GKE
CORPORATION LIMITED

ENHANCING CORE CAPABILITIES

ANNUAL REPORT 2024

CONTENTS

CORE VALUES

We are committed to providing excellent solutions and services to our customers while delivering greater value to our stakeholders.

Customer Focused
We strive to customise effective and efficient solutions and services to meet the evolving needs of our customers.

People
We value and develop personnel who are passionate and committed in growing our businesses with us.

Integrity
We value honesty and trustworthiness, and deliver on our promises.

Team Work
We practice open communication with trust and respect, and we work as a team to achieve our corporate goals.

Safety Matters
We take priority and responsibility to ensure workplace safety.

OUR VISION

We strive to become one of the largest integrated warehousing and logistics solution providers in Singapore.

OUR MISSION

We are committed to delivering effective solutions for our customers and generating value for our shareholders.

CORPORATE PROFILE

GKE Corporation Limited 锦佳集团 ("**GKE**" and together with its subsidiaries, the "**Group**") is a leading integrated warehousing and logistics solutions provider offering one-stop, end-to-end multi-modal supply chain management solutions and services, with strategic investments in the infrastructural materials and services business in China and the agriculture business in Singapore. The business activities of the Group are classified into two broad categories: (i) warehousing & logistics, and (ii) strategic investments.

The Group's facilities host some of the best material handling equipment, with the most up-to-date safety and security features. It harnesses information technology capabilities to improve order visibility, maximise operational efficiency, implement effective inventory management, and reduce costs on overall supply chain management solutions and services for its customers across a variety of industries.

The Group offers fully integrated and comprehensive warehousing and logistics solutions and services comprising general cargo storage, dangerous cargo storage (Class 2, 3, 4, 5.1, 6.1, 8, and 9), bonded and licensed warehousing services, conventional transportation, container trucking, project logistics, international multi-modal sea and air freight forwarding services, marine logistics, and speciality chemical storage with ancillary services. The Group has also established support services at Singapore's port operations to strengthen its logistics value chain.

The Group's strategic investments comprise the infrastructural materials and services business in China and the agricultural business in Singapore. Through its wholly-owned subsidiary, Wuzhou Xing Jian Readymix Co., Ltd. 梧州市星建混凝土有限公司 ("**Wuzhou Xing Jian**"), which is primarily engaged in the manufacturing and supplying of ready-mix concrete ("**RMC**") products to the infrastructural development and construction sector in Wuzhou City since June 2016, the infrastructural materials and services business has been broadened to include (i) an automated RMC manufacturing business in Cenxi City, (ii) a construction material waste recycling facility in Cenxi City, and (iii) the mining and production of limestone products in Cangwu County, where Wuzhou Xing Jian holds the mining rights to a limestone mine. The agricultural business specialises in indoor cultivation of vegetables and the development of agri-tech solutions, where an automated controlled-environment approach is adopted to provide protection and maintain optimal growth conditions for the vegetable crop.

GKE is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited under stock code 595 since 2003.

BUSINESS OPERATIONS

The business activities of the **GKE** group of companies can be classified into two broad categories: (i) warehousing & logistics, and (ii) strategic investments. Strategic investments are focused on (i) infrastructural materials and services, and (ii) agriculture.

WAREHOUSING & LOGISTICS

The Group operates the warehousing and logistics business under the brand name "**GKE**", providing fully integrated and comprehensive logistics supply chain solutions & services, as well as port management & stevedoring services through its subsidiaries:

GKE Warehousing & Logistics Pte Ltd offers end-to-end logistics solutions and services to its customers in the consumer products, manufacturing, electronics, pharmaceuticals, chemicals, and retail industries. Services include receiving cargoes at destinations, storing and managing inventory at the Group's warehouses, and coordinating delivery to designated recipients in Singapore and around the world.

GKE Express Logistics Pte. Ltd. offers heavy haulage and handling services, out-of-gauge transportation services, and specialises in project logistics management services. It manages and operates a fleet of vehicles, including prime movers and trailers.

GKE Freight Pte. Ltd. has a committed and responsive team that leverages its multi-modal transportation capabilities via sea, air, and land, as well as its network of overseas agents, to coordinate and satisfy the freight forwarding requirements of customers.

Marquis Services Pte. Ltd. has expertise in chemical storage and management, with experience handling and storing hazardous items such as chemical products and flammable materials. It also provides industrial coating blending services and maritime supply support services.

GKE Services Pte. Ltd. provides port management and stevedoring services, as well as cleaning services at Singapore's seaport and at the airport, respectively.

Fair Chem Industries Pte Ltd is a speciality chemicals warehouse operator with toll blending and speciality chemical manufacturing capabilities in Singapore.

STRATEGIC INVESTMENTS

(i) Infrastructural Materials and Services

The Group established Wuzhou Xing Jian Readymix Co., Ltd. 梧州市星建混凝土有限公司 ("**Wuzhou Xing Jian**") in 2013, which is primarily engaged in the manufacturing and supply of environmentally friendly ready-mix concrete. The automated ready-mix concrete manufacturing plant commenced commercial production in June 2016.

Through Wuzhou Xing Jian, the Group broadened its investments to include another wholly-owned automated ready-mix concrete manufacturing plant, Cenxi Xing Jian Readymix Co., Ltd 岑溪市星建混泥土有限公司, and a 24% stake investment in a construction material waste recycling plant, Cenxi Haoyi Recycling Co., Ltd 岑溪市好易再生资源有限公司, in Cenxi City, China, as well as an 18% stake in Wuzhou Zi Wang Quarry Co., Ltd 梧州市梓旺石业有限公司 in Cangwu County.

(ii) Agriculture

The Group established **GKE** Agritech Pte. Ltd. to foray into the agriculture business, specifically indoor farming for vegetables and the development of agri-tech solutions. It adopts the controlled-environment agriculture approach, where automation and sensors are deployed to provide protection and maintain optimal growing conditions throughout the development of the crop.

EMBRACING CHANGES ENHANCING COMPETENCIES

The Group's asset enhancement strategy increased its earnings base while strengthening its core expertise in the warehousing and logistics industry.

LETTER TO SHAREHOLDERS

DEAR SHAREHOLDERS,

We believed the financial year ended 31 May 2024 ("**FY24**") was a test of our Group's adaptability to the gradual recovery of the world economic and business environment post-pandemic.

In FY24, we continued our stringent and conscientious resource management Group-wide amid the challenging economic and business environment, as well as rising inflationary pressure. Our effective resource management resulted in a 2.7% increase in gross profit year-on-year, from S$31.6 million in FY23 to S$32.5 million in FY24. With a focus on higher-value cargoes and higher-margin value-add solutions and services for our core warehousing and logistics division, gross margin increased slightly from 29.0% in FY23 to 29.4% in FY24.

