, which essentially means that the completed properties have been delivered to the customers, the customers have accepted taking over the titles of the completed properties and collectability of the related receivables is reasonably assured.

(d) Rendering of services

Revenue from rendering of management and technical assistance fees are recognised over time when these services are rendered.

(e) Rental income

Rental income from operating leases (net of any incentives given to the lessees) on investment properties and property, plant and equipment is recognised on a straight-line basis over the lease term.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

(g) Interest income

Interest income is recognised using the effective interest method.

2.3 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are entities (including special purpose 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 on which that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between Group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 **Group accounting** (continued)

(a) Subsidiaries (continued)

(i) Consolidation (continued)

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to Note 2.7 for the accounting policy on goodwill on acquisition of subsidiaries.

(iii) Disposals of subsidiaries or businesses

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to Note 2.10 for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 **Group accounting** (continued)

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised in revenue reserve within equity attributable to the equity holders of the Company.

(c) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Investments in associated companies and joint ventures in the consolidated balance sheet include goodwill (net of accumulated impairment loss) identified on acquisition, where applicable. Goodwill represents the excess of the cost of acquisition of the associated company or joint venture over the Group's share of the fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

In applying the equity method of accounting, the Group's share of its associated companies' and joint ventures' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies or joint ventures are adjusted against the carrying amount of the investments. When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make or has made payments on behalf of the associated company or joint venture. If the associated company or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in an associate or joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 **Group accounting** (continued)

(c) Associated companies and joint ventures (continued)

(ii) Equity method of accounting (continued)

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the asset transferred. The accounting policies of associated companies or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associated companies or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated company or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to Note 2.10 for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

2.4 **Property, plant and equipment**

(a) Measurement

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses (Note 2.11).

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is 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. Cost also includes borrowing costs (refer to Note 2.8).

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 **Property, plant and equipment** (continued)

(b) Depreciation

Construction in progress is not depreciated. Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold land	2 to 6 years
Leasehold buildings	2 to 40 years
Plant and machinery	5 to 10 years
Furniture, office equipment and fittings	2 to 5 years
Motor vehicles	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already 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 of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within other gains – net.

2.5 **Properties held for sale**

Properties held for sale are those completed properties which are intended for sale in the ordinary course of business. They are stated at the lower of cost and net realisable value. Costs capitalised include cost of land and other directly related development expenditure incurred in developing the properties. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.6 Development properties

Development properties refer to properties developed for sale. Development properties that are unsold are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less cost to complete the development and selling expenses.

Revenue from sale of development properties is recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer at a point in time or over time.

For development properties where the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset, such as when the property is accepted by the customer, or deemed as accepted according to the contract, or when title has passed to the customer.

For development properties where the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the stage of completion of the properties.

The stage of completion is measured based on proportion of contract costs incurred-to-date over the total budgeted costs. Management has determined that this method provides a faithful depiction of the Group's performance in transferring control of the development properties to the customers.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. Payment is typically due within two weeks. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

For costs incurred in fulfilling the contract which are within the scope of another SFRS(I) (e.g. SFRS(I) 2 Inventories), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will capitalise these as contract costs assets only if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, the Group adjusts the promised amount of consideration for the effect of a financing component, if significant.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Intangible assets

Goodwill

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired.

Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, joint ventures and associated companies include the carrying amount of goodwill relating to the entity sold.

2.8 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to qualifying assets. This includes those costs on borrowings acquired specifically for the qualifying assets under construction, as well as those in relation to general borrowings used to finance the qualifying assets under construction.

The actual borrowing costs incurred during the period up to the completion of the qualifying assets are capitalised as part of the cost of qualifying assets. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to related expenditures that are financed by general borrowings, where applicable.

2.9 Investment properties

Investment properties of the Group include those land and buildings and portions of building that are held for long-term rental yields and/or for capital appreciation. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest and best use basis. Changes in fair values are recognised in profit or loss.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.10 **Investments in subsidiaries, joint ventures and associated companies**

Investments in subsidiaries, joint ventures and associated companies are carried at cost less accumulated impairment losses (Note 2.11) in the Company's balance sheet.

On disposal of such investments, the difference between the disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.11 **Impairment of non-financial assets**

(a) *Goodwill*

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired. Goodwill included in the carrying amount of an investment in associated company and joint venture is tested for impairment as part of the investment, rather than separately.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.11 Impairment of non-financial assets (continued)

(b) *Club memberships*

Property, plant and equipment

Investments in subsidiaries, associated companies and joint ventures

Club memberships, property, plant and equipment and investments in subsidiaries, associated companies and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) 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 impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.12 Financial guarantees

The Company has issued corporate guarantees to banks for borrowings of its subsidiaries and joint venture. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries or joint venture fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values (if material) plus transaction costs in the Company's balance sheet.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries' and the joint venture's borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's balance sheet.

Intra-group transactions are eliminated on consolidation.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.13 Club memberships

Club memberships are stated at cost less accumulated amortisation and accumulated impairment losses (Note 2.11). Amortisation is calculated on a straight-line basis to write off the cost of club memberships over their expected useful lives of between 10 to 86 years.

2.14 Financial assets

(a) *Classification and measurement*

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables and deposits.

There are two subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset.

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging instrument is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.14 **Financial assets** (continued)

(a) *Classification and measurement* (continued)

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income are recognised in profit or loss in the period in which it arises and presented in other gains - net.

(ii) Equity investments

The Group subsequently measures all its equity investments at fair values. The Group's equity securities are not held for trading. The Group has elected to recognise changes in its fair value of equity securities in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) *Impairment*

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, retention sum receivables and contract assets, the Group applied the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables, dividend receivables, lease receivables, interest receivables, advances to joint venture, associated company and subsidiaries and cash and cash equivalents and deposits, the general 3-stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.14 **Financial assets** (continued)

(c) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that assets is reclassified to profit or loss.

The Group has elected to recognise changes in its fair value of equity investments in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Accordingly, on disposal of its equity instruments, any differences between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.15 **Fair value estimation of financial assets and liabilities**

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions that are existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques such as estimated discounted cash flows analysis, are also used to determine the fair values of the financial instruments.

The fair values of current financial assets and liabilities carried at amortised costs approximate their carrying amounts.

2.16 **Borrowings**

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

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.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.17 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.18 Leases

- (i) When the Group and the Company are the lessees:

At the inception of the contract, the Group and the Company assessed 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.

- *Right-of-use*

The Group and the Company recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive 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.

These right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

Right-of-use asset which meets the definition of an investment property is presented within "Investment properties" and accounted for in accordance with Note 2.9.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.18 Leases (continued)

(i) When the Group and the Company are the lessees: (continued)

- *Lease liabilities*

The initial measurement of lease liability 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 and the Company shall use its incremental borrowing rate.

Lease payments include 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;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising that option.

For a contract that contains both lease and non-lease components, the Group has elected to not separate lease and non-lease components for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be 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 and the Company's assessment of whether it will exercise an extension option; or
- There are modifications in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- *Short-term and low value leases*

The Group and the Company 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, 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.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.18 Leases (continued)

- (i) When the Group and the Company are the lessees: (continued)

- *Variable lease payments*

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group and the Company shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

- (ii) When the Group is the lessor:

Lessor – Operating leases

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

Lessor - Subleases

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "Trade and other receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the balance sheet, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognises lease income from sublease in profit or loss within "Other income". The right-of-use asset relating to the head lease is not derecognised.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.19 **Income taxes**

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.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss for the period, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the profit or loss as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.21 Employee compensation

Employee benefits are recognised as employee compensation expense, unless the cost qualifies to be capitalised as an asset.

(a) *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.

(b) *Employee leave entitlement*

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

2.22 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the Company's functional and presentation currency.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.22 **Currency translation** (continued)

(b) *Transactions 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 translation 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 balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from 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.

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.

(c) *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 foreign currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

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.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.23 Segment reporting

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

2.24 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value. 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.

2.25 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 an entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable incremental 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 share capital account of the Company.

2.26 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.27 **Government grants**

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivables 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 as other income.

2.28 **Financial liability designated at fair value through profit or loss ("FVPL")**

At initial recognition, the Group measures financial liability at FVPL at its fair value. All transaction costs related to the financial liability designated as fair value through profit or loss are expensed as incurred. Movement in fair values and interest expense are recognised in profit or loss in the period in which it arose and presented in "Other gains - net" and "Finance expenses" respectively.

Financial liability designated at FVPL is a current liability unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case it is presented as non-current liability.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) *Construction contracts*

The Group has significant ongoing construction contracts for civil and building works carried out by a subsidiary and the revenue recognised for the financial year ended 30 June 2024 amounted to \$419,787,000 (2023: \$326,100,000).

For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the civil and building works. The measure of progress is determined based on the proportion of construction costs incurred to date to the estimated total construction costs ("input method"). Management has to estimate the total contract sum and total construction costs to complete, which are used in the input method to determine the Group's recognition of construction revenue. When it is probable that the total construction costs will exceed the total construction revenue, a provision for onerous contracts is recognised immediately.

Customers have a right to claim for liquidated damages under the contractual terms of the contracts if contractual obligations, including completion of the project by a specific date, are not fulfilled. Management re-evaluates the probability of liquidated damages claims from customers by considering whether there are or maybe significant delays in the progress of the projects. The determination of the probability of claims are based on the circumstances and relevant events that were known to management at the date of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(a) *Construction contracts (continued)*

Significant assumptions and judgements are required to estimate the total construction revenue, variation or claims, provision for liquidated damages, total construction costs that will affect the profit margins recognised from the construction contracts. In making these estimates and judgements, management evaluates and places reliance on past experience, contractual obligations, estimates from quantity surveyors and value of work performed as determined by the architects. These estimates are also made with due consideration of the circumstances and relevant events that were known to management at the date of these financial statements. Construction projects are complex and involves uncertainties that may not be apparent to management at the balance sheet date.

If the contract sum relating to projects in progress at balance sheet date had decreased by 1% (with total contract cost remaining unchanged) from management estimates, the Group's profit before income tax would have been lower by approximately \$15,692,000.

If the estimated costs to complete relating to projects in progress at balance sheet date had increased by 1% from management estimates, the Group's profit before income tax would have been lower by approximately \$6,073,000.

(b) *Valuation of investment properties*

Investment properties (Note 21) are stated at fair value based on independent valuation by external valuers. The fair values are based on highest and best use basis. The external valuers have used the direct market comparison method to derive the fair value of investment properties (Note 21). The fair value of investment properties as at 30 June 2024 amounts to approximately \$19,393,000 (2023: \$20,591,000).

Please refer to Note 21(d) for further disclosure on the significant inputs used in the fair valuation of these properties.

(c) *Fair value of financial assets, at FVOCI*

As at 30 June 2024, the Group has financial assets, at FVOCI amounting to \$13,104,000 (2023: \$19,827,000). These financial assets, at FVOCI relate to investments in unlisted equity instruments, with details set out in Note 15(b). The fair values of these investments have been measured based on the valuation techniques described in Note 34(e). If the adjustment for lack of marketability of the unlisted shares were to increase or decrease by 5%, the net assets of the Group will decrease or increase by \$838,000.

4. REVENUE

(a) Disaggregation of revenue

	Group		
	At a point in time	Over time	Total
	\$'000	\$'000	\$'000
2024			
Revenue from construction contracts	-	476,709	476,709
Revenue from sale of properties	401	20,868	21,269
Management and technical assistance fees	-	390	390
Total revenue from contracts with customers	401	497,967	498,368
Rental income			1,187
Dividend income from financial assets, at FVOCI			863
Total revenue			500,418

	Group		
	At a point in time	Over time	Total
	\$'000	\$'000	\$'000
2023			
Revenue from construction contracts	-	365,243	365,243
Revenue from sale of properties	19,562	5,565	25,127
Management and technical assistance fees	-	397	397
Project advisory and management fees	-	161	161
Total revenue from contracts with customers	19,562	371,366	390,928
Rental income			1,590
Dividend income from financial assets, at FVOCI			903
Total revenue			393,421

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

4. REVENUE (CONTINUED)

(b) Contract assets and liabilities

	30 June 2024 \$'000	Group 30 June 2023 \$'000	1 July 2022 \$'000
Contract assets			
- Construction contracts	83,164	60,661	46,171
- Development properties	7,448	1,666	17,965
	90,612	62,327	64,136
Contract liabilities			
- Construction contracts	13,018	30,550	6,330

Contract assets and contract liabilities relate to fixed price contracts for construction contracts and development properties. The contract assets balance in relation to construction contracts and development properties have increased as the Group provided more goods and services ahead of the agreed payment schedules.

Contract liabilities for construction contracts have decreased due to lesser contracts in which the Group has received consideration (or the amounts are due) ahead of the provision of goods and services.

(i) Revenue recognised in relation to contract liabilities

	Group 2024 \$'000	2023 \$'000
Revenue recognised in current period that was included in the contract liabilities balance at the beginning of the period		
- Construction contracts	30,550	6,330
Revenue recognised in current period from performance obligations satisfied in previous periods		
- Construction contracts	8,487	538

4. REVENUE (CONTINUED)

(b) Contract assets and liabilities (continued)

(ii) Unsatisfied performance obligations

	Group	
	2024 \$'000	2023 \$'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 30 June		
- Construction contracts	1,026,160	1,290,797

Management expects that the transaction price allocated to unsatisfied performance obligations as at 30 June 2024 and 2023 may be recognised as revenue in the next reporting periods as the Group continues to perform to complete the contracts over the next one to five years (2023: one to five years).