We registered 10.1% growth in net profit attributable to shareholders, from S$3.9 million in FY23 to S$4.3 million in FY24, on the back of modest revenue growth of 1.5% year-on-year, from S$108.9 million in FY23 to S$110.6 million in FY24. This set of results reflected the payoff of our prior investments and efforts to enhance our assets and broaden our value-adding solutions and services in our core integrated warehousing and logistics segment in Singapore. It is commendable for our ability to maintain the growth momentum despite the headwinds our freight and infrastructural materials and services businesses faced in the year under review.

While we have achieved a stable and sustainable foundation for the Group, we will maintain tight reins over our operations in Singapore and China and be ready to seize growth-enhancing opportunities as we wait for the macroeconomic situation to improve.

MR. CHEN YONG HUA

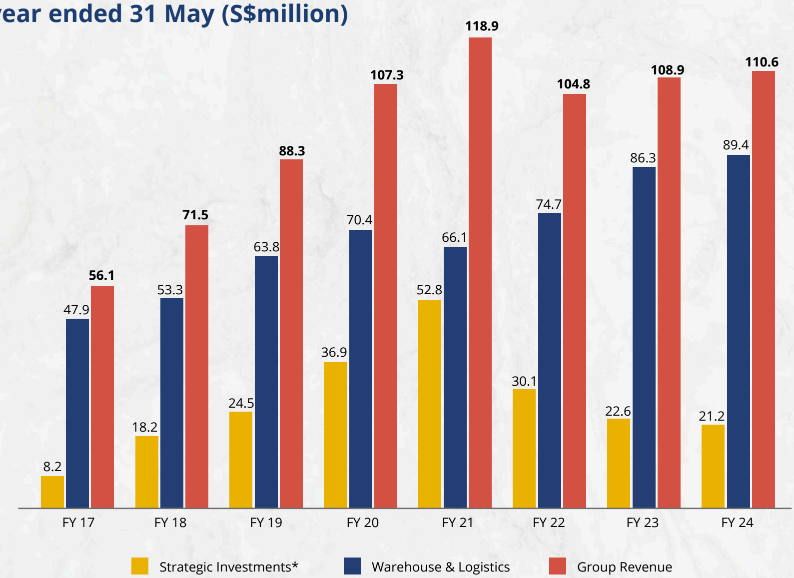
Executive Chairman and Executive Director

MR. NEO CHEOW HUI

Chief Executive Officer and Executive Director

GROUP REVENUE ANALYSIS

Financial year ended 31 May (S$million)



Note:
* Revenue of Strategic Investments include infrastructural materials and services and agriculture (indoor vegetable cultivation) businesses.

ENHANCING CORE CAPABILITIES, STRENGTHENING OUR FOUNDATION

Over the decades, we have been working relentlessly to enhance our core capabilities and competitive strengths in the warehousing and logistics industry, offering our services from handling and storage of general cargoes to integrated full supply chain management solutions and services for a wide spectrum of industries.

The aim of strengthening our foundation and achieving long-term stability and sustainability for the Group continues to drive us forward. We have broadened our capabilities to include the handling and storage of dangerous goods, from speciality chemicals to hazardous items including gas and liquids, pharmaceutical products, and electronics components. The pursuit of these niche areas motivates our people to improve their knowledge and skills as well as embrace the advanced technology that enables them to provide efficient and effective solutions and services to our customers.

The recent successful conversion of our container yards at 6 Pioneer Walk and 39 Benoi Road to dangerous goods (“**DG**”) handling and storage enabled us to meet demand for the storage of hazardous gases and ISO tanks. While meeting the stringent requirements in this particular sector required time and effort, it also increased the entry barriers. Together with our subsidiaries, Marquis Services Pte Ltd and Fair Chem Industries Pte Ltd, which focus on speciality chemical products, we believe our strategic developments will further enhance our core capabilities in the warehousing & logistics industry, but also further strengthen our foundation.

We believe our efforts in strengthening our core capabilities in the warehousing and logistics segment will balance the lacklustre performance of our infrastructural materials and services segment, which continues to experience a slowdown in China. While China’s rural revitalisation strategy is progressing in a gradual manner, the demand for ready-mix

LETTER TO SHAREHOLDERS

concrete is likely to taper as we will continue to maintain efficient cost management and regular credit assessments on our customers based in Guangxi, China.

Our other strategic investment, the agricultural business, in which we converted vacant office space into an automated controlled environment for indoor vegetable cultivation and the development of agri-tech solutions to maximise food safety and maintain optimal growth conditions for the vegetable crop, has increased cultivation area by another level of the office building. This development enables us to increase economies of scale, provide a continuous supply of vegetables to our distribution networks, and thereby improve the financial performance of this business. While we do not expect this business to have a material impact on our earnings, we believe it is critical that we contribute to the nation's food security.

Our Group has established a profitable track record for the past five years, and we will continue to strive to build on this sound foundation.

PROPOSED DIVIDEND

With our commendable earnings performance in FY24, the Board is pleased to propose a first and final (tax-exempt) dividend of 0.20 Singapore cents per share to our shareholders as a gesture of our appreciation. The dividend per share represents approximately 35.7% of the Group's earnings per share for FY24. The dividend payment is subject to shareholders' approval at the forthcoming Annual General Meeting, which will be held on 27 September 2024.

ACKNOWLEDGMENTS AND APPRECIATION

We are appreciative of our fellow Directors for their support and invaluable advice over the past financial year.

On behalf of the Board, we would like to extend our gratitude to our management and employees for their committed efforts, as well as the unwavering trust and support of our customers, business partners, and bankers in rising above challenges to achieve sustainability.

We are also thankful to our supportive shareholders, who have shared our growth journey over the past years. We are committed to strengthening our core capabilities and delivering sustainable, positive values to all our stakeholders.

CHEN YONG HUA 陈永华
Executive Chairman and Executive Director

NEO CHEOW HUI 梁昭辉（鹏飞）
Chief Executive Officer and Executive Director

致诸位股东

我们相信，截至2024年5月31日的财政年（「24财年」）是对锦佳集团适应疫情后世界经济及商业环境逐步复苏的能力考验。

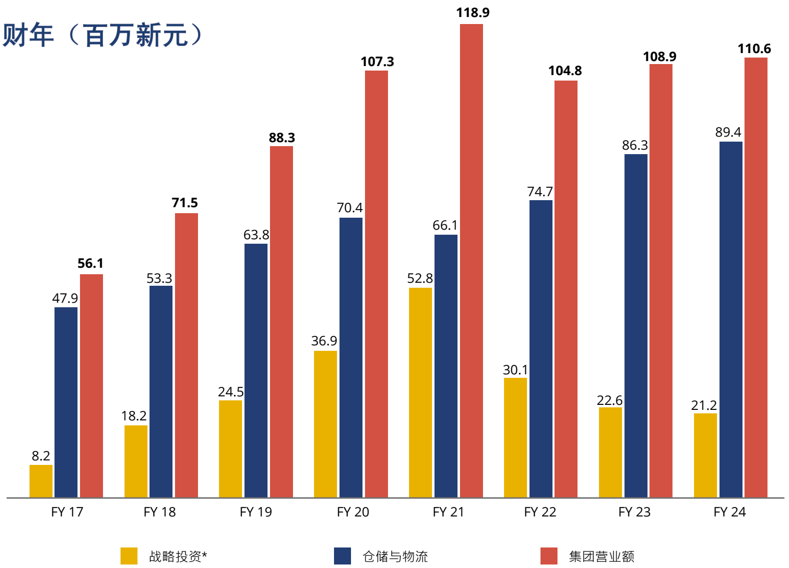
24财年，在充满挑战的经济和商业环境以及不断上升的通胀压力下，我们继续在整个集团范围内实行严格、认真的资源管理。我们有效的资源管理使毛利润同比增长2.7%，从23财年的3160万新元增至24财年的3250万新元。由于我们的核心仓储与物流部门专注于高价值货物和高利润率的增值解决方案与服务，毛利率从23财年的29.0%微增至24财年的29.4%。

我们的收入同比小幅增长1.5%，从23财年的1.089亿新元增至24财年的1.106亿新元，股东应占净利润增长10.1%，从23财年的390万新元增至24财年的430万新元。这一系列业绩反映了我们之前在新加坡核心综合仓储和物流业务的投资和努力得到了回报，这些投资和努力旨在增强我们的资产，扩大我们的增值解决方案和服务。尽管我们的货运和基建材料与服务业务在回顾年度内面临逆风，但我们仍能保持增长势头，这是值得称道的。

虽然我们已经为锦佳集团奠定了稳定和可持续发展的基础，但在等待宏观经济形势好转的同时，我们将继续严格控制在新加坡和中国的业务，并随时准备抓住促进增长的机遇。

集团营业额分析

截至5月31日的财年（百万新元）



备注:
* 战略投资的收入包括基础设施材料和服务以及农业（室内蔬菜种植）业务。

增强核心能力，夯实基础

几十年来，我们一直在不懈努力，以增强我们在仓储和物流行业的核心能力和竞争优势，为各行各业提供从一般货物的处理和储存到综合全面供应链管理解决方案和服务。

夯实基础，实现锦佳集团的长期稳定和可持续发展，是我们不断前进的动力。我们的业务范围已扩展到危险品的处理和储存，从特种化学品到危险品，包括气体和液体、医药产品和电子元件。对这些利基领域的追求，激励着我们的员工不断提高知识和技能，拥抱先进技术，为客户提供高效、有效的解决方案和服务。

最近，我们成功地将位于先锋路6号和贲耐路39号的集装箱堆场改建为危险品装卸和储存区，使我们能够满足储存危险气体和ISO储罐的需求。满足这一特殊行业的严格要求需要时间和精力，同时也增加了进入该行业的门槛。我们与子公司Marquis Services Pte Ltd 和 Fair Chem Industries Pte Ltd的战略发展将进一步增强我们在仓储和物流行业的核心能力，同时也将进一步巩固我们的基础。

致股东的信

我们相信，我们在加强仓储和物流板块核心能力方面所做的努力，将平衡基建材料和服务板块的低迷表现。虽然中国的乡村振兴战略正在逐步推进，预拌混凝土的需求可能会逐渐减少，但我们将继续保持高效的成本管理，并定期对中国广西的客户进行信用评估。

我们的另一项战略投资是农业，我们将空置的办公场所改建为自动化控制的室内蔬菜栽培环境，并开发农业技术解决方案，以最大限度地提高食品安全，保持蔬菜作物的最佳生长条件。这一发展使我们能够提高规模经济效益，向我们的分销网络持续供应蔬菜，从而改善该业务的财务业绩。虽然我们预计这项业务不会对我们的盈利产生重大影响，但我们相信，我们为国家的食品安全做出贡献至关重要。

过去五年来，锦佳集团一直保持着良好的盈利记录，我们将在此基础上继续努力。

拟派股息

由于锦佳集团在24财年的盈利表现值得称赞，董事会欣然提议向股东派发每股0.002新元的首次及末期（免税）股息，以表达我们的谢意。每股股息约占锦佳集团24财年每股收益的35.7%。股息支付须经股东在即将于2024年9月27日召开的年度股东大会上批准。

致谢

我们非常感谢各位董事在上一财年给予的支持和宝贵建议。

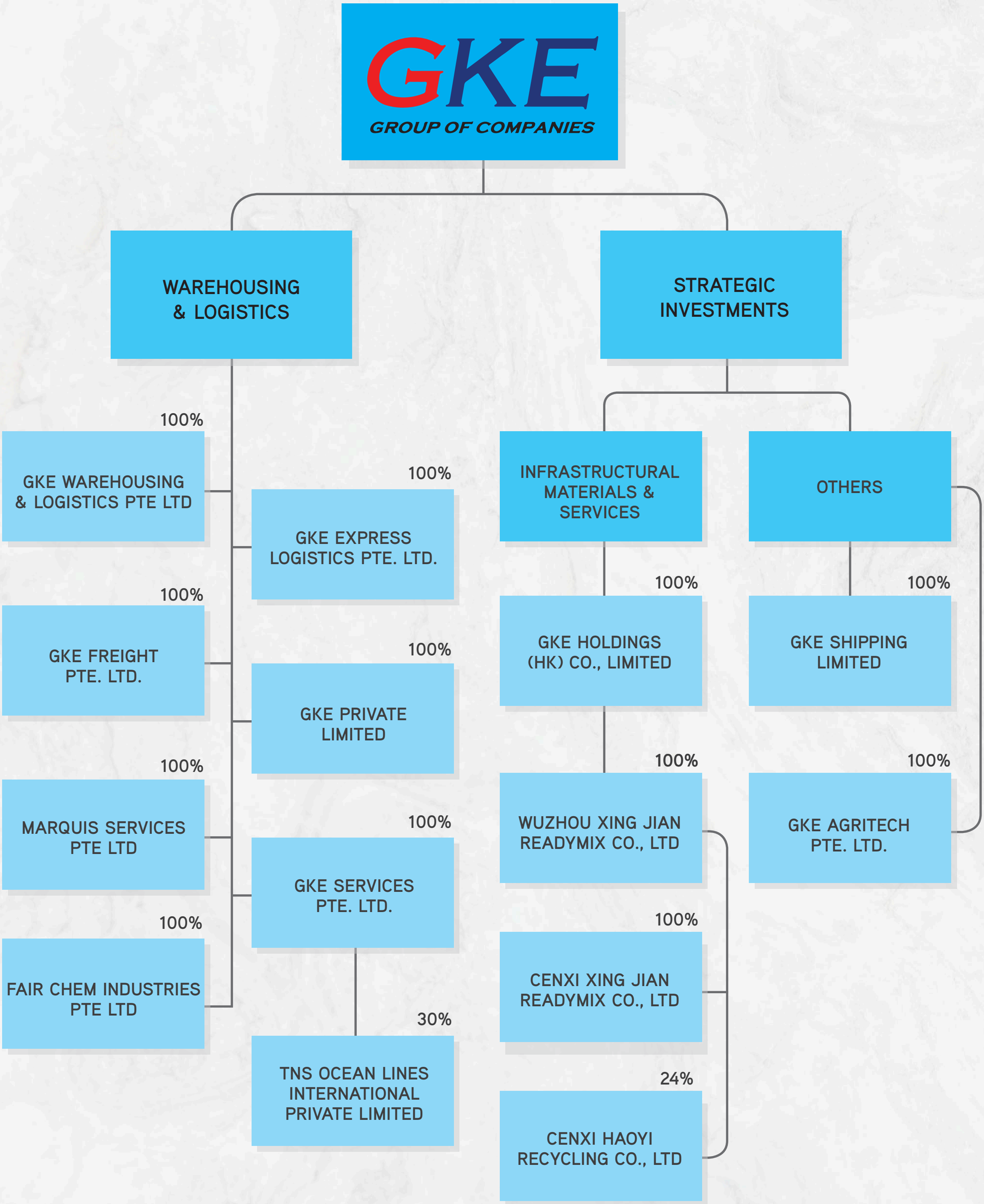
在此，我们谨代表董事会感谢管理层和员工的不懈努力，以及客户、业务伙伴和银行家对我们的坚定信任和支持，使我们能够克服挑战，实现可持续发展。