The amount disclosed above does not include variable consideration which is subject to significant risk of reversal. As permitted under SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of period one year or less, or are billed based on time incurred, is not disclosed.

(c) Trade receivables and retention sum receivables from contracts with customers

	Group		
	30 June 2024 \$'000	30 June 2023 \$'000	1 July 2022 \$'000
Current assets			
Trade receivables	45,639	28,468	34,472
Less: Loss allowances	(185)	(170)	(139)
	45,454	28,298	34,333
Retention sum receivables	9,549	10,557	9,007
	55,003	38,855	43,340
Non-current assets			
Retention sum receivables	43,560	36,359	26,684
	98,563	75,214	70,024

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

5(a). OTHER INCOME

	Group	
	2024	2023
	\$'000	\$'000
Interest income		
- Bank deposits	913	1,333
- Others	518	224
	1,431	1,557
Government grants		
- Construction Engineering Capability Development Programme	221	770
- Others	184	738
	405	1,508
Maintenance fees from development properties	716	690
Other service income	48	71
Others	274	257
	2,874	4,083

The Construction Engineering Capability Development Programme ("CED Programme") is an incentive from the Building and Construction Authority ("BCA") for main contractors taking on complex construction projects. The scheme provides financial incentives for manpower development, engineering capability development and construction financing.

5(b). OTHER GAINS - NET

	Group	
	2024	2023
	\$'000	\$'000
Currency translation gains/(losses) - net	34	(775)
Currency translation (losses)/gains - reclassification from Other Comprehensive Income	(878)	107
Fair value (losses)/gains on investment properties (Note 21)	(29)	77
Fair value gain on financial liability, at FVPL [Note 25(c)]	-	547
Fair value gain on financial asset, at FVPL [Note 15(a)]	1,989	-
Gain on disposal of property, plant and equipment - net	135	172
Gain on disposal of club memberships	326	-
Others	-	(55)
	1,577	73

6. EXPENSES BY NATURE

	Group	
	2024	2023
	\$'000	\$'000
Subcontractor and other construction costs	413,061	345,454
Depreciation of property, plant and equipment (Note 22)	5,624	6,116
Employee compensation (Note 7)	61,447	56,175
Directors' fees	435	357
Auditors' fees:		
Fees on audit services paid/payable to:		
- Auditor of the Company	463	421
- Other auditors - network firms	34	35
Fees on non-audit services paid/payable to:		
- Auditor of the Company	47	52
- Other auditors - network firms	6	14
Legal and professional fees	291	412
Rental expenses	146	105
Amortisation of club memberships (Note 17)	21	23
(Writeback of impairment)/Impairment of property, plant and equipment (Note 22)	(125)	986
Property, plant and equipment written off	57	46
Others	4,426	5,143
Total cost of sales, distribution and marketing, and administrative and general expenses	485,933	415,339

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

7. EMPLOYEE COMPENSATION

	Group	
	2024	2023
	\$'000	\$'000
Wages and salaries	57,282	52,224
Employer's contribution to defined contribution plans including Central Provident Fund	3,432	3,336
Other benefits	733	615
Staff costs recognised in profit or loss (Note 6)	61,447	56,175

Key management remuneration is disclosed in Note 35(b).

8. FINANCE EXPENSES

	Group	
	2024	2023
	\$'000	\$'000
Interest expense:		
- Bank and other borrowings	2,763	2,577
- Lease liabilities	53	57
- Hire purchase loan	8	13
- Financial liability, at FVPL	26	444
- Others	20	33
	2,870	3,124
Bank facility fees	25	32
Finance expenses recognised in profit or loss	2,895	3,156

9. INCOME TAXES

(a) Income tax expense

	Group	
	2024	2023
	\$'000	\$'000
Tax expense attributable to profit/(loss) is made up of:		
Current income tax		
- Singapore	1,140	964
- Foreign	1,369	219
	2,509	1,183
Deferred income tax	769	4,333
	3,278	5,516
Over provision in prior financial years		
- Current income tax	(30)	(1,304)
	3,248	4,212

The tax on the Group's profit/(loss) before tax differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	Group	
	2024	2023
	\$'000	\$'000
Profit/(loss) before income tax	12,509	(23,398)
Share of losses of associated companies and joint ventures	3,532	2,480
	16,041	(20,918)
Tax calculated at tax rate of 17% (2023: 17%)	2,727	(3,556)
Effects of:		
- Statutory stepped income exemption	(42)	(40)
- Different tax rates in other countries	383	70
- Tax incentives	(92)	(125)
- Income not subject to tax	(645)	(300)
- Expenses not deductible for tax purposes	2,306	2,450
- Recognition of previously unrecognised deferred tax assets	(1,668)	(677)
- Deferred tax assets not recognised	321	8,664
- Others	(12)	(970)
- Over provision of tax	(30)	(1,304)
	3,248	4,212

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

9. INCOME TAXES (CONTINUED)

(b) Movement in current income tax liabilities, net of tax recoverable

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Beginning of financial year	(621)	1,233	-	160
Currency translation differences	4	6	-	-
Income tax paid	(304)	(1,739)	(5)	(179)
Tax expense	2,509	1,183	-	19
(Over)/under provision in prior financial years	(30)	(1,304)	5	-
End of financial year	1,558	(621)	-	-
Representing:				
Current income tax liabilities	1,558	972	-	-
Tax recoverable	-	(1,593)	-	-
	1,558	(621)	-	-

(c) Deferred income taxes

The movement in deferred income tax (assets)/liabilities account is as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Beginning of financial year	(1,731)	(6,168)	-	-
Currency translation differences	5	104	-	-
Charged to profit or loss	769	4,333	-	-
End of financial year	(957)	(1,731)	-	-

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.

9. INCOME TAXES (CONTINUED)

(c) **Deferred income taxes** (continued)

The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Deferred tax assets	(1,043)	(1,817)	-	-
Deferred tax liabilities	86	86	-	-
Net deferred tax assets	(957)	(1,731)	-	-

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

Deferred income tax liabilities

	Accelerated tax depreciation \$'000	Lease assets \$'000	Profit on sales of development properties \$'000	Total \$'000
Group				
30 June 2024				
Beginning of financial year	544	428	-	972
Credited to profit or loss	(430)	(332)	-	(762)
End of financial year	114	96	-	210
30 June 2023				
Beginning of financial year	1,320	605	2,917	4,842
Credited to profit or loss	(776)	(177)	(2,917)	(3,870)
End of financial year	544	428	-	972

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

9. INCOME TAXES (CONTINUED)

(c) Deferred income taxes (continued)

Deferred income tax assets

	Expenditure on sale of development properties \$'000	Tax losses \$'000	Provisions \$'000	Lease liabilities \$'000	Total \$'000
Group					
30 June 2024					
Beginning of financial year	(967)	-	(1,240)	(496)	(2,703)
Currency translation differences	5	-	-	-	5
Charged to profit or loss	54	-	1,078	399	1,531
End of financial year	(908)	-	(162)	(97)	(1,167)
30 June 2023					
Beginning of financial year	(1,438)	(3,138)	(5,868)	(566)	(11,010)
Currency translation differences	98	-	6	-	104
Charged to profit or loss	373	3,138	4,622	70	8,203
End of financial year	(967)	-	(1,240)	(496)	(2,703)

Deferred income tax assets are recognised for temporary differences to the extent that realisation of the related income tax benefits through future taxable profits is probable.

Deferred income tax assets have not been recognised on the following temporary differences:

	Group	
	2024 \$'000	2023 \$'000
Unutilised tax losses	17,514	15,633
Unabsorbed capital allowances	116	116
Provisions	31,494	41,280
	49,124	57,029

The unrecognised unutilised tax losses and unabsorbed capital allowances of the companies within the Group can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies in their respective countries of incorporation. These unrecognised tax losses do not have any expiry dates, except for tax losses amounting to approximately \$1,578,000 (2023: \$1,587,000) which will expire between 2027 and 2031. The unabsorbed capital allowances have no expiry dates.

10. EARNINGS/(LOSS) PER SHARE

	Group	
	2024	2023
Net profit/(loss) attributable to equity holders of the Company (\$'000)	7,361	(28,662)
Weighted average number of ordinary shares in issue for basic earnings per share ('000) for diluted earnings per share ('000)	376,445	376,688
Profit/(loss) per share (in cents per share)		
- Basic	1.96	(7.61)
- Diluted	1.96	(7.61)

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

For the purpose of calculating diluted profit/(loss) per share, the net profit/(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. There are no potential dilutive ordinary shares during the financial years ended 30 June 2024 and 30 June 2023.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

11. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash at bank and on hand	39,562	32,572	5,402	42,699
Short-term bank deposits	11,686	58,463	7,462	8,126
	51,248	91,035	12,864	50,825

Included in cash and cash equivalents of the Group is an amount of approximately \$4,240,000 (2023: \$1,093,000) held under the Malaysia Housing Developers (Control and Licensing) Act 1966 and an amount of approximately \$NIL (2023: \$151,000) held under the Singapore Housing Developers (Project Account) Rules (1997 Ed.), withdrawals from which are restricted to payments for expenditure incurred on the project.

As at 30 June 2024, short-term bank deposits of \$566,000 (2023: \$555,000) were pledged as security for bank facilities.

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

	Group	
	2024 \$'000	2023 \$'000
Cash and bank balances (as above)	51,248	91,035
Less: Cash and cash equivalents pledged	(566)	(555)
Cash and cash equivalents per consolidated statement of cash flows	50,682	90,480

12. TRADE AND OTHER RECEIVABLES

(a) Current

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
				(Restated)
Trade receivables				
- Non-related parties	45,640	28,503	-	-
Less: Loss allowance	(185)	(170)	-	-
Trade receivables - net	45,455	28,333	-	-
<u>Construction contracts</u>				
Retention sum receivables				
- Non-related parties	9,549	10,557	-	-
Advances to subsidiaries (i)	-	-	43,101	42,238
Unbilled revenue for development properties				
- related party*	-	3,355	-	-
Interest receivable	241	193	1	127
Lease receivables (Note 24)	144	388	-	-
Other receivables	356	1,004	19	225
Advances to a joint venture (ii)	799	803	-	-
Less: Allowance for impairment	(799)	(803)	-	-
	-	-	-	-
	55,745	43,830	43,121	42,590

* Related party refers to a director who is also a controlling shareholder of the Company.

(i) The advances to subsidiaries are unsecured, repayable on demand and interest-free.

Included in the advances to subsidiaries is an amount of \$7,855,000 (2023: \$7,855,000) that has been subordinated to a bank loan of a subsidiary.

(ii) The advances to a joint venture are unsecured. An advance amounting to \$596,000 (2023: \$599,000) bears interest at 8% (2023: 8%) per annum and is repayable on demand. The remaining advance of \$203,000 (2023: \$204,000) is interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Non-current

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
				(Restated)
<u>Construction contracts</u>				
Retention sum receivables				
- Non-related parties	43,560	36,359	-	-
Advances to a joint venture (i)	76,350	76,350	-	-
Lease receivables (Note 24)	-	144	-	-
Advances to subsidiaries (ii)	-	-	122,337	129,442
Less: Loss allowance	-	-	(8,976)	(10,586)
	-	-	113,361	118,856
Advances to an associated company (iii)	130	106	-	-
	120,040	112,959	113,361	118,856

(i) The advances to a joint venture of \$76,350,000 (2023: \$76,350,000) are unsecured, interest-free and have no fixed terms of repayment and forms part of the Group's investment in the joint venture. Settlement of these advances are neither planned nor likely to occur in the foreseeable future.

(ii) The advances to subsidiaries amounting to \$122,337,000 (2023: \$129,442,000) are unsecured, interest-free and have no fixed terms of repayment and form part of the Company's investments in subsidiaries. Settlement of these advances is neither planned nor likely to occur in the foreseeable future.

(iii) The advances to an associated company amounting to \$130,000 (2023: \$106,000) are unsecured, interest-free and have no fixed terms of repayment. Settlement of these advances is neither planned nor likely to occur in the foreseeable future.

(c) The fair values of the retention sum receivables and lease receivables of the Group approximate their carrying amounts as at the balance sheet date.

13. PROPERTIES HELD FOR SALE

	Group	
	2024	2023
	\$'000	\$'000
Properties held for sale – at cost	-	325

Details of the property completed and held for sale as of 30 June 2023 are as follows:

Location	Description of development	Tenure/Group's interest in property	Site area sq.m.	Estimated gross floor area sq.m.
30 June 2023				
A semi-detached house located at Cheras, Daerah Hulu Langat, State of Selangor, Malaysia	Residential development	Freehold/100%	445	386

14. DEVELOPMENT PROPERTIES

	Group	
	2024	2023
	\$'000	\$'000
Properties under construction	22,303	22,797

Details of the development properties as of 30 June 2024 and 30 June 2023 are as follows:

Location	Description of development	Tenure/Group's interest in property	Site area sq.m.	Stage of completion/ Expected year of completion
30 June 2024				
2 parcels of land at Lot No. 990 and 1308 Mukim Cheras, Daerah Hulu Langat, State of Selangor, Malaysia	Residential development	Freehold/100%	61,252	43%/2028
30 June 2023				
2 parcels of land at Lot No. 990 and 1308 Mukim Cheras, Daerah Hulu Langat, State of Selangor, Malaysia	Residential development	Freehold/100%	76,147	25%/2026

The development properties amounting to \$21,853,000 (2023: \$22,244,000) are pledged to banks as securities for borrowings of the Group (Note 26).