我们也要感谢支持我们的股东，他们在过去几年中与我们共同成长。我们致力于加强我们的核心能力，为所有利益相关者带来可持续的积极价值。

CHEN YONG HUA 陈永华
执行主席兼执行董事

NEO CHEOW HUI 梁昭辉（鹏飞）
首席执行官兼执行董事

CORPORATE STRUCTURE

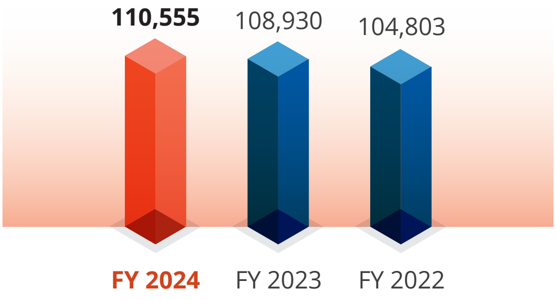


STRENGTHENING OUR FOUNDATION, ACHIEVING LONG-TERM STABILITY AND SUSTAINABILITY

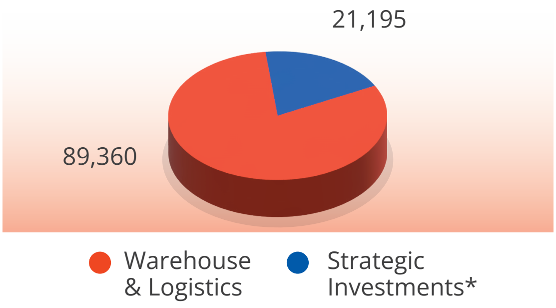
The goal of strengthening our foundation drives our people to better themselves in order to provide efficient and effective solutions and services to our customers, resulting in long-term stability and sustainability.

GROUP FINANCIAL HIGHLIGHTS

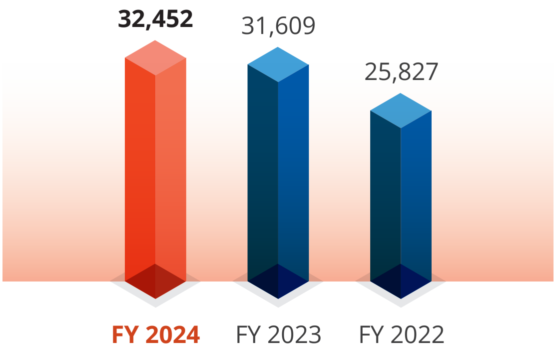
REVENUE (S$'000)



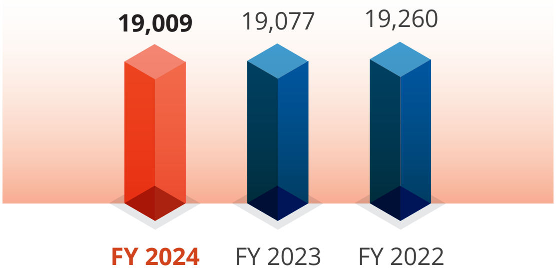
REVENUE BY BUSINESS SEGMENTS - FY2024 (S$'000)



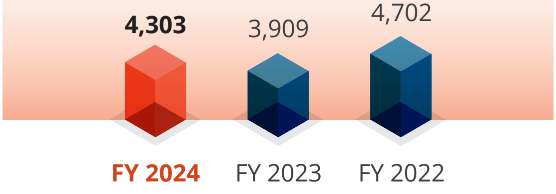
GROSS PROFIT (S$'000)



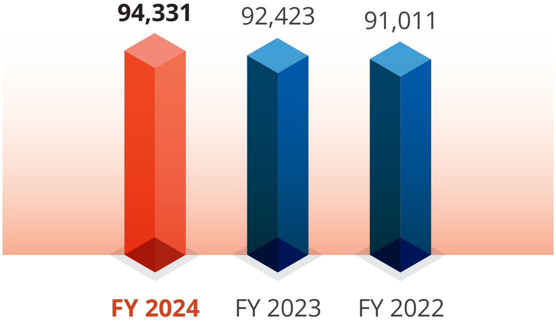
EBITDA (S$'000)



PATMI (S$'000)



NET ASSETS VALUE (S$'000)



* Strategic Investments include (i) Infrastructural Materials & Services and (ii) Agriculture.