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

15. OTHER FINANCIAL ASSETS

	Group	
	2024 \$'000	2023 \$'000
Current		
Financial asset, at FVPL	1,991	-
Non-current		
Financial assets, at FVOCI	13,104	19,827

(a) Financial asset, at FVPL

	Group	
	2024 \$'000	2023 \$'000
Current		
Beginning of financial year	-	-
Fair value gain [Note 5(b)]	1,989	-
Currency translation differences	2	-
End of financial year	1,991	-

	Group	
	2024 \$'000	2023 \$'000
Current		
Unlisted debt instrument		
- Convertible loan	1,991	-

The instruments are all mandatorily measured at fair value through profit or loss.

During the financial year ended 30 June 2024, the Group entered into an agreement with a third party to sell the unlisted debt instrument for a cash consideration of \$2,872,000. A deposit amounting to \$1,438,000 was received upon the signing of the agreement and was included in 'Deposits received' in Trade and other payables [Note 25(a)]. The financial asset, at FVPL will be derecognised upon full settlement of the consideration.

15. OTHER FINANCIAL ASSETS (CONTINUED)

(b) **Financial assets, at FVOCI**

	Group	
	2024	2023
	\$'000	\$'000
Beginning of financial year	19,827	21,241
Fair value losses [Note 28(d)]	(6,723)	(1,414)
End of financial year	13,104	19,827
<u>Unlisted equity investments</u>		
At fair value		
- Singapore*	12,477	18,790
- British Virgin Islands	627	1,037
	13,104	19,827

* Mainly relates to investment in a Singapore incorporated entity which holds an investment in a China entity listed on the Shanghai Stock Exchange.

16. OTHER ASSETS

(a) **Current**

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Deposits	2,187	1,737	132	39
Advances to subcontractors	7,944	5,578	-	-
Prepayments	398	252	-	30
	10,529	7,567	132	69

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

16. OTHER ASSETS (CONTINUED)

(b) Non-current

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Deposits	271	257	-	126
Prepayments	453	403	-	-
	724	660	-	126

17. CLUB MEMBERSHIPS

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cost				
Beginning of financial year	1,100	1,100	868	868
Disposals	(422)	-	(422)	-
End of financial year	678	1,100	446	868
Accumulated amortisation				
Beginning of financial year	744	721	567	551
Amortisation charge	21	23	15	16
Disposals	(318)	-	(318)	-
End of financial year	447	744	264	567
Accumulated impairment				
Beginning of financial year	89	91	4	6
Impairment/(writeback of impairment)	1	(2)	1	(2)
End of financial year	90	89	5	4
Net book value	141	267	177	297

18. INVESTMENTS IN JOINT VENTURES

Set out below are the joint ventures of the Group as at 30 June 2024, which, in the opinion of the directors, are material to the Group. The joint ventures as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group; the country of incorporation is also their principal place of business.

Name	Principal activities	Place of incorporation and business	Effective equity interest held by Group	
			2024	2023
			%	%
Held by subsidiaries				
Dorado Holdings Pte Ltd and its subsidiaries ("Dorado Group")	Property investment	Singapore	50	50
Lum Chang Tien Wah Property Sdn Bhd	Property development	Malaysia	50	50

The Group has \$17,405,850 (2023: \$18,225,900) of commitments to provide funding if called, relating to a joint venture. There are no contingent liabilities relating to the Group's interest in the joint venture.

Summarised financial information for joint ventures

Set out below is the summarised financial information for Dorado Group and Lum Chang Tien Wah Property Sdn Bhd.

Summarised balance sheet

	Dorado Group \$'000	Lum Chang Tien Wah Property Sdn Bhd \$'000
As at 30 June 2024		
Current assets	15,259	596
Includes:		
- Cash and cash equivalents	13,601	386
Current liabilities	(4,995)	(79)
Includes:		
- Financial liabilities (excluding trade and other payables and provisions)	-	(1)
Non-current assets	411,652	23,388
Non-current liabilities	(417,865)	(1)
Net assets	4,051	23,904

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

18. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised balance sheet (continued)

	Dorado Group \$'000	Lum Chang Tien Wah Property Sdn Bhd \$'000
As at 30 June 2023		
Current assets	18,114	455
Includes:		
- Cash and cash equivalents	15,869	211
Current liabilities	(260,183)	(56)
Includes:		
- Financial liabilities (excluding trade and other payables and provisions)	(254,863)*	(4)
Non-current assets	416,779	22,150
Non-current liabilities	(163,503)	(4)
Net assets	11,207	22,545

* The financial liabilities related mainly to bank loans that was due for repayment within the next financial year. The joint venture company had refinanced the bank loans in September 2023.

Summarised statement of comprehensive income

	Dorado Group \$'000	Lum Chang Tien Wah Property Sdn Bhd \$'000
For the year ended 30 June 2024		
Revenue	25,595	-
Other gains	390	-
Other income	61	290
Interest income	28	5
Expenses	(33,446)	(122)
Includes:		
- Depreciation	(5,603)	(3)
- Interest expense	(13,422)	-
Share of losses of associated companies	-	(43)
(Loss)/profit from continuing operations	(7,372)	130
Income tax credit/(expense)	217	(86)
Post-tax (loss)/profit from continuing operations/ total comprehensive (loss)/income	(7,155)	44

18. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised statement of comprehensive income (continued)

	Dorado Group \$'000	Lum Chang Tien Wah Property Sdn Bhd \$'000
For the year ended 30 June 2023		
Revenue	23,752	-
Other gains	662	-
Other income	44	1
Interest income	9	306
Expenses	(30,177)	(111)
Includes:		
- Depreciation	(5,620)	(3)
- Interest expense	(11,155)	(1)
(Loss)/profit from continuing operations	(5,710)	196
Income tax credit/(expense)	210	(89)
Post-tax (loss)/profit from continuing operations/ total comprehensive (loss)/income	(5,500)	107

The information above reflects the amounts presented in the financial statements of the joint ventures (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the joint ventures and other adjustments arising from application of equity accounting.

The following table summarises, in aggregate, the Group's share of loss and other comprehensive loss of the Group's individually immaterial joint ventures accounted for using the equity method:

	2024 \$'000	2023 \$'000
Net loss	(33)	(22)
Total comprehensive loss	(33)	(22)

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

18. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in joint ventures, is as follows:

	Dorado Group \$'000	Lum Chang Tien Wah Property Sdn Bhd \$'000	Total \$'000
As at 30 June 2024			
Net Assets	4,051	23,904	27,955
Interest in joint ventures (50%)	2,026	11,952	13,978
Carrying value of individually immaterial joint ventures			49
Carrying value of Group's interest in joint ventures			14,027
As at 30 June 2023			
Net Assets	11,207	22,545	33,752
Interest in joint ventures (50%)	5,604	11,272	16,876
Carrying value of individually immaterial joint ventures			193
Carrying value of Group's interest in joint ventures			17,069

19. INVESTMENTS IN ASSOCIATED COMPANIES

	2024	2023
	\$'000	\$'000
Group		
Beginning of the financial year	6,397	6,470
Additions	23	26
Share of profits, net of tax	165	214
Share of other comprehensive income/(loss)	68	(44)
Currency translation differences	(436)	(269)
	6,217	6,397

The investments in associated companies mainly relate to following entity:

Name	Principal activities	Place of incorporation and business	Effective equity interest held by Group	
			2024	2023
			%	%
Held by subsidiary				
Unquoted equity shares				
PT Super Makmur Sejahtera*	Property development	Indonesia	25[#]	25 [#]

* Audited by other firm of auditors.

The other 75% shareholding interests is held by a related party [Note 35(c)].

PT Super Makmur Sejahtera owns parcels of land aggregating approximately 863,000 (2023: 863,000) square meters located in Bintan, Indonesia which are accounted for as investment properties.

There are no contingent liabilities and commitments relating to the Group's interest in the associated companies.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

20. INVESTMENTS IN SUBSIDIARIES

	2024	2023
	\$'000	\$'000
Equity investment at cost		
Beginning of the financial year	92,715	92,715
Less: Impairment losses	(65,415)	(56,887)
End of financial year	27,300	35,828

The movement in allowance for impairment losses is as follows:

	2024	2023
	\$'000	\$'000
Beginning of financial year	56,887	56,887
Impairment loss during the year	8,528	-
End of financial year	65,415	56,887

Details of subsidiaries are provided in Note 39.

During the financial year ended 30 June 2024, the Company has assessed the recoverable amounts of its investment in two subsidiaries to be less than their carrying amounts and an impairment loss of \$8,528,000 was recognised on its investment in these subsidiaries.

20. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Summarised financial information of subsidiaries with non-controlling interests

The non-controlling interests of the Group amounted to \$4,177,000 (2023: \$3,734,000) as at 30 June 2024 and is disclosed in Note 29 to the financial statements.

Set out below is the summarised financial information of Lum Chang Interior Pte Ltd and its subsidiaries ("LCI group") which in the opinion of the directors, has non-controlling interest at 30 June 2024 that is material to the Group.

Summarised balance sheet

	Lum Chang Interior Pte Ltd and its subsidiaries \$'000
	<hr/>
As at 30 June 2024	
Current	
Assets	24,949
Liabilities	(13,025)
Total current net assets	<hr/> 11,924 <hr/>
Non-current	
Assets	4,290
Liabilities	(1,462)
Total non-current net assets	<hr/> 2,828 <hr/>
Net assets	<hr/> 14,752 <hr/>
Non-controlling interest at LCI group level	<hr/> (1,398) <hr/>
Net assets attributable to equity holders of Lum Chang Interior Pte Ltd	<hr/> 13,354 <hr/>
Non-controlling interest's share of net assets at Group level (20%)	<hr/> 2,671 <hr/>

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

20. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Summarised income statement

	Lum Chang Interior Pte Ltd and its subsidiaries \$'000
For the year ended 30 June 2024	
Revenue	58,999
Profit before income tax	6,784
Income tax expense	(1,150)
Profit after income tax	5,634
Other comprehensive income	-
Total comprehensive income	5,634
Total comprehensive income attributable to:	
Equity holders of Lum Chang Interior Pte Ltd	4,724
Non-controlling interest at LCI group level	910
	5,634
Non-controlling interest's share of total comprehensive income at Group level (20%)	945
Dividends paid to non-controlling interest at Group level	251

Summarised cash flows

	Lum Chang Interior Pte Ltd and its subsidiaries \$'000
For the year ended 30 June 2024	
Cash flows from operating activities	
Cash generated from operations	9,249
Income tax paid	(1,024)
Net cash generated from operating activities	8,225
Net cash used in investing activities	(210)
Net cash used in financing activities	(245)
Net increase in cash and cash equivalents	7,770
Cash and cash equivalents at beginning of year	3,713
Cash and cash equivalents at end of year	11,483

21. INVESTMENT PROPERTIES

	Group	
	2024 \$'000	2023 \$'000
Beginning of financial year	20,591	19,286
Reclassification (to)/from property, plant and equipment	(1,169)	527
Addition of investment property	-	701
Fair value (losses)/gains recognised in profit or loss [Note 5(b)]	(29)	77
End of financial year	19,393	20,591

- (a) At the balance sheet date, the below investment properties of the Group are leased out for rental income as stated:

Located in Singapore:

	Description/Existing use	Tenure of land
8 Kim Tian Road	Ground floor shop unit	9,999-year lease from 1960
14 Kung Chong Road	Light industrial building*	99-year lease from 1954

* A portion of the building which is designated to house the Group's corporate offices is classified as property, plant and equipment.

- (b) At 30 June 2024, an investment property with total carrying value of \$15,044,000 (2023: \$16,213,000) is charged by way of mortgage in favour of a bank for a bank loan as disclosed in Note 26 to the financial statements, including the sales, rental proceeds and insurance policies relating to the investment property.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

21. INVESTMENT PROPERTIES (CONTINUED)

(c) The following amounts are derived from investment properties and recognised in profit or loss:

	Group	
	2024 \$'000	2023 \$'000
Rental income	670	1,062
Fair value (losses)/gains recognised in profit or loss	(29)	77
Direct operating expenses arising from:		
- Investment properties that generated rental income	(326)	(353)

(d) Fair value hierarchy

Description	Fair value measurements using significant unobservable inputs (Level 3) \$'000	
Recurring fair value measurements		
30 June 2024		
Singapore:		
- Commercial properties		18,694
Thailand:		
- Residential property		699
<hr/>		
Recurring fair value measurements		
30 June 2023		
Singapore:		
- Commercial properties		19,863
Thailand:		
- Residential property		728
<hr/>		

21. INVESTMENT PROPERTIES (CONTINUED)

(d) Fair value hierarchy (continued)

Valuation processes of the Group

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties annually based on the properties' highest and best use.

Changes in Level 3 fair values as assessed at each reporting date by the external valuers are reviewed by the directors.

Valuation techniques used to derive Level 3 fair values

Level 3 fair values of the Group's investment properties have been generally derived using the following valuation approach:

- (i) the Direct Market Comparison Method where properties are valued using transacted prices for comparable properties in the vicinity and elsewhere with necessary adjustments made for differences in location, tenure, size, design, layout, age and condition of the buildings, availability of car parking facilities, dates of transactions and the prevailing market conditions. The most significant inputs to the valuation approach would be the adopted value per square meter.

Valuation techniques and inputs used in Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy at 30 June 2024:

Fair value at 30 June 2024 ('000)	Valuation technique(s)	Unobservable inputs*	Range of unobservable inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Commercial properties in Singapore				
\$18,694 (2023: \$19,863)	Direct Market Comparison Method	Adopted value per square meter of gross floor area	\$5,727 to \$29,200 per sq.m. (2023: \$5,727 to \$29,200 per sq.m.)	The higher the adopted value, the higher the fair value.
Residential property in Thailand				
\$699 (2023: \$728)	Direct Market Comparison Method	Adopted value per square meter of gross floor area	\$11,218 per sq.m. (2023: \$11,675 per sq.m.)	The higher the adopted value, the higher the fair value.