GROUP FINANCIAL HIGHLIGHTS

FINANCIAL YEAR ENDED 31 MAY	2024	2023	2022
For the Financial Year (S$'000)			
Revenue	**110,555**	108,930	104,803
Profit			
EBITDA	**19,009**	19,077	19,260
Before tax	**6,760**	6,882	8,524
After tax	**4,303**	3,909	4,702
Earnings Per Share			
After tax (Singapore cents)	**0.56**	0.50	0.61
Weighted average number of issued shares (thousand)	**774,725**	775,124	775,124
Number of issued shares as at 31 May (thousand)	**794,700**	794,700	794,700
At Year End (S$'000)			
Net assets	**94,331**	92,423	91,011
Net tangible assets	**87,864**	85,457	83,203
Shareholders' funds	**94,331**	92,423	91,011
Capital employed	**143,810**	156,860	169,742
Bank borrowings	**42,319**	54,383	63,037
Debt-to-equity ratio	**44.9%**	58.8%	69.3%
Return on Shareholders' Funds			
Profit before tax	**7.2%**	7.4%	9.4%
Profit after tax	**4.6%**	4.2%	5.2%
Shareholders' Value			
Share price as at last trading day in May (S$)	**0.073**	0.072	0.102
Dividend per share (Singapore cents)	**0.20**	0.20	0.20

Note: EBITDA – Earnings Before Interest, Taxes, Depreciation (exclude Right-of-use Assets) and Amortisation
Capital employed – Total Assets less Current Liabilities

Amid the challenging economic and business environment in the financial year ended 31 May 2024 ("**FY24**"), the Group remained prudent and conscientious in its resource management, seeking stability and sustainability for the Group.

The Group's asset enhancement initiative, particularly the successful conversion of container yards at 6 Pioneer Walk for hazardous gas storage and 39 Benoi Road for storage of ISO tanks, expanded the Group's earnings base and strengthened its competitive position in the warehousing and logistics industry.

During FY24, the Group's logistics and infrastructural materials and services businesses faced headwinds, while the warehousing and logistics segment, comprising relatively higher-margin hazardous items, speciality chemicals, pharmaceuticals, and electronics supply chain management solutions and services, bolstered earnings and maintained the growth momentum.

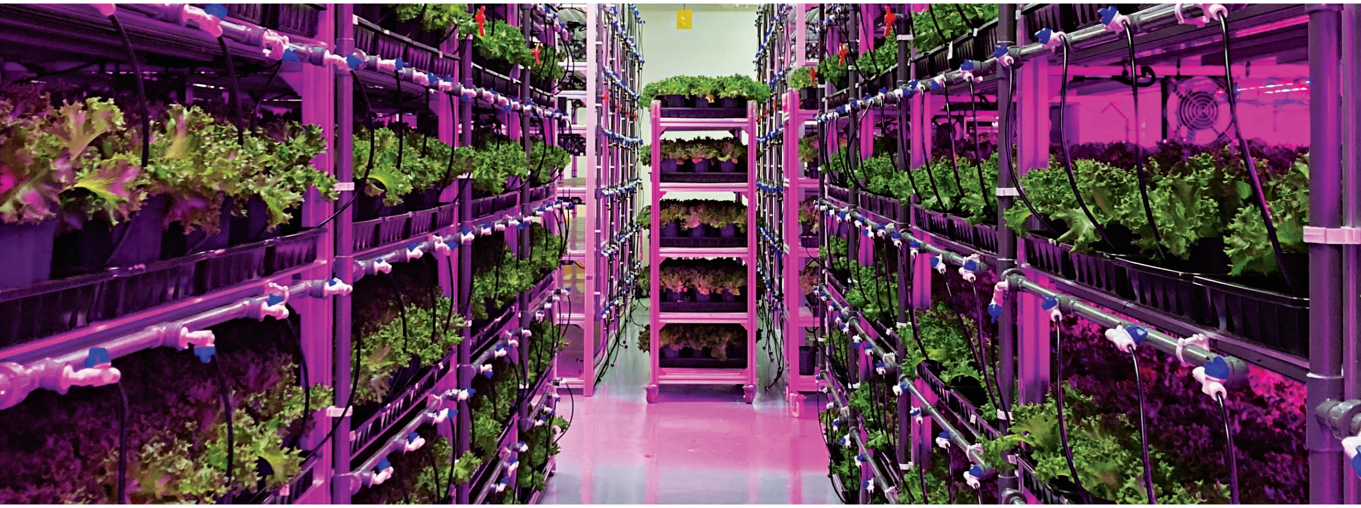
The Group recorded a modest growth of 1.5% year-on-year in revenue, from S$108.9 million in FY23 to S$110.6 million in FY24. The Singapore operations, comprising the core warehousing and logistics segment and the agriculture segment, maintained the growth momentum, which buffered the performance of the Group's infrastructural materials and services segment in China. The ongoing correction in the property sector in China, as well as the prudent management of the Group resulted in an 8.9% year-on-year decline in revenue from S$22.1 million in FY23 to S$20.1 million in FY24.

The vegetable cultivation area was expanded to occupy two levels of the 6 Pioneer Walk office building in FY24, bringing the total vegetable cultivation area to about 2,000 square meters (equivalent to approximately 21,527.8 square feet). The increased production of the selected vegetables improved the Group's ability to provide consistent supply to its distribution channels, resulting in sales growth of 80.7% year-on-year from S$612,000 in FY23 to S$1.1 million in FY24. The installation of solar panels on the rooftop of the 6 Pioneer Walk office building resulted in cost savings and a reduced carbon footprint.

REVENUE ANALYSIS BY BUSINESS SEGMENTS

FY 31 May (S$'000)	FY24	FY23	YoY Change
Warehousing & logistics	89,360	86,268	+ 3.6%
Strategic Investments:			
Infrastructural materials & services	20,089	22,050	- 8.9%
Agriculture (indoor vegetable cultivation)	1,106	612	+ 80.7%
Total	**110,555**	**108,930**	**+ 1.5%**

The Group's gross profit rose by 2.7% year-on-year, from S$31.6 million in FY23 to S$32.5 million in FY24. The growth coincided with effective cost management for the respective operations in Singapore and China. With a focus on higher-value cargoes and higher-margin value-add solutions and services for its core warehousing and logistics segment, gross margin increased modestly from 29.0% in FY23 to 29.4% in FY24.



Other income decreased by 9.7% year-on-year, from S$2.0 million in FY23 to S$1.8 million in FY24. This was mainly due to the reversal of overprovision for withholding tax in the prior year, which was partially offset by an increase in interest income.

Total operating expenses comprising marketing and distribution expenses and administrative expenses, increased by 5.1% year-on-year from S$23.5 million in FY23 to S$24.7 million in FY24. The increase was mainly due to (i) higher expenses incurred on marketing activities; (ii) an increase in the allowance of expected credit loss for receivables in China of S$0.6 million; and (iii) an increase in staff costs of S$0.7 million.

Finance costs decreased by 4.8% year-on-year, from S$2.8 million in FY23 to S$2.7 million in FY24 due to a decrease in interest expense on lease liabilities.

Other expenses of S$0.2 million in FY24 was mainly due to net foreign exchange losses.

Share of results from associate, Cenxi Haoyi Recycling Co., Ltd, decreased from S$134,000 in FY23 to S$45,000 in FY24 on the back of lower sales volume.

After taking into account tax expenses, the Group's net profit attributable to shareholders increased by 10.1% year-on-year, from S$3.9 million in FY23 to S$4.3 million in FY24.

FINANCIAL POSITION ANALYSIS

The Group's balance sheet remained strong with its shareholders' equity strengthened from S$92.4 million as at 31 May 2023 to S$94.3 million as at 31 May 2024. The increase was mainly due to the net profit generated for the financial year, which was partially offset by dividend payment of S$1.6 million, share buyback, and a decrease in other reserves due to foreign currency translation. Net asset value per share strengthened from 11.92 Singapore cents as at 31 May 2023 to 12.22 Singapore cents as at 31 May 2024, based on an outstanding number of 775.1 and 771.7 million shares, respectively.

Non-current assets decreased by approximately S$13.2 million or 10.0% from S$131.4 million as at 31 May 2023 to S$118.2 million as at 31 May 2024. The decrease was mainly due to the depreciation of property, plant and equipment ("**PPE**"), amortisation of intangible assets, the decline in the fair value of financial assets, and a decrease in the investment in associate due to the dividend received from the associate. The decrease was partially offset with the increase in deferred tax assets arising from the allowance of expected credit loss related to the trade receivables in its China operations.

Current assets decreased by approximately S$2.3 million or 3.3% from S$69.2 million as at 31 May 2023 to S$66.9 million as at 31 May 2024. The decrease was mainly due to the decrease in inventories, derivative financial assets, and cash and short-term deposits. The decrease was partially offset by higher trade and other receivables and prepaid operating expenses.

Non-current liabilities decreased by approximately S$14.9 million or 23.2% from S$64.4 million as at 31 May 2023 to S$49.5 million as at 31 May 2024. The decrease was mainly due to the reclassification of borrowings and lease liabilities to current liabilities.

Current liabilities decreased by approximately S$2.5 million or 5.7% from S$43.8 million as at 31 May 2023 to S$41.3 million as at 31 May 2024. This was mainly due to the repayment of borrowings and principal portion of lease liabilities, which was partially offset by the increase in trade and other payables, and tax payable.

CASH FLOW ANALYSIS

The Group generated approximately S$21.8 million in net cash from operating activities in FY24, as compared to S$25.0 million in FY23. This comprised positive operating cash flows before changes in working capital of S$27.9 million, adjusted by net working capital outflow of S$3.3 million and income taxes payment of S$3.1 million.

Net cash used in investing activities was S$2.2 million in FY24, as compared to S$2.9 million in FY23. The cash outflow was mainly due to the purchase of PPE of approximately S$2.4 million.

Net cash used in financing activities amounted to S$22.7 million in FY24, an increase from S$19.2 million in FY23. This was mainly due to the repayment of loans, repayment of principal portion of lease liabilities, and payment of dividends.

Taking into account on the above cash movements, cash and cash equivalents decreased by S$3.3 million to S$26.5 million as at 31 May 2024.

COMMITTED TO MAINTAINING GROWTH MOMENTUM

The Group will build on its stable and sustainable foundation, and be ready to seize growth-enhancing opportunities.

MR. CHEN YONG HUA
Executive Chairman and Executive Director

Mr. Chen Yong Hua was appointed as Executive Chairman and Executive Director on 12 January 2012. He is responsible for leading the Board and ensuring the overall effectiveness of the Board and its Board Committees, as well as working alongside the Chief Executive Officer on strategies. He is also responsible for the oversight of the Group's infrastructural materials and services businesses in China.

Mr. Chen brings with him a wealth of experience in corporate leadership and management from his involvement in the operations of companies across various industries in China. These businesses include primary land development, quarrying, ready-mix concrete manufacturing, real estate development, logistics, and newspaper printing. Mr. Chen holds several directorships in a few private Chinese companies.

MR. NEO CHEOW HUI
Chief Executive Officer and Executive Director

Mr. Neo Cheow Hui is the Chief Executive Officer and Executive Director of the Group. He is responsible for the oversight of the Group's businesses in Singapore, as well as the overall management of the Group, setting corporate direction, and leading the senior management in strengthening the Group's businesses and competitiveness for sustainable success. His extensive experience in the warehousing and logistics industry played a pivotal role in developing high-level strategies and making major corporate investments over the last 20 years.

Mr. Neo joined the Group in 1995, rose through the ranks to become the Chief Operating Officer and Executive Director in 2005, and was subsequently promoted to Chief Executive Officer on 3 January 2012.

BOARD OF DIRECTORS

MR. LOY SOO CHEW
Lead Independent Director

Mr. Loy Soo Chew was appointed as a Lead Independent Director of the Company on 15 April 2019. He is the Chairman of the Audit Committee and a member of the Remuneration Committee.

Mr. Loy has been the Group Managing Director of Kian Ann Group since 2014. He is primarily responsible in exploring and evaluating new business opportunities, as well as overseeing the day-to-day operations of the Group. Mr. Loy joined Kian Ann Group in 1996 as the Finance Manager, rose through the ranks to become the Executive Director, and subsequently, promoted to Group Managing Director.

Mr. Loy obtained his Master of Business Administration from the University of Leeds in 2000 and graduated with a Bachelor of Business (major in Professional Accounting) from the University of Southern Queensland in 1996. He is an Associate of CPA Australia.

MR. ANDREW CHUA THIAM CHWEE
Independent Director

Mr. Andrew Chua was appointed to the Board as an Independent Director of the Company on 30 September 2015. He is the Chairman of the Nominating Committee and a member of the Audit Committee.

A veteran banker, Mr. Chua has over 30 years of banking experience with his last position held as Managing Director of Enterprise Banking in DBS Bank Ltd. Currently, Mr. Chua is the Managing Director at SME Care Pte Ltd. He is also the Honorary Chairman of the West Coast Citizens' Consultative Committee.

Mr. Chua graduated with a Bachelor of Business Administration from University of Singapore in 1976.

MR. HO YING MING
Independent Director

Mr. Ho Ying Ming was appointed as an Independent Director of the Company on 30 September 2015. He is the Chairman of the Remuneration Committee and a member of the Nominating Committee.

Mr. Ho is a partner with Shook Lin & Bok LLP since 2011 and specialises in corporate finance. He has extensive experience in domestic and cross-border mergers and acquisitions, complex corporate restructuring and reorganisations, as well as private equity investments. He advises global private equity and venture capital firms, financial institutions, emerging growth companies, sovereign wealth funds, and multinational corporates in an extensive range of corporate transactions including public takeovers, private acquisitions, and joint ventures.

Prior to joining Shook Lin & Bok LLP, Mr. Ho worked with a leading international firm in Singapore and China, as well as a leading local firm in Singapore, where he advised on numerous mergers and acquisitions, joint ventures, private equity, and venture capital transactions.

Mr. Ho graduated with a Bachelor of Laws (Honours) from the National University of Singapore in 2002.