* There were no significant inter-relationships between unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

22. PROPERTY, PLANT AND EQUIPMENT

	Leasehold land \$'000	Leasehold buildings \$'000	Plant and machinery \$'000	Furniture, office equipment and fittings \$'000	Motor vehicles \$'000	Construction in progress \$'000	Total \$'000
Group							
30 June 2024							
Cost							
Beginning of financial year	7,162	34,281	19,644	11,151	6,783	340	79,361
Currency translation differences	(8)	(2)	-	(3)	(2)	(1)	(16)
Additions	503	865	1,975	647	1,110	-	5,100
Modification of lease liability (a)	220	-	-	-	-	-	220
Disposals	(556)	(291)	(1,754)	(266)	(845)	(15)	(3,727)
Reclassification from investment properties (e)	-	1,169	-	-	-	-	1,169
End of financial year	7,321	36,022	19,865	11,529	7,046	324	82,107
Accumulated depreciation							
Beginning of financial year	5,104	12,815	15,542	9,099	3,758	340	46,658
Currency translation differences	(8)	-	-	(1)	(1)	(1)	(11)
Depreciation charge (Note 6)	1,044	2,207	869	837	667	-	5,624
Writeback	-	-	(110)	-	-	(15)	(125)
Disposals	(186)	(190)	(616)	(266)	(628)	-	(1,886)
End of financial year	5,954	14,832	15,685	9,669	3,796	324	50,260
Net book value							
End of financial year	1,367	21,190	4,180	1,860	3,250	-	31,847

22. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold land \$'000	Leasehold buildings \$'000	Plant and machinery \$'000	Furniture, office equipment and fittings \$'000	Motor vehicles \$'000	Construction in progress \$'000	Total \$'000
Group							
30 June 2023							
Cost							
Beginning of financial year	6,547	33,714	20,550	10,757	6,778	370	78,716
Currency translation differences	(128)	(35)	-	(26)	(25)	(30)	(244)
Additions	556	1,650	407	598	584	-	3,795
Modification of lease liability (a)	1,249	23	-	-	-	-	1,272
Disposals	(217)	(544)	(1,313)	(178)	(554)	-	(2,806)
Reclassification to investment properties (e)	-	(527)	-	-	-	-	(527)
Reclassification to lease receivables	(845)	-	-	-	-	-	(845)
End of financial year	7,162	34,281	19,644	11,151	6,783	340	79,361
Accumulated depreciation							
Beginning of financial year	3,520	11,068	15,902	8,419	3,327	-	42,236
Currency translation differences	(95)	(4)	-	(25)	(23)	(16)	(163)
Depreciation charge (Note 6)	1,266	2,295	910	882	763	-	6,116
Impairment	630	-	-	-	-	356	986
Disposals	(217)	(544)	(1,270)	(177)	(309)	-	(2,517)
End of financial year	5,104	12,815	15,542	9,099	3,758	340	46,658
Net book value							
End of financial year	2,058	21,466	4,102	2,052	3,025	-	32,703

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

22. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold building \$'000	Furniture, office equipment and fittings \$'000	Motor vehicles \$'000	Total \$'000
Company				
30 June 2024				
Cost				
Beginning of financial year	1,458	774	1,921	4,153
Additions	-	32	830	862
Disposals	-	-	(390)	(390)
End of financial year	1,458	806	2,361	4,625
Accumulated depreciation				
Beginning of financial year	648	503	1,025	2,176
Depreciation charge	487	70	215	772
Disposals	-	-	(279)	(279)
End of financial year	1,135	573	961	2,669
Net book value				
End of financial year	323	233	1,400	1,956
30 June 2023				
Cost				
Beginning of financial year	1,458	494	2,176	4,128
Additions	-	286	-	286
Disposals	-	(6)	(255)	(261)
End of financial year	1,458	774	1,921	4,153
Accumulated depreciation				
Beginning of financial year	162	458	882	1,502
Depreciation charge	486	51	251	788
Disposals	-	(6)	(108)	(114)
End of financial year	648	503	1,025	2,176
Net book value				
End of financial year	810	271	896	1,977

22. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 23.

During the current year, the Group renegotiated and modified existing lease contract for two plots of state land (2023: two office units and five plots of state land) by extending the lease term by another 2-3 years (2023: 2-3 years) at revised lease payments. As this extension is not part of the terms and conditions of the original lease contract, it is accounted for as a lease modification with an addition to the right-of-use assets, classified under "Property, plant and equipment". The corresponding remeasurement to lease liability is recorded under "Borrowings" (Note 26).

- (b) An amount of \$3,577,000 (2023: \$3,842,000) included in the Group's depreciation charge for leasehold land, leasehold buildings, plant and machinery, furniture, office equipment and fittings, and motor vehicles has been included in cost of sales during the financial year. The remaining of \$2,047,000 (2023: \$2,274,000) has been included in administrative and general expenses during the financial year.
- (c) A leasehold building of the Group with carrying amount of approximately \$18,676,000 (2023: \$18,151,000) as at 30 June 2024 is charged by way of a mortgage in favour of a bank for a bank loan as disclosed in Note 26 to the financial statements.
- (d) Included within the Group's additions to property, plant and equipment, is an amount of \$503,000 (2023: \$1,011,000) which relates to addition of right-of-use assets. Adjustment to right-of-use assets arising from modification of leases during the year ended 30 June 2024 was \$220,000 (2023: \$1,272,000) for the Group.
- (e) The amount relates to owner-occupied portion of the leasehold building transferred from/(to) investment property resulting from the change in use during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

23. LEASES – THE GROUP AND THE COMPANY AS A LESSEE

Nature of the Group and the Company's leasing activities

Property

The Group leases office spaces for the purpose of back office operations and state land from the government for the purposes of its construction projects.

Leasehold land

The Group secured the right-of-use of leasehold land for the purpose of construction and operation of a commercial hub.

(a) Carrying amounts

Right-of-use assets classified within Property, plant and equipment

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Leasehold building	19,090	18,930	323	810
Leasehold land	1,367	2,058	-	-
	20,457	20,988	323	810

Right-of-use assets classified within investment properties

The right-of-use asset relating to leasehold building presented under investment properties (Note 21) is stated at fair value and has a carrying amount of \$15,044,000 (2023: \$16,213,000) as at 30 June 2024.

(b) Depreciation and impairment charge during the year

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Depreciation				
Leasehold building	906	881	487	486
Leasehold land	1,044	1,266	-	-
	1,950	2,147	487	486
Impairment				
Leasehold land	-	630	-	-

23. LEASES – THE GROUP AND THE COMPANY AS A LESSEE (CONTINUED)

(c) Interest expense

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Interest expense on lease liabilities (Note 8)	53	57	15	26

(d) Lease expense not capitalised in lease liabilities

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Short-term lease expenses	130	79	-	18
Low value lease expenses	16	26	8	8
	146	105	8	26

(e) Total cash outflow for all leases in 2024 was \$2,060,000 (2023: \$2,127,000) for the Group and \$511,000 (2023: \$529,000) for the Company.

(f) Addition of right-of-use assets during the financial year 2024 was \$503,000 (2023: \$1,011,000) for the Group. Adjustment to right-of-use assets arising from modification of leases during the year ended 30 June 2024 was \$220,000 (2023: \$1,272,000) for the Group.

(g) Future cash outflow which are not capitalised in lease liabilities

Extension options

The leases for office spaces contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

24. LEASES – THE GROUP AS A LESSOR

Nature of the Group’s leasing activities – Group as a lessor

The Group has leased out retail and office spaces to non-related parties for monthly lease payments. The leases have varying terms and renewal rights. These leases are classified as operating leases because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental incomes from investment properties are disclosed in Note 21.

Nature of the Group’s leasing activities – Group as an intermediate lessor

Subleases - classified as operating leases

The Group acts as an intermediate lessor under arrangement in which it subleases out its right-of-use of leasehold building to non-related parties for monthly lease payments. The sublease periods do not form a major part of the remaining lease term under the head lease and accordingly, the subleases are classified as operating leases.

The following table shows the maturity analysis of the undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

	Group	
	2024 \$'000	2023 \$'000
Less than one year	1,123	1,156
One to two years	433	1,182
Above two years	-	202
Total undiscounted lease payments	1,556	2,540

Subleases - classified as finance leases

The Group’s sublease of its right-of-use of land is classified as finance lease because the sublease is for the entire remaining lease term of the head lease.

Right-of-use assets relating to the head leases with subleases classified as finance lease is derecognised. The net investment in the sublease is recognised under “Trade and other receivables” (Note 12).

Finance income on the net investment in sublease during the financial year is \$8,044 (2023: \$9,717).

The following table shows the maturity analysis of the undiscounted lease payments from the finance leases to be received after the reporting date are as follows:

	Group	
	2024 \$'000	2023 \$'000
Less than one year	145	396
One to two years	-	145
Total undiscounted lease payments	145	541
Less: Unearned finance income	(1)	(9)
Net investment in finance lease	144	532
Current [Note 12(a)]	144	388
Non-current [Note 12(b)]	-	144
	144	532

25(a). TRADE AND OTHER PAYABLES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Current				
Trade payables				
- Non-related parties	17,625	3,951	-	46
- Related parties*	5	17	-	-
<u>Construction contracts</u>				
- Retention sum payables	6,171	8,780	-	-
<u>Development projects</u>				
- Retention sum payables	445	689	-	-
Loans and advances from:				
- Subsidiaries (i)	-	-	95,131	96,114
Accruals for development costs	-	200	-	-
Accruals for operating expenses	7,251	5,843	1,240	607
Accruals for construction costs	82,458	57,946	-	-
Other payables	1,323	1,278	132	458
Deposits received	3,279	1,891	-	-
Rent received in advance	18	5	-	-
Loan interest payable	14	16	2	-
	118,589	80,616	96,505	97,225
Non-current				
<u>Construction contracts</u>				
- Retention sum payables	37,268	25,028	-	-
<u>Development projects</u>				
- Retention sum payables	977	327	-	-
	38,245	25,355	-	-

* Related parties refer to associate of a director and a controlling shareholder of the Company.

- (i) Loans and advances from subsidiaries are unsecured, interest-free and repayable on demand.
- (ii) The fair values of the financial liabilities included in non-current trade and other payables approximate their carrying amounts as at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

25(b). PROVISION FOR OTHER LIABILITIES

Provision for other liabilities relates to provision for warranty costs and foreseeable losses.

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Provision for warranty costs	13,031	12,014	-	-
Provision for foreseeable losses	20,874	35,999	-	-
	33,905	48,013	-	-

The movement in provision for other liabilities is as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Provision for warranty costs				
Beginning of financial year	12,014	12,441	-	-
Provision made	2,455	1,826	-	-
Provision utilised	(642)	(811)	-	-
Provision written back	(796)	(1,442)	-	-
End of financial year	13,031	12,014	-	-
Provision for foreseeable losses				
Beginning of financial year	35,999	20,566	-	-
Provision made	4,700	31,708	-	-
Provision utilised	(19,825)	(16,275)	-	-
End of financial year	20,874	35,999	-	-

25(c). FINANCIAL LIABILITY, AT FVPL

	Group and Company	
	2024 \$'000	2023 \$'000
Beginning of financial year	20,000	20,547
Repayment	(20,000)	-
Fair value gain [Note 5(b)]	-	(547)
End of financial year	-	20,000
Unlisted debt instruments		
At fair value - Singapore		
Current	-	20,000

25(c). FINANCIAL LIABILITY, AT FVPL (CONTINUED)

On 25 June 2021, the Company had entered into a convertible loan agreement (“CLA”) with a third party (the “Lender”), pursuant to which the Lender agreed to extend an interest bearing (at 2% per annum) convertible loan of \$20 million. The Company had drawn down the full loan on 21 July 2021.

The convertible loan is convertible into 45,454,546 ordinary shares of the Company, at the option of the lender, within two years of the draw down date, or extended by the Lender to three years of the draw down date, at a conversion price of \$0.44 per share subject to adjustments in accordance with the provisions of the CLA. During the current financial year, the financial liability, at FVPL was fully repaid in cash.

The convertible loan is classified entirely as liability because the relative rights of existing shareholders and convertible holder are not fixed. As the instrument contains an embedded derivative, it has been designated at fair value through profit or loss on initial recognition and as such the embedded conversion feature is not separated.

The Group determines the amount of fair value changes using binomial tree method.

26. BORROWINGS

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Current				
Term loans	33,923	27,536	6,000	25,000
Lease liabilities	1,522	1,789	333	489
Hire purchase loan	73	139	-	6
	35,518	29,464	6,333	25,495
Non-current				
Term loans	31,128	33,730	-	-
Lease liabilities	939	2,295	-	333
Hire purchase loan	45	136	-	-
	32,112	36,161	-	333
Total borrowings	67,630	65,625	6,333	25,828

Refer to Note 34(a)(iii) for the exposure of borrowings to interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

26. BORROWINGS (CONTINUED)

(a) Security granted

Total borrowings as at 30 June 2024 included the following:

Certain revolving and term loans amounting to \$35,051,000 (2023: \$36,266,000) are secured by a development property (2023: a development property) (Note 14), an investment property (2023: an investment property) (Note 21), a leasehold building (2023: a leasehold building) (Note 22), the assignment of sales and rental proceeds and insurance policies relating to an investment property (Note 21) and property, plant and equipment [Note 22(c)], and corporate guarantee from the Company.

(b) Fair value of non-current borrowings

At the balance sheet date, the carrying amount of non-current borrowings approximates their fair values.

27. SHARE CAPITAL AND TREASURY SHARES

	← No. of ordinary shares →		← Amount →	
	Issued share capital '000	Treasury shares '000	Issued share capital \$'000	Treasury shares \$'000
Group and Company				
30 June 2024				
Beginning of financial year	385,030	(8,342)	86,572	(2,845)
Purchase of treasury shares	-	(1,589)	-	(458)
End of financial year	385,030	(9,931)	86,572	(3,303)
30 June 2023				
Beginning and end of financial year	385,030	(8,342)	86,572	(2,845)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares (except treasury shares) carry one vote per share and carry a right to dividends as and when declared by the Company.

The Company did not issue any ordinary shares during the financial years ended 30 June 2024 and 30 June 2023.

Treasury shares

The Company acquired 1,589,100 (2023: NIL) shares in the Company in the open market during the financial year. The total amount paid to acquire the shares was \$457,502 (2023: \$NIL) and this was presented as a component within shareholder's equity.

28. CAPITAL AND OTHER RESERVES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
(a) Composition				
Capital reserves	19,131	19,131	2,800	2,800
Share option reserve	382	382	382	382
Fair value reserve	5,838	12,493	-	-
Foreign currency translation reserve	(4,457)	(4,802)	-	-
Capital redemption reserve	3,601	3,601	-	-
	24,495	30,805	3,182	3,182

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
(b) Movement in capital reserves				
Beginning and end of financial year	19,131	19,131	2,800	2,800

The capital reserves arise mainly from acquisition of subsidiaries under common control and capitalisation of retained profits of subsidiaries in prior years.

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
(c) Movement in share option reserve				
Beginning and end of financial year	382	382	382	382

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
(d) Movement in fair value reserve				
Beginning of financial year	12,493	13,951	-	-
Financial assets, at FVOCI [Note 15(b)]				
- Fair value losses	(6,723)	(1,414)	-	-
Others	68	(44)	-	-
End of financial year	5,838	12,493	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

28. CAPITAL AND OTHER RESERVES (CONTINUED)

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
(e) Movement in foreign currency translation reserve				
Beginning of financial year	(4,802)	(810)	-	-
Net currency translation differences of financial statements of foreign subsidiaries, joint ventures and associated companies	(544)	(3,881)	-	-
Add/(Less): Non-controlling interests	11	(4)	-	-
	(533)	(3,885)	-	-
Reclassification on repayment of loan receivables	878	(107)	-	-
End of financial year	(4,457)	(4,802)	-	-
(f) Movement in capital redemption reserve				
Beginning and end of financial year	3,601	3,601	-	-
(g) All capital and other reserves are non-distributable.				

29. NON-CONTROLLING INTERESTS

	Group	
	2024	2023
	\$'000	\$'000
Beginning of financial year	3,734	2,188
Profit for the financial year	1,900	1,052
Other comprehensive (loss)/income	(11)	4
Capital contribution by a non-controlling interest	-	490
Dividends paid to non-controlling interests	(1,446)	-
End of financial year	4,177	3,734

The summarised financial information about the assets, liabilities, profit or loss and cashflows for the Group's subsidiary with material non-controlling interests is as disclosed in Note 20.

30. RETAINED PROFITS

(a) **Group**

Retained profits of the Group are distributable except for the retained profits of associated companies and joint ventures amounting to \$6,679,000 (2023: \$10,449,000). Retained profits of the Company are distributable.

(b) **Company**

Movements in retained profits of the Company are as follows:

	Company	
	2024	2023
	\$'000	\$'000
Beginning of financial year	20,606	21,945
(Loss)/profit for the financial year	(5,334)	5,253
Dividends paid (Note 31)	(5,650)	(6,592)
End of financial year	9,622	20,606

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

31. DIVIDENDS

	Group and Company	
	2024	2023
	\$'000	\$'000
Interim dividend paid in respect of the current financial year of 0.50 cents (2023: 0.75 cents) per ordinary share	1,883	2,825
Final dividend paid in respect of the previous financial year of 1.0 cents (2023: 1.0 cents) per ordinary share	3,767	3,767
Total dividends paid	5,650	6,592

The directors have proposed a final dividend for the financial year ended 30 June 2024 of 1.0 cents per share, amounting to approximately \$3,746,000. These financial statements do not reflect these proposed dividends, which will be accounted for in the shareholders' equity as an appropriation of retained profits in the financial year ending 30 June 2025.

32. CONTINGENCIES

Guarantees

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Financial guarantees given to banks and finance companies in connection with facilities given to subsidiaries	-	-	63,387	54,920
Financial guarantees given to banks and finance companies in connection with facilities given to joint ventures	132,708	127,500	132,708	127,500

At the date these financial statements are authorised for issue, the directors are of the view that no material liabilities will arise from the guarantees.

33. COMMITMENTS

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Commitments not provided for in the financial statements excluding those held by joint ventures (Note 18) are as follows:				
Development expenditure contracted for development properties	13,171	12,955	-	-
Investment commitments	10,517	10,454	-	-
Purchase of property, plant and equipment	-	491	-	-
	23,688	23,900	-	-

34. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group is exposed to financial risks arising from its operations and the key financial risks identified include credit risk, liquidity risk and market risk (including price risk, currency risk and interest rate 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. The Group does not hold or issue derivative financial instruments for speculative purposes.

The Group operates predominantly in Singapore and Malaysia and the functional currencies of the entities in each of the countries are the Singapore Dollar ("SGD") and the Malaysian Ringgit ("RM") respectively. Entities in the Group transact predominantly in their functional currencies and hold matching currency assets and liabilities to the extent possible to achieve a natural hedging effect.

(a) **Market risk**

(i) Price risk

Price risk is the risk arising from uncertainties on future prices of investments classified as financial assets, at FVPL or FVOCI. The fair value information on the Group's investments in unquoted debt and equity instruments (classified as financial assets, at FVPL or FVOCI) is presented in Note 34(e).

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) Currency risk

The currency exposure of the Group and the Company based on the information provided to key management is as follows:

	← Group →		Company
	RM	USD	RM
	\$'000	\$'000	\$'000
At 30 June 2024			
Financial assets			
Cash and cash equivalents	10,351	-	16
Financial asset, at FVPL	1,991	-	-
Financial assets, at FVOCI	-	627	-
Trade and other receivables	4,771	-	-
Other financial assets	329	-	-
	17,442	627	16
Financial liabilities			
Borrowings	(8,080)	-	-
Trade and other payables	(9,025)	-	-
	(17,105)	-	-
Net financial assets	337	627	16
Less: Net financial liabilities denominated in the respective entities' functional currencies	(318)	-	-
Currency exposure	19	627	16

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) **Market risk** (continued)

(ii) *Currency risk* (continued)

	← Group →		Company
	RM \$'000	USD \$'000	RM \$'000
At 30 June 2023			
Financial assets			
Cash and cash equivalents	21,007	-	4,218
Financial assets, at FVOCI	-	1,037	-
Trade and other receivables	2,675	-	-
Other financial assets	453	-	-
	24,135	1,037	4,218
Financial liabilities			
Borrowings	(9,707)	-	-
Trade and other payables	(3,922)	-	-
	(13,629)	-	-
Net financial assets	10,506	1,037	4,218
Less: Net financial liabilities denominated in the respective entities' functional currencies	(6,285)	-	-
Currency exposure	4,221	1,037	4,218

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) Currency risk (continued)

Sensitivity analysis for currency risk

If the RM and USD changes against the SGD by 4% (2023: 4%) with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset position will be as follows:

	← Increase/(decrease) →		← (Decrease)/increase →	
	Profit after tax 30 June 2024 \$'000	Other comprehensive loss 30 June 2024 \$'000	Loss after tax 30 June 2023 \$'000	Other comprehensive loss 30 June 2023 \$'000
Group				
RM against SGD				
- strengthened	1	-	(140)	-
- weakened	(1)	-	140	-
USD against SGD				
- strengthened	-	(21)	-	(34)
- weakened	-	21	-	34
Company				
RM against SGD				
- strengthened	(1)	-	140	-
- weakened	1	-	(140)	-

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) **Market risk** (continued)

(iii) *Cash flow and fair value interest rate risk*

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.

The Group is exposed to interest rate risk primarily due to changes in interest rates arising from its interest-bearing assets and debt obligations. The Group manages its interest rate risks by maintaining a mix of fixed and variable rate debt instruments with varying maturities.

The material interest-bearing asset of the Group is short-term bank deposits. Short-term bank deposits bear interest at the market interest rate. An interest rate movement of 0.5% will not have a substantial impact on the results of the Group.

The Group's and the Company's borrowings mainly comprise bank loans. The bank loans are entered with variable interest rates while the term loan is entered with fixed interest rate.

The Group's and Company's borrowings at variable rates on which effective hedges have not been entered into, are denominated mainly in SGD and RM (2023: SGD and RM). A 0.5% change in the interest rates of these borrowings would not have a material impact on the loss after tax of the Group and the Company.

The exposure of the borrowings of the Group and of the Company to interest rate changes and the contractual repricing dates at the balance sheet dates are as follows:

	Group		Company	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Variable rate borrowings	65,051	41,266	6,000	5,000
Fixed rate borrowings - repricing or maturity dates:				
Less than 6 months	938	20,493	249	20,249
6 to 12 months	724	1,435	84	246
1 to 5 years	917	2,431	-	333
	67,630	65,625	6,333	25,828

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(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 Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. Credit evaluations are performed on all customers who require credit over a certain amount.

The Group has established a credit policy and the exposures to credit risk are monitored on an ongoing basis. The contracting parties with the Group for the construction projects are either companies with good reputation in the market or government related entities. As for sale of properties, the buyers are either individuals who are assessed by the Group to have low credit risk or the outstanding sales proceeds are secured by the buyers' bank loans. The resultant effects of these measures have kept the Group's exposure to bad debts at an insignificant level.

As the Group and the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instrument is the carrying amount of that class of financial instrument presented on the balance sheet, except for corporate guarantees provided by the Company as disclosed in Note 32.

The Group's and Company's major classes of financial assets are cash and cash equivalents and trade and other receivables.

The trade receivables of the Group include two debtors (2023: two debtors) that individually represented 15% to 54% (2023: 10% to 26%) of trade receivables.

The contracts assets of the Group include two debtors (2023: two debtors) that individually represented 10% to 73% (2023: 19% to 67%) of contract assets.

The retention sum receivables of the Group include three debtors (2023: three debtors) that individually represented 11% to 63% (2023: 12% to 52%) of retention sum receivables.

The movements in credit loss allowance are as follows:

	Trade receivables ^(a) \$'000	Contract assets ^(a) \$'000	Total \$'000
Group			
Balance at 1 July 2023	170	-	170
Loss allowance recognised in profit or loss during the year on:			
- Assets acquired/originated	15	-	15
Balance at 30 June 2024	185	-	185
Balance at 1 July 2022	139	-	139
Loss allowance recognised in profit or loss during the year on:			
- Assets acquired/originated	31	-	31
Balance at 30 June 2023	170	-	170

^(a) Loss allowance measured at lifetime expected credit losses ("ECL")

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(i) Trade receivables, contract assets and retention sum receivables

Trade receivables, contract assets and retention sum receivables which are in default or credit-impaired are assessed individually.

Trade receivables, contract assets and retention sum receivables 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 receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables and contract assets due. Where recoveries are made, these are recognised in profit or loss.

The Group's credit risk exposure in relation to trade receivables, contract assets and retention sum receivables under SFRS(I) 9 as at 30 June 2024 and 30 June 2023 by segment, net of credit loss allowance are set out as follows:

	Group	
	2024	2023
	\$'000	\$'000
Trade receivables		
Construction	41,141	25,566
Property development and investment	4,314	2,767
	45,455	28,333
Contract assets		
Construction	83,164	60,661
Property development and investment	7,448	1,666
	90,612	62,327
Retention sum receivables		
Construction	53,109	46,916

The trade receivables, contract assets and retention sum receivables are subject to immaterial expected credit loss.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) **Credit risk** (continued)

(ii) *Cash and cash equivalents*

The Group and the Company held cash and cash equivalents of \$51,248,000 and \$12,864,000 respectively (2023: \$91,035,000 and \$50,825,000) with banks which are rated AAA and AA+ based on Standard & Poor's and consider to have low credit risk. The cash balances are measured based on 12-month expected credit losses and subject to immaterial credit loss.

(iii) *Advances to joint ventures*

The Group has assessed that its joint ventures have strong financial capacity to meet the contractual obligation of \$76,350,000 (2023: \$76,350,000) and considered to have low credit risk. The loans are measured on 12-month expected credit losses and subject to immaterial credit loss.

(iv) *Advances to subsidiaries*

The Company has advances to subsidiaries amounting to \$165,438,000 (2023: \$171,680,000) as at 30 June 2024. The advances to subsidiaries amounting to \$156,462,000 (2023: \$161,094,000) are considered to have low credit risk, are measured on a 12-month expected credit losses and subject to immaterial credit losses as these subsidiaries have strong financial capacity to meet the contractual obligations. For the remaining advances to subsidiaries amounting to \$8,976,000 (2023: \$10,586,000), management has fully impaired the amount as these subsidiaries do not have the financial capacity to repay the amounts.

(v) *Financial guarantee contracts*

The Company has issued financial guarantees to banks for borrowings of its subsidiaries and joint venture. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries and joint venture have strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

(vi) *Other receivables and lease receivables*

Other receivables and lease receivables are measured based on 12-month expected credit losses and subject to immaterial credit loss.