MR. WONG QUEE QUEE, JEFFREY
Independent Director

Mr. Jeffrey Wong was appointed as an Independent Director of the Company on 15 April 2019. He is a member of the Audit, Nominating and Remuneration Committees.

Mr. Wong is a partner with Solitaire LLP since 2023. Prior to joining Solitaire LLP, Mr. Wong was the Chief Executive Officer of Soochow CSSD Capital Markets (Asia) Pte. Ltd. and subsequently, its Senior Adviser. His preceding work experience with Religare Capital Markets ("**RCM**") group includes being Head of Investment Banking and Chief Operating Officer for RCM's international business. His career with UBS AG, Singapore branch, initially started as a member of the Transactions Legal team and, subsequently as an investment banker in the Equity Capital Markets team. Before joining UBS AG, Mr. Wong practised law at Allen & Gledhill LLP.

Mr. Wong graduated with a Bachelor of Laws (Honours) from the National University of Singapore in 2000. He completed the Chartered Valuer and Appraiser programme from Nanyang Technological University and obtained a Diploma in Regulatory Compliance from International Compliance Association. Mr. Wong is also an advocate and solicitor of the Supreme Court of Singapore and a solicitor of the Supreme Court of England and Wales.

KEY MANAGEMENT

MS. MARINA NEO HWEE LEE
Vice President

Ms. Marina Neo joined the Group since its inception in 1995 and rose through the ranks to manage the Group's warehousing businesses. She is responsible for the day-to-day operations of the Group's warehousing and logistics businesses, which includes developing and managing of key customers accounts and overseeing the maintenance of the warehouse premises of the Group.

Ms. Neo graduated with a Bachelor Degree in Business Administration and Economics from Charles Sturt University.

MR. CHEN JIANG NAN
Vice President

Mr. Chen Jiang Nan joined the Group in 2018 and he is responsible for the Human Resources, Procurement and Administrative function of the Group. He is also assisting the Executive Chairman in the oversight and management of the infrastructural materials and services operations in China.

Prior to joining the Group, Mr. Chen has been managing his personal business ventures in China and Australia.

Mr. Chen graduated with a Bachelor of Business from University of Technology Sydney and holds a Master in Business Administration from De Monfort University.

MS. DOREEN CHAI HWEE HOON
Vice President

Ms. Doreen Chai started the freight division for the Group since October 2004. She has been instrumental for the development and expansion of the freight and project logistics business units for the Group. Ms. Chai is responsible for the oversight of the sales and customer services of the Group's warehousing and logistics businesses.

Ms. Chai brings with her more than 20 years of experience in the freight forwarding industry and holds a Diploma in Business Studies.

MS. LI ZI YAN
Senior Investment Manager

Ms. Li Zi Yan is the Investment Manager of the Group since February 2012. She is responsible for the investment management of GKE Holding (HK) Co., Limited and assists in the oversight of the Group's businesses in China.

Prior to joining the Group, Ms. Li held various positions as the Chief Executive Officer and Financial Controller in several large and medium-sized enterprises in China.

Ms. Li graduated with a Bachelor Degree in Economics and Business Management from Renmin University of China.

KEY MANAGEMENT

MR. CHUA WEI CHYE LAWRENCE
Chief Financial Officer

Mr. Lawrence Chua joined the Group in March 2016. Mr. Chua is responsible for Group's overall accounting and finance function including treasury, risk management and investor relations.

Prior to joining the Group, Mr. Chua held several head of finance positions with companies listed on the Singapore Exchange. He has accumulated experiences in handling audit and initial public offering projects with one of the Big Four accounting firms.

Mr. Chua holds a Master in Business Administration from Manchester Business School. He is a fellow member of the Association of Chartered Certified Accountants (ACCA), United Kingdom and a non-practising member of the Institute of Singapore Chartered Accountants.

MR. TOH CHENG CHYE
Senior Group Finance Manager

Mr. Toh Cheng Chye joined the Group as a Finance Manager in March 2015 and was promoted to Senior Group Finance Manager. He is responsible for the Group's overall financial and management reporting.

Mr. Toh has more than 20 years of experience in accounting and finance function. Prior to joining the Group, he was the Finance Manager with various companies listed on the Singapore Exchange.

Mr. Toh graduated from the Association of Chartered Certified Accountants (ACCA), United Kingdom.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Chen Yong Hua
Executive Chairman and Executive Director

Mr. Neo Cheow Hui
Chief Executive Officer and Executive Director

Mr. Loy Soo Chew
Lead Independent Director

Mr. Andrew Chua Thiam Chwee
Independent Director

Mr. Ho Ying Ming
Independent Director

Mr. Wong Quee Quee, Jeffrey
Independent Director

AUDIT COMMITTEE

Mr. Loy Soo Chew (Chairman)
Mr. Andrew Chua Thiam Chwee
Mr. Wong Quee Quee, Jeffrey

NOMINATING COMMITTEE

Mr. Andrew Chua Thiam Chwee (Chairman)
Mr. Ho Ying Ming
Mr. Wong Quee Quee, Jeffrey

REMUNERATION COMMITTEE

Mr. Ho Ying Ming (Chairman)
Mr. Loy Soo Chew
Mr. Wong Quee Quee, Jeffrey

PRINCIPAL PLACE OF BUSINESS AND REGISTERED ADDRESS

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Fax: (65) 6266 2557
Website: www.gke.com.sg

COMPANY SECRETARIES

Ms. Sharon Lim Siew Choo (ACS, ACG)
Ms. Goh Xun Er (ACS, ACG)

AUDITOR

Ernst & Young LLP
Public Accountants and
Chartered Accountants
One Raffles Quay
North Tower, Level 18
Singapore 048583
Partner-in-charge: Ms. Lim Huijing Amanda
Date of appointment: 1 June 2023

CONTINUING SPONSOR

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36 Robinson Road #10-06
City House
Singapore 068877
Registered Professional: Mr. Josh Tan

SHARE REGISTRAR

In.Corp Corporate Services Pte. Ltd.
30 Cecil Street #19-08
Singapore 049712

PRINCIPAL BANKERS

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

DBS Bank
12 Marina Boulevard
MBFC Tower 3
Singapore 018982

INVESTOR RELATIONS

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18 Robinson Road
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18 Robinson
Singapore 048547
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Email: enquiry@octavecomms.com

The Board of Directors ("**Board**") of GKE Corporation Limited ("**Company**") is committed to maintain a high standard of corporate governance for the Company and its subsidiaries ("**Group**"). The Company believes that good corporate governance establishes and maintains an ethical environment and enhances the interests of all shareholders.

The Group is committed to set the corporate governance practices in place to be in line with the recommendations of the Code of Corporate Governance 2018 ("**Code**"). This report sets out the Group's main corporate governance practices that were in place throughout and/or during the financial year or which will be implemented and where appropriate, we have provided explanations for deviation from the Code.

BOARD MATTERS

The Board's Conduct of its Affairs

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

The Board is entrusted with the responsibility for the overall management of the business and corporate affairs of the Group. Apart from its fiduciary duties, the Board provides strategic guidance for the Group and supervises executive Management ("**Management**").

The Board's roles are as follows:

- establish policies on matters such as financial control, financial performance and risk management procedures;
- establish goals for Management and monitors the achievement of these goals;
- provide entrepreneurial leadership, set strategic objectives and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- sets the Board diversity policy;
- establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets; and
- identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation.

All Directors exercise due diligence and independent judgement in dealing with the business affairs of the Group and are always obliged to act in good faith and objectively discharge their fiduciary duties and responsibilities and take objective decisions in the interests of the Company. The Board holds the Management accountable for performance. Directors facing conflicts of interest will recuse themselves from meetings discussions and decisions involving the issues of conflict. Such Directors would abstain from voting and decision involving the issues of conflict.

To assist in the execution of its responsibilities, the Board is supported by three (3) Board Committees; namely the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") (collectively "**Board Committees**"). The Board Committees operate within clearly defined Terms of Reference ("**ToR**") and they play an important role in ensuring good corporate governance in the Company and within the Group. The ToR of the Board Committees are reviewed on a regular basis to ensure their continued relevance.

Directors attend and actively participate in Board and Board Committee meetings. The Board holds regular scheduled meetings to review the Group's key activities, business strategies, funding decisions, financial performance and to approve the release of the results of the Group. Ad-hoc meetings are convened when circumstances require. Meetings via telephone are permitted by the Company's Constitution. The Board also approves transactions through circular resolutions which are circulated to the Board together with all relevant information to the proposed transaction. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.

The following table sets out the number of Board and Board Committees meetings held during FY2024 and the attendance of each Director at these meetings:

	Board		AC		NC		RC		AGM	
Name of Directors	**No. of meetings**		**No. of meetings**		**No. of meetings**		**No. of meetings**		**No. of meetings**	
	held	**attended**	**held**	**attended**	**held**	**attended**	**held**	**attended**	**held**	**attended**
Chen Yong Hua	4	4	4	2*	1	0	1	0	1	0
Neo Cheow Hui	4	4	4	4*	1	1*	1	1*	1	1
Qian Wen Hua (1)	1	0	1	0*	1	0*	1	0*	1	0*
Ho Ying Ming	4	3	4	3*	1	1	1	1	1	1
Andrew Chua Thiam Chwee	4	4	4	4	1	1	1	1*	1	1
Wong Quee Quee, Jeffrey	4	4	4	4	1	1	1	1	1	1
Loy Soo Chew	4	4	4	4	1	1*	1	1	1	1

Notes:

* By invitation

(1) Ms. Qian Wen Hua retired as an Executive Director on 28 September 2023.

The Group had adopted a set of internal guidelines setting forth financial authorisation and approval limits for investments, acquisitions and disposals. Transactions falling outside the ordinary course of business and where the value of a transaction exceeds these limits have to be approved by the Board.

The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are those involving:

- corporate strategy and business plans;
- investment and divestment proposals;
- funding decisions of the Group;
- nominations of Directors for appointment to the Board and appointment of key personnel;
- announcements of interim and full-year results, the annual report and financial statements, circulars and all other announcements broadcasted via SGXNet;
- material acquisitions and disposal of assets; and
- matters of strategic importance.

The Directors are also updated regularly with respect to changes to the Listing Manual Section B: Rules of Catalist ("**Rules of Catalist**") of Singapore Exchange Securities Trading Limited ("**SGX-ST**"), risk management, corporate governance, insider trading, key changes in the relevant regulatory requirements, financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as Board or Board Committees members.

News releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("**ACRA**") which are relevant to the Directors are circulated to the Board. The Directors are informed of upcoming conferences and seminars relevant to their roles as Directors of the Company. Annually, the external auditor updates the AC and the Board on the new and revised financial reporting standards that are applicable to the Company or the Group. The Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of their duties and responsibilities. Changes to regulations and accounting standards are monitored closely by Management. To keep pace with such regulatory changes, the Company provides opportunities for ongoing education and training on Board processes and best practices as well as updates on changes in legislation and financial reporting standards, regulations and guidelines from the Rules of Catalist of the SGX-ST that affect the Company and/or the Directors in discharging their duties. The expense of training programs provided to the Directors will be borne by the Company.

In October 2015, ACRA introduced the Audit Quality Indicators ("**AQIs**") Disclosure Framework ("**Framework**"), which aims, to equip AC with information that allows AC to exercise their professional judgements on elements that contribute to or are indicative of audit quality. The AQIs were further enhanced in August 2016 which ACRA introduced six targets on selected AQIs to provide AC with a common yardstick for comparison and to facilitate meaningful audit quality conversations with the auditors. As part of ongoing efforts to raise audit quality, ACRA has on 7 February 2020 introduced the AQIs Disclosure Framework that revised in January 2020 ("**Revised AQIs Framework**"). The Revised AQIs Framework comprises audit quality indicators to provide relevant and useful information to help AC in their evaluation of statutory auditor. Accordingly, the AC had evaluated the performance of the external auditor as well as the resolution for reappointment of the external auditor based on the AQIs set out in the Revised AQIs Framework.

All newly-appointed Directors will be briefed on the business activities of the Group and its strategic goals and will undergo an orientation program with materials provided to help them get familiarised with the business and organisation structure of the Group. Management will provide the Directors with complete, adequate and timely information prior to the Board and Board Committee meetings and regularly updates and familiarises the Directors on the business activities of the Group on an on-going basis and during Board meetings, to enable the Directors to make informed decisions and discharge their duties and responsibilities. To get a better understanding of the Group's business, the Directors are also given the opportunity to visit the Group's operational facilities and meet with Management. In line with the amendments to the Catalist Rules on 1 January 2022, all the Company's Directors have signed up for the sustainability training courses prescribed by the Singapore Exchange Regulation and have attended the said sustainability training courses as at the date of this Annual Report.

A formal letter of appointment would be furnished to every newly-appointed Director upon their appointment explaining, among other matters, their roles, obligations, duties and responsibilities as members of the Board. There were no new Directors appointed during FY2024.

The Board has separate and independent access to Management, the Company Secretaries, and external advisers (where necessary) at the Company's expense at all times. The role of the Company Secretaries includes responsibility for ensuring the Board's procedures are followed and that the applicable rules and regulations are complied with. The Company Secretaries attends and prepare minutes of meetings of the Board and Board Committees and assists the Board in ensuring that the Company complies with the relevant statutory requirements. The appointment and removal of the Company Secretaries are subject to the approval of the Board as a whole.

Board Composition and Balance

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.

Presently, the