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities to meet obligations when due and the ability to close out market positions at short notice. At the balance sheet date, assets held by the Group and the Company for managing liquidity risk included cash and short-term deposits as disclosed in Note 11.

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 balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Group				
At 30 June 2024				
Trade and other payables	118,066	38,245	-	156,311
Lease liabilities	1,576	959	-	2,535
Borrowings (excluding lease liabilities)	35,867	35,564	-	71,431
Financial guarantee contracts	132,708	-	-	132,708
At 30 June 2023				
Trade and other payables	80,272	25,355	-	105,627
Lease liabilities	1,875	2,341	-	4,216
Borrowings (excluding lease liabilities)	29,804	39,987	-	69,791
Financial guarantee contracts	127,500	-	-	127,500
Company				
At 30 June 2024				
Trade and other payables	96,439	-	-	96,439
Lease liabilities	336	-	-	336
Borrowings (excluding lease liabilities)	6,078	-	-	6,078
Financial guarantee contracts	183,762	-	-	183,762
At 30 June 2023				
Trade and other payables	97,182	-	-	97,182
Lease liabilities	503	336	-	839
Borrowings (excluding lease liabilities)	25,178	-	-	25,178
Financial guarantee contracts	174,061	-	-	174,061

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(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 shareholders value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payments, 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 gearing ratio. The Group and the Company are also required by the banks and financial institutions to maintain a gearing ratio of not exceeding 150% (2023: 150%). The Group's and the Company's strategies, which were unchanged from 2023, are to maintain gearing ratios within the limits required.

The gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as borrowings add financial liability at FVPL less cash and cash equivalents (excludes pledged cash).

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Net debt/(cash)	16,948	(4,855)	(6,531)	(4,997)
Total equity (excluding non-controlling interests)	161,756	166,813	96,073	107,515
Net debt/(cash) ratio	10%	(3%)	(7%)	(5%)

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 30 June 2024 and 30 June 2023.

(e) Fair value measurements

The following table presents financial assets, at FVOCI measured at fair value and classified by level of the following fair value measurement hierarchy.

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurements (continued)

The fair value hierarchy for investment properties is disclosed in Note 21.

The fair values of borrowings, trade and other receivables and trade and other payables approximate to their carrying amounts.

The fair value of financial assets, at FVOCI, financial asset, at FVPL and financial liability, at FVPL are as disclosed:

	Level 3	
	Group \$'000	Company \$'000
30 June 2024		
Financial assets, at FVOCI	13,104	-
Financial asset, at FVPL	1,991	-
30 June 2023		
Financial assets, at FVOCI	19,827	-
Financial liability, at FVPL	20,000	20,000

The following table presents the changes in Level 3 instruments:

	Unlisted equity investments \$'000	Unlisted debt investments \$'000	Unlisted debt instruments \$'000
30 June 2024			
Beginning of financial year	19,827	-	(20,000)
Repayment	-	-	20,000
Fair value losses recognised in other comprehensive income	(6,723)	-	-
Fair value gains recognised in profit or loss	-	1,989	-
Currency translation differences	-	2	-
End of financial year	13,104	1,991	-
30 June 2023			
Beginning of financial year	21,241	-	(20,547)
Fair value losses recognised in other comprehensive income	(1,414)	-	-
Fair value gains recognised in profit or loss	-	-	547
End of financial year	19,827	-	(20,000)

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurements (continued)

Valuation techniques and inputs used in Level 3 fair value measurements:

Financial assets, at FVOCI

Description	Fair value at 30 June 2024 \$'000	Fair value at 30 June 2023 \$'000	Valuation technique(s)	Significant unobservable input	Range of unobservable input	Relationship of unobservable input to fair value
Unlisted equity investment*	11,844	16,963	Adjusted net asset value	Adjustments for lack of control and marketability	Lack of control 28.3% (2023: 20%) Lack of marketability 22.5% (2023: 20%)	The higher the adjustments for lack of control and marketability, the lower the fair value.
Other unlisted equity investments	1,260	2,864	Market approach	Adjustment for lack of marketability (where applicable), EV/Revenue multiples, EV/EBITDA multiples	Lack of marketability 25% (2023: 25%) EV/Revenue multiples 3.80x (2023: 5.80x) EV/EBITDA multiples 12.50x (2023: 12.50x)	The higher the adjustment for lack of marketability, the lower the fair value. The higher the adjustment for EV/Revenue and EV/EBITDA multiples, the higher the fair value.

* Mainly relates to investment in a Singapore incorporated entity which holds an investment in a China entity listed on the Shanghai Stock Exchange.

Financial assets, at FVOCI comprise of investments in unlisted equity instruments and the fair values of these instruments are based on the adjusted net assets value or net assets value of the investee companies. This method is appropriate as the assets and liabilities of investee companies are primarily held at their respective fair values at the balance sheet date.

To arrive at the fair value of an unlisted equity instrument accounted for as FVOCI financial asset, downward adjustments are made to the net assets value of the investee company to account for the lack of control and marketability of the unlisted equity instrument. These adjustments incorporate assumptions based on market conditions existing at the balance sheet date and are based on studies of discounts for lack of control and marketability for similar typed instruments. The extent of adjustment requires judgement and the effect of a change in management's estimate on this adjustment is disclosed in Note 3(c).

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) **Fair value measurements** (continued)

Valuation techniques and inputs used in Level 3 fair value measurements:

Financial asset, at FVPL

Description	Fair value at 30 June 2024 \$'000	Fair value at 30 June 2023 \$'000	Valuation technique(s)	Significant unobservable input	Range of unobservable input	Relationship of unobservable input to fair value
Unlisted convertible debt	1,991	-	Discounted cash flow	Risk adjusted discounted rate	4.0% (2023: NIL)	The higher the discounted rate, the lower the fair value.

Financial asset, at FVPL comprise of investments in a convertible loan instrument, whose fair value is derived by discounting the cash flows expected to be received from the sale of the unlisted convertible debt.

(f) **Financial instruments by category**

The carrying amount of the different categories of financial instruments is as disclosed on the face of the balance sheet and in Note 15 and Note 25(c) to the financial statements, except for the following:

	Group \$'000	Company \$'000
30 June 2024		
Financial assets, at amortised cost	228,452	169,478
Financial liabilities, at amortised cost	223,941	102,772
30 June 2023		
Financial assets, at amortised cost	249,441	212,435
Financial liabilities, at amortised cost	171,252	123,010

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

35. RELATED PARTY TRANSACTIONS

In addition to information shown elsewhere in the financial statements, the following significant transactions between the Group and related parties took place during the financial year:

(a) Sales and purchases of goods and services

	Group	
	2024	2023
	\$'000	\$'000
Joint venture		
Management services fees	180	180
Directors and their associates		
Revenue from construction contracts	-	88
Sale of properties	-	8,388
Rental income	76	29
Consultancy fee paid	-	(58)
Non-controlling interest		
Revenue from construction contracts	-	50
Lease payments	(51)	(38)

Outstanding balances at 30 June 2024, arising from sale/purchase of goods and services, are set out in Notes 12 and 25.

(b) Key management remuneration

The key management remuneration includes fees, salary, bonus, commission and other emoluments (including benefits-in-kind) computed based on the cost incurred by the Group and the Company, and where the Group or the Company did not incur any costs, the value of the benefit. The key management remuneration is as follows:

	Group	
	2024	2023
	\$'000	\$'000
Salaries and other short-term employee benefits	5,924	3,793
Post-employment benefits - contribution to CPF	116	114
	6,040	3,907

Included in above is total remuneration to directors of the Company amounting to \$2,759,000 (2023: \$2,022,000).

35. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) **Investment in an associated company**

This relates to the Group's 25% shareholding interest in PT Super Makmur Sejahtera ("PT Super") (Note 19). The remaining 75% shareholding interest in PT Super is held by Cyan Bay Pte Ltd, a wholly owned subsidiary of Ellipsiz Limited ("Ellipsiz").

Ellipsiz is considered a related party to the Company by virtue of common controlling shareholder and directors in the two companies.

During the financial year ended 30 June 2024, the Group invested additional \$23,000 (2023: \$26,000) in cash to subscribe for additional 2,750 (2023: 2,750) ordinary shares in PT Super to provide PT Super with funds for working capital purposes.

36. SEGMENT INFORMATION

Management has determined the operating segment based on the reports reviewed by the Management Committee that are used to make strategic decisions. The Management Committee comprises the Executive Chairman, the Managing Director, the Director of Property Division, the Managing Directors of Construction Division and the Finance Director of the Company.

The Management Committee considers the business primarily from a business segment perspective. Revenue from investment holding, provision of management services, construction and property investment are derived mainly from Singapore. Revenue from property development is derived mainly from Malaysia and Singapore.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

36. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Management Committee for the reportable segments for the financial years ended 30 June 2024 and 30 June 2023 are as follows:

	Construction	Property development and investment	Investment holding and others	Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial year ended 30 June 2024					
Revenue from external customers	477,304	22,058	1,056	-	500,418
Inter-segment revenue	-	1,336	8,628	(9,964)	-
Segment results	15,821	1,864	(2,281)	-	15,404
Finance expense	(367)	(1,920)	(608)	-	(2,895)
Profit/(loss) before income tax	15,454	(56)	(2,889)	-	12,509
Income tax expense	(1,794)	(1,449)	(5)	-	(3,248)
Net profit/(loss)	13,660	(1,505)	(2,894)	-	9,261
Segment results include:					
Interest income	287	407	737	-	1,431
Fair value loss on investment properties	-	(29)	-	-	(29)
Fair value gain on financial asset, at FVPL	-	-	1,989	-	1,989
Depreciation of property, plant and equipment	(4,568)	(770)	(286)	-	(5,624)
Share of losses of associated companies and joint ventures	-	(3,532)	-	-	(3,532)

36. SEGMENT INFORMATION (CONTINUED)

	Construction \$'000	Property development and investment \$'000	Investment holding and others \$'000	Elimination \$'000	Total \$'000
Financial year ended 30 June 2023					
Revenue from external customers	365,855	26,322	1,244	-	393,421
Inter-segment revenue	298	1,319	16,519	(18,136)	-
Segment results	(21,473)	5,135	(3,904)	-	(20,242)
Finance expense	(102)	(1,855)	(1,199)	-	(3,156)
(Loss)/profit before income tax	(21,575)	3,280	(5,103)	-	(23,398)
Income tax expense	(3,372)	(820)	(20)	-	(4,212)
Net (loss)/profit	(24,947)	2,460	(5,123)	-	(27,610)
Segment results include:					
Interest income	131	370	1,056	-	1,557
Fair value gain on investment properties	50	27	-	-	77
Fair value gain on financial liability, at FVPL	-	-	547	-	547
Depreciation of property, plant and equipment	(4,808)	(754)	(554)	-	(6,116)
Share of losses of associated companies and joint ventures	-	(2,480)	-	-	(2,480)

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

36. SEGMENT INFORMATION (CONTINUED)

	Construction \$'000	Property development and investment \$'000	Investment holding and others \$'000	Elimination \$'000	Total \$'000
As at 30 June 2024					
Segment assets	232,399	179,994	31,176	(5,648)	437,921
Deferred income tax assets					1,043
Consolidated total assets					<u>438,964</u>
Segment assets include:					
Investment in associates and joint ventures	-	20,204	40	-	20,244
Capital expenditure on property, plant and equipment	4,236	3	861	-	5,100
Segment liabilities	(193,037)	(8,222)	(2,860)	362	(203,757)
Borrowings					(67,630)
Deferred income tax liabilities and current income tax liabilities					(1,644)
Consolidated total liabilities					<u>(273,031)</u>

36. SEGMENT INFORMATION (CONTINUED)

	Construction \$'000	Property development and investment \$'000	Investment holding and others \$'000	Elimination \$'000	Total \$'000
As at 30 June 2023					
Segment assets	176,121	190,000	73,912	(1,679)	438,354
Tax recoverable					1,593
Deferred income tax assets					1,817
Consolidated total assets					<u>441,764</u>
Segment assets include:					
Investment in associates and joint ventures	-	23,466	-	-	23,466
Capital expenditure on property, plant and equipment	3,420	110	265	-	3,795
Capital expenditure on investment properties	-	701	-	-	701
Segment liabilities	(178,824)	(4,853)	(21,191)	334	(204,534)
Borrowings					(65,625)
Deferred income tax liabilities and current income tax liabilities					(1,058)
Consolidated total liabilities					<u>(271,217)</u>

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

36. SEGMENT INFORMATION (CONTINUED)

The Group is organised into three main business segments:

- (a) Construction - construction of buildings and building extensions, additions and alterations, refurbishment and restoration of buildings.
- (b) Property development and investment - develops property for sale and/or holds properties for its own investment purposes and for hotel operations.
- (c) Investment holding and others - holding of investments and provision of management services to the companies within the Group.

The amounts reported to the Management Committee with respect to total assets are measured in a manner consistent with that of the financial statements. All assets are allocated to reportable segments other than deferred tax assets.

The amounts provided to the Management Committee with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segments. All liabilities are allocated to the reportable segments other than current and deferred income tax liabilities and borrowings.

Sales between segments are carried out based on market terms.

Information about major customers

Revenue of approximately 73% (2023: 67%) are derived from three (2023: three) major customers. These revenues are attributable to the Construction segment.

Geographical information

The Group's three business segments operate in two main geographical areas:

- Singapore - the country where the headquarters of the Group and the Company is located. The areas of operation are principally investment holding, provision of management services, construction, property development investment and hotel operations.
- Malaysia - the area of operation is mainly property development.

36. SEGMENT INFORMATION (CONTINUED)

Geographical information (continued)

Revenue and non-current segment assets are shown by the geographical area where the assets are located.

	Total sales		Non-current assets*	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Singapore	478,284	384,808	50,784	52,787
Malaysia	22,134	8,613	622	706
Thailand	-	-	699	728
	500,418	393,421	52,105	54,221
Investment in associated companies and joint ventures			20,244	23,466
			72,349	77,687

* Non-current assets exclude financial instruments, financial assets at FVOCI, and deferred tax assets.

37. RECLASSIFICATION OF COMPARATIVE FINANCIAL INFORMATION

Certain comparative amounts have been reclassified to be consistent with the current year's presentation and the effects of the reclassification is as follows:

	As previously reported \$'000	Prior year reclassification \$'000	As restated \$'000
Balance sheet as at 30 June 2023			
Current assets			
Trade and Other receivables	32,004	10,586	42,590
Non-current assets			
Trade and Other receivables	129,442	(10,586)	118,856

There is no net impact on the statement of comprehensive income for the financial year ended 30 June 2023 and no impact on the balance sheet as at 30 June 2023.

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

38. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 July 2024 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements:

Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2024)

Non-current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability
- information about the covenants, and
- facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The Group does not expect any significant impact arising from applying these amendments.

39. COMPANIES IN THE GROUP

(a) The subsidiaries are as follows:

Name	Principal activities	Place of incorporation and business	Effective equity interest held by Group	
			2024 %	2023 %
Held by the Company				
Unquoted equity shares				
¹ Lum Chang Asia Pacific Pte Ltd	Investment holding	Singapore	100	100
¹ Lum Chang Corporation Pte Ltd	Investment holding	Singapore	100	100
¹ Lum Chang Properties Ltd	Project management	Singapore	100	100
¹ Lum Chang (Suzhou) Investments Pte Ltd	Investment holding	Singapore	100	100
² Nexus Sdn Bhd	Dormant	Malaysia	100	100
¹ Binjai Holdings Pte Ltd	Investment holding	Singapore	100	100
¹ Kemensah Holdings Pte Ltd	Investment holding	Singapore	100	100
² Twin Palms Development Sdn Bhd	Dormant	Malaysia	100	100
⁸ UK Property Investment Pte Ltd	In members' voluntary liquidation	Singapore	70	70
⁸ Wembley Properties Pte Ltd	In members' voluntary liquidation	Singapore	70	70
¹ Tucana Investments Pte Ltd	Investment holding	Singapore	100	100
¹ Sky Real Estate Investment Pte Ltd	Investment holding	Singapore	100	100
¹ Solluna Investments Pte Ltd	Investment holding	Singapore	100	100
¹ Bluesky Real Estate Investment Pte Ltd	Property investment	Singapore	100	100

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

39. COMPANIES IN THE GROUP (CONTINUED)

(a) The subsidiaries are as follows: (continued)

Name	Principal activities	Place of incorporation and business	Effective equity interest held by Group	
			2024	2023
			%	%
Held by subsidiaries				
Unquoted equity shares				
¹ Lum Chang Auriga Pte Ltd	Property development	Singapore	100	100
¹ Lum Chang Property Investments Pte Ltd	Property investment	Singapore	100	100
¹ Lum Chang Building Contractors Pte Ltd	Building construction	Singapore	100	100
¹ Lum Chang Interior Pte Ltd	Renovation contractors	Singapore	80	80
^{3,9} Lum Chang Brandsbridge (M) Sdn Bhd	Retrofitting and interior finishing	Malaysia	40.8	40.8
² Lum Chang Sdn Bhd	Dormant	Malaysia	100	100
² Venus Capital Corporation Sdn Bhd	Dormant	Malaysia	100	100
³ Fabulous Range Sdn Bhd	Property development	Malaysia	100	100
² PJBOX Sdn Bhd	Investment holding	Malaysia	100	100
^{1,9} Lum Chang Brandsbridge Pte Ltd	Retrofitting and interior finishing	Singapore	40.8	40.8
¹ Lum Chang Builders Pte Ltd	General contractors	Singapore	100	100
¹ Lum Chang Decor Pte Ltd	Renovation contractors	Singapore	80	-
^{8,9} Quintessential Builder Pte Ltd	Specialist contractors	Singapore	28.6	-

39. COMPANIES IN THE GROUP (CONTINUED)

(b) The associated companies are as follows:

Name	Principal activities	Place of incorporation and business	Effective equity interest held by Group	
			2024	2023
			%	%
Held by subsidiaries				
Unquoted equity shares				
⁵ FCL Compassvale Pte Ltd	Dormant	Singapore	20	20
⁵ FCL Admiralty Pte Ltd	Dormant	Singapore	30	30
¹ Pavo Holdings Pte Ltd	Investment holding	Singapore	40	40
⁴ PT Super Makmur Sejahtera	Property development	Indonesia	25	25

(c) The joint ventures are as follows:

Name	Principal activities	Place of incorporation and business	Effective equity interest held by Group	
			2024	2023
			%	%
Held by subsidiaries				
¹ Dorado Holdings Pte Ltd	Investment holding	Singapore	50	50
⁶ Lum Chang Tien Wah Property Sdn Bhd	Property development	Malaysia	50	50
⁷ CLI CP (Netherlands) Pte Ltd	Dormant	Singapore	50	50
Subsidiaries held by joint venture				
Dorado Holdings Pte Ltd				
¹ Columba Holdings Pte Ltd	Investment holding	Singapore	50	50
¹ Corwin Holding Pte Ltd	Property investment	Singapore	50	50
¹ Dorado Retail Holdco Pte Ltd	Dormant	Singapore	50	50
¹ Dorado Retail Pte Ltd	Dormant	Singapore	50	50
Subsidiary held by joint venture				
Lum Chang Tien Wah Property Sdn Bhd				
⁸ Gourmet Gateway Sdn Bhd	Investment holding	Malaysia	50	-
Subsidiary held by joint venture				
CLI CP (Netherlands) Pte Ltd				
⁸ CLI CP (Netherlands) B.V.	Dormant	Netherlands	50	50

NOTES TO THE FINANCIAL STATEMENTS

for the Financial Year Ended 30 June 2024

39. COMPANIES IN THE GROUP (CONTINUED)

- 1 Audited by PricewaterhouseCoopers LLP, Singapore.
- 2 Audited by LT Lim & Associates, Malaysia.
- 3 Audited by PricewaterhouseCoopers, Malaysia.
- 4 Audited by Arif & Glorius, Indonesia.
- 5 Audited by KPMG LLP, Singapore.
- 6 Audited by Ernst & Young PLT, Malaysia.
- 7 Audited by Deloitte & Touche LLP, Singapore.
- 8 Not required to be audited.
- 9 Deemed to be a subsidiary as the Group has the ability to nominate a majority of the directors of the subsidiary.

In accordance to Rule 716 of the Singapore Exchange Securities Trading Limited – Listing Rules, the Audit and Risk Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its subsidiaries and significant associated companies would not compromise the standard and effectiveness of the audit of the Company.

40. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Lum Chang Holdings Limited on 17 September 2024.

STATISTICS OF SHAREHOLDINGS

As at 6 September 2024

Issued and Fully Paid-Up Capital	- \$86,572,309
Class of Shares	- Ordinary Shares
Voting Rights	- One vote per ordinary share
Total no. of Issued Ordinary Shares (excluding treasury shares)	- 374,624,804
Total no. of Treasury Shares	- 10,404,800

DISTRIBUTION OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	% ⁽¹⁾
1 - 99	209	4.69	8,917	0.00
100 - 1,000	806	18.08	413,824	0.11
1,001 - 10,000	2,418	54.25	11,086,574	2.96
10,001 - 1,000,000	1,010	22.66	43,903,656	11.72
1,000,001 and above	14	0.32	319,211,833	85.21
TOTAL	4,457	100.00	374,624,804	100.00

TWENTY LARGEST SHAREHOLDERS

	NO. OF SHARES	% ⁽¹⁾
UNITED OVERSEAS BANK NOMINEES PTE LTD	242,810,320	64.81
LUM KWAN SUNG	15,531,080	4.15
ELLIPSIZ LTD	13,755,922	3.67
HONG LEONG FINANCE NOMINEES PTE LTD	13,000,000	3.47
LUM KOK SENG	10,944,964	2.92
DBS NOMINEES PTE LTD	6,846,498	1.83
RMDV INVESTMENTS PTE LTD	3,459,159	0.92
LUM CHANG INVESTMENTS PTE LTD	2,963,674	0.79
OCBC NOMINEES SINGAPORE PTE LTD	2,822,616	0.75
CHIAM HOCK POH	1,960,300	0.52
TAN THIAN HWEE	1,723,000	0.46
LEH BEE HOE	1,295,300	0.35
NG POH MUI	1,069,200	0.29
ONG KIM GUAN OR NEO AH THIN	1,029,800	0.27
RAFFLES NOMINEES (PTE) LIMITED	684,940	0.18
NG POH CHENG	675,760	0.18
CITIBANK NOMINEES SINGAPORE PTE LTD	651,315	0.17
PHILLIP SECURITIES PTE LTD	570,700	0.15
OCBC SECURITIES PRIVATE LTD	525,428	0.14
ANG BOON SIANG	391,400	0.10
	322,711,376	86.12

SUBSTANTIAL SHAREHOLDERS (INCLUDING DEEMED INTERESTS)

	NO. OF SHARES	% ⁽¹⁾
Raymond Lum Kwan Sung	201,304,629 ⁽²⁾	53.73
David Lum Kok Seng	220,709,048 ⁽³⁾	58.91
RMDV Investments Pte Ltd	123,803,290	33.04
Lum Chang Investments Pte Ltd	61,972,942	16.54
Beverian Holdings Pte Ltd	72,211,400	19.27
Edlyn Lum Wen Ee	61,972,942 ⁽⁴⁾	16.54
Emlyn Lum Wen Yan	61,972,942 ⁽⁴⁾	16.54

Based on information available to the Company as at 6 September 2024, approximately 20.27% of the issued ordinary shares of the Company is held by the public and, therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

Notes: (1) Percentage computed is based on 374,624,804 shares in issue (excluding treasury shares which have no voting rights).

(2) Mr Raymond Lum Kwan Sung is deemed interested in 185,776,232 shares held directly by Lum Chang Investments Pte Ltd, RMDV Investments Pte Ltd and through their nominee accounts.

(3) Mr David Lum Kok Seng is deemed interested in 209,770,612 shares held directly by Beverian Holdings Pte Ltd, RMDV Investments Pte Ltd, Ellipsiz Ltd and through their nominee accounts.

(4) Ms Edlyn Lum Wen Ee and Ms Emlyn Lum Wen Yan are deemed interested in 61,972,942 shares held directly by Lum Chang Investments Pte Ltd and through its nominee accounts.

NOTICE OF ANNUAL GENERAL MEETING

Lum Chang Holdings Limited (incorporated in the Republic of Singapore) Company Registration No. 198203949N

Please note that there will be no distribution of vouchers at the upcoming AGM, as well as at future AGMs.

NOTICE IS HEREBY GIVEN that the **42nd Annual General Meeting** of the Company ("AGM") will be held at Orchard Rendezvous Hotel, Antica I & II, Level 2, 1 Tanglin Road, Singapore 247905 on **24 October 2024, Thursday** at **10.30 a.m.** to transact the following business:

As Ordinary Business:

1. To receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 30 June 2024 and the Independent Auditor's Report thereon. **Resolution 1**
2. To declare a final tax-exempt (one-tier) dividend of 1.0 Singapore cents per ordinary share for the financial year ended 30 June 2024. **Resolution 2**
3. To approve the amount of S\$435,775 proposed as Directors' fees for the financial year ended 30 June 2024 (2023: S\$356,800). **Resolution 3**
4. To note that (a) Mr Peter Sim Swee Yam and (b) Dr Willie Lee Leng Ghee have each served as Independent Director of the Company for an aggregate period of more than 9 years from the date of their first appointment and will cease to be independent pursuant to Rule 210(5)(d)(iv) of the Listing Manual of the SGX-ST. They will not be seeking re-election at the AGM and will retire from the Board upon the conclusion of the AGM.

Note: (a) Mr Peter Sim Swee Yam shall, upon his retirement from the Board at the conclusion of the AGM, cease to be Lead Independent Director, Chairman of the Remuneration Committee, a member of the Audit and Risk Committee and a member of the Nominating Committee.

(b) Dr Willie Lee Leng Ghee shall, upon his retirement from the Board at the conclusion of the AGM, cease to be Chairman of the Nominating Committee, a member of the Audit and Risk Committee and a member of the Remuneration Committee.
5. To re-elect the following Directors, retiring by rotation in accordance with Article 107(2) of the Constitution of the Company and who, being eligible, offer themselves for re-election:
(a) Mdm Constance Lee Sok Koon **Resolution 4**
(b) Mr Raymond Lum Kwan Sung **Resolution 5**

Note: (a) Mdm Constance Lee Sok Koon, an Independent Director, if re-elected, will remain as the Chairman of the Audit and Risk Committee. She is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

(b) Mr Raymond Lum Kwan Sung, the Executive Chairman, if re-elected, will remain as a member of the Nominating Committee.

(see Explanatory Note 1)

6. To re-elect Mr Benedict Ho Kok Keong, retiring in accordance with Article 89 of the Constitution of the Company and who, being eligible, offer himself for re-election: **Resolution 6**

Note: (a) Mr Benedict Ho Kok Keong will, if re-elected, remain as an Independent Director of the Company. He is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

(see Explanatory Note 1)

7. To re-appoint PricewaterhouseCoopers LLP as independent auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 7**

As Special Business:

To consider and, if thought fit, to pass the following as Ordinary Resolutions with or without modifications:

8. **Authority to Directors to issue Shares** **Resolution 8**

"That pursuant to Section 161 of the Companies Act 1967 (the "**Act**"), the Constitution of the Company and the listing rules of the SGX-ST (including any supplemental measures thereto from time to time), the Directors be and are hereby authorised to:-

- (a) (i) allot and issue ordinary shares in the capital of the Company (the "**Shares**") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, the "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of options, warrants, debentures or other instruments convertible into Shares,
- at any time to such persons, upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit; and
- (b) notwithstanding that the authority conferred by this Resolution may have ceased to be in force:-
- (i) issue additional Instruments as adjustments in accordance with the terms and conditions of the Instruments made or granted by the Directors while this Resolution was in force; and
- (ii) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force or any additional Instruments referred to in b(i) above,

PROVIDED ALWAYS THAT:-

- (I) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution (as calculated in accordance with subparagraph (II) below), of which the aggregate number of Shares issued other than on a *pro rata* basis to existing shareholders of the Company ("**Shareholders**") (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with subparagraph (II) below);
- (II) subject to such manner of calculation as may be prescribed by SGX-ST, for the purpose of determining the aggregate number of Shares that may be issued under subparagraph (I) above, the total number of the issued Shares is based on the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution after adjusting for:
 - (a) new Shares arising from the conversion or exercise of convertible securities;
 - (b) new Shares arising from the exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares;
- (III) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (IV) 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 AGM or the date by which the next AGM is required by law to be held, whichever is the earlier."

(see Explanatory Note 2)

9. **Approval for renewal of Share Purchase Mandate**

Resolution 9

(a) "That for the purposes of Sections 76C and 76E of the Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued Shares not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

- (i) on-market purchases (each an "**On-Market Share Purchase**") on the SGX-ST; and/or
- (ii) off-market purchases (each an "**Off-Market Share Purchase**") effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

- (i) the date on which the next AGM of the Company is held;
- (ii) the date by which the next AGM of the Company is required by law to be held; and
- (iii) the date on which the purchase of Shares by the Company pursuant to the Share Purchase Mandate is carried out to the full extent mandated;

(c) in this Resolution:

"**Prescribed Limit**" means 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares and subsidiary holdings as at that date); and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price (as hereinafter defined); and
- (ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price,

where:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last 5 Market Days (“**Market Day**” being a day on which the SGX-ST is open for securities trading), on which transactions in the Shares were recorded, before the day on which the On-Market Share Purchase was made (and deemed to be adjusted for any corporate action that occurs during the relevant 5 Market Days and the day on which On-Market Share Purchase was made) or, as the case may be, before the date of making an announcement by the Company of an offer for an Off-Market Share Purchase; and

- (d) the Directors and/or each of them be and are/is hereby authorised to complete and do all such acts and things as they and/or he may consider necessary, desirable, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.”

(see Explanatory Note 3)

10. **Any Other Business**

To transact any other business which may properly be transacted at an Annual General Meeting.

NOTICE OF RECORD DATE FOR THE PROPOSED FINAL DIVIDEND

NOTICE IS ALSO HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed at 5.00 p.m. on **8 November 2024** for the purpose of determining Shareholders’ entitlements to a proposed final tax-exempt (one-tier) dividend of 1.0 Singapore cents per ordinary share for the financial year ended 30 June 2024 (the “**Proposed Final Dividend**”).

Duly completed registrable transfers received by the Company’s Share Registrar, Tricor Barbinder Share Registration Services at **9 Raffles Place, #26-01 Republic Plaza Tower 1, Singapore 048619** up to 5.00 p.m. on 8 November 2024 will be registered to determine Shareholders’ entitlements to the Proposed Final Dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares of the Company as at 5.00 p.m. on 8 November 2024 will be entitled to the Proposed Final Dividend.

The Proposed Final Dividend, if approved by Shareholders at the 42nd AGM, will be paid on **22 November 2024**.

BY ORDER OF THE BOARD

YAP LAY HOON

WONG YI

Company Secretaries
Singapore
2 October 2024

Explanatory Notes to the Resolutions:

1. Detailed information on these Directors can be found under the “Board of Directors”, “Present and Past Directorships” and “Corporate Governance” sections in the Company’s Annual Report for the financial year ended 30 June 2024.
2. Ordinary Resolution 8, if passed, will empower the Directors, from the date of the AGM until the next AGM, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares in pursuance of such Instruments, up to an amount not exceeding (i) 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to 20% may be issued other than on a *pro rata* basis to Shareholders. The aggregate number of Shares which may be issued shall be based on the total number of issued Shares at the time that Ordinary Resolution 8 is passed, after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that Ordinary Resolution 8 is passed, and any subsequent bonus issue or consolidation or subdivision of Shares. This authority will, unless revoked or varied at a general meeting, expire at the next AGM, or the date by which the next AGM is required by law to be held, whichever is the earlier.
3. Ordinary Resolution 9, if passed, will enable the Directors, unless varied or revoked by the Company in general meeting, from the date of the above AGM until the next AGM, or the date by which the next AGM is required by law to be held, or the date on which the purchase of Shares by the Company pursuant to the Share Purchase Mandate is carried out to the full extent mandated, whichever is the earliest, to purchase Shares by way of On-Market Share Purchases and/or Off-Market Share Purchases of up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of the ordinary resolution and up to the Maximum Price. The Company intends to use internal sources of funds or external borrowings, or a combination of both, to finance its purchase of Shares pursuant to the Share Purchase Mandate. The amount of funding required for the Company to purchase or acquire its Shares and the financial impact on the Company and on the Company and its subsidiaries (the “**Group**”) arising from purchase of Shares cannot be ascertained as at the date of this Notice of AGM as these will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time and the amount (if any) borrowed by the Company to fund the purchase. The rationale for, the authority and the limits on, and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Company and the Group for the financial year ended 30 June 2024 (for illustrative purposes only) are set out in greater detail in the Appendix to the Notice of AGM dated 2 October 2024 in relation to the proposed renewal of the Share Purchase Mandate.

Notes:

- 1) A booklet containing printed copies of the Notice of AGM, the proxy form and request form (for a printed copy of the Company's Annual Report 2024) will be sent to members by post. These documents are also available on the Company's Corporate website at the URL <https://investor.lumchang.com.sg/agm.html> and SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.
- 2) A member (otherwise than a relevant intermediary) entitled to attend, speak and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his stead. Where such member appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- 3) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting of the Company, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).

"Relevant intermediary" means:

- (i) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
 - (iii) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under the Central Provident Fund Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds the shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
- 4) A proxy need not be a member of the Company.
 - 5) The instrument appointing a proxy or proxies must be submitted in the following manner:
 - (a) if submitted by post, be deposited at the office of the Company's Polling Agent, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
 - (b) if submitted electronically, be submitted via email to the Company's Polling Agent at srs.proxy@boardroomlimited.com,in either case, not less than seventy-two (72) hours before the time appointed for holding the AGM.
 - 6) The instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.
 - 7) Shareholders, including CPFIS/SRS investors, can raise questions at the AGM, or pre-submit questions relating to the business of the AGM **by 10.30 a.m. on 10 October 2024** in the following manner:
 - (a) **Via email.** Shareholders may submit their questions via email to agm@lumchang.com.sg.
 - (b) **By post.** Shareholders may submit their questions by post to the registered office of the Company at 14 Kung Chong Road, #08-01 Lum Chang Building, Singapore 159150.

When sending in your questions via email or by post, please also provide us with the following details:

- your full name;
- your address;
- the number of the Company's shares held; and
- the manner in which the Company's shares are held (e.g., via CDP, CPFIS/SRS and/or scrip).

All questions must be submitted **by 10.30 a.m. on 10 October 2024**. After the cut-off time for the submission of questions, if there are subsequent clarifications sought, or follow-up questions, the Company will address them during the AGM.

Where there are substantially similar questions submitted, the Company will consolidate these questions. As such, not all questions may be individually addressed. The Company will publish its responses to the substantial and relevant questions which were submitted **by 10.30 a.m. on 10 October 2024** on the Company's corporate website at the URL <https://investor.lumchang.com.sg/agm.html>, and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

The Company will publish the minutes of the AGM, including the responses to the substantial and relevant questions from Shareholders which are addressed during the AGM, on the Company's corporate website at the URL <https://investor.lumchang.com.sg/agm.html>, and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>, within one month after the conclusion of the AGM.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) 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 or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed 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 (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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LUM CHANG HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
Company Registration Number: 198203949N

Annual General Meeting Proxy Form

IMPORTANT

1. The Notice of Annual General Meeting together with this proxy form and the Annual Report of Lum Chang Holdings Limited dated 2 October 2024 will be sent to members by electronic means via publication on Lum Chang Holdings Limited's corporate website at the URL <https://www.lumchang.com.sg> and are also made available on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>. A booklet ("**AGM Notice Booklet**") containing printed copies of the Notice of Annual General Meeting and this proxy form will also be sent to members by post.
2. Relevant intermediaries as defined in Section 181 of the Companies Act 1967 may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
3. For CPF/SRS investors who have used their CPF/SRS monies to buy Lum Chang Holdings Limited's shares, the Annual Report is forwarded to them at the request of their CPF Approved Nominees solely FOR INFORMATION ONLY.
4. This proxy form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
5. For submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 2 October 2024.

I/We _____ (Name) _____ (NRIC/Passport Number/

Company Registration Number) of _____ (Address),

being a member/members of Lum Chang Holdings Limited (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			Number of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			Number of Shares	%

or failing him/her/them, the Chairman of the Annual General Meeting of the Company ("**AGM**") as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the 42nd AGM to be held at Orchard Rendezvous Hotel, Antica 1 & II, Level 2, 1 Tanglin Road, Singapore 247905 on 24 October 2024, Thursday at 10.30 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the ordinary resolutions to be proposed at the AGM as indicated hereunder, in the absence of specific directions, the proxy/proxies will vote or abstain as he/she/they may think fit, as he/she/they will on any other matter arising at the AGM.

No.	Resolution	For*	Against*	Abstain*
Ordinary Business				
1.	To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 30 June 2024 and the Independent Auditor's Report thereon			
2.	To declare a final tax-exempt (one-tier) dividend of 1.0 Singapore cents per ordinary share for the financial year ended 30 June 2024			
3.	To approve Directors' fees of S\$435,775 for the financial year ended 30 June 2024			
4.	To re-elect Mdm Constance Lee Sok Koon as a Director retiring under Article 107(2) of the Company's Constitution			
5.	To re-elect Mr Raymond Lum Kwan Sung as a Director retiring under Article 107(2) of the Company's Constitution			
6.	To re-elect Mr Benedict Ho Kok Keong as a Director retiring under Article 89 of the Company's Constitution			
7.	To re-appoint PricewaterhouseCoopers LLP as independent auditors and to authorise the Directors to fix their remuneration			
Special Business				
8.	To authorise Directors to issue shares pursuant to Section 161 of the Companies Act 1967			
9.	To approve the renewal of Share Purchase Mandate			

* If you wish to exercise all your votes "For" or "Against" the relevant resolution, please indicate with an "X" within the relevant box provided. Otherwise, please indicate the number of votes in the boxes provided. If you wish to abstain from voting on the resolution, please indicate with an "X" in the "Abstain" box in respect of that resolution. Alternatively, please indicate the number of votes in the "Abstain" box in respect of that resolution.

Dated this _____ day of _____ 2024

Total No. of Shares in	No. of Shares
CDP Register	
Register of Members	

Signature(s) or Common Seal of Member(s)

IMPORTANT: PLEASE READ THE FOLLOWING NOTES.

Notes:

- (1) Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 or any statutory modification thereof, as the case may be), 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. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
- (2) A member of the Company who is not a relevant intermediary (as defined below) is entitled to appoint not more than two (2) proxies to attend, speak and vote in his stead at the Annual General Meeting (“AGM”) of the Company. Where such member appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no percentage is specified, the first named proxy shall be deemed to represent 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
- (3) A member of the Company who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than one (1) proxy, the number of shares and the class of such shares in relation to which each proxy has been appointed shall be specified in the proxy form. In such event, the relevant intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.

“**relevant intermediary**” has the meaning as ascribed to it in Section 181(6) of the Companies Act 1967.

- (4) The instrument appointing a proxy or proxies must be submitted in the following manner:
 - (a) if submitted by post, be deposited at the office of the Company’s Polling Agent, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
 - (b) if submitted electronically, be submitted via email to the Company’s Polling Agent at srs.proxy@boardroomlimited.com,in either case, not less than seventy-two (72) hours before the time appointed for holding the AGM.

A member who wishes to submit an instrument of proxy must either utilise the printed copy of the proxy form received together with the AGM Notice Booklet or download, complete and sign the proxy form from the Company’s website, before (i) submitting it by post to the address provided above or (ii) scanning and sending it by email to the email address provided above.

- (5) A proxy need not be a member of the Company.
- (6) The instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.
- (7) Where an instrument appointing a proxy is signed on behalf of the appointer by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
- (8) A corporation which is a member may authorize by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act 1967.
- (9) The submission of an instrument or form appointing a proxy by a member does not preclude him/her from attending and voting in person at the AGM if he/she so wishes.
- (10) The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose shares are entered against his/her name in the Depository Register, the Company may reject any instrument of proxy lodged if such member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register 72 hours before the time appointed for holding the AGM, as certified by the Depository to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) 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 or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed 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 (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

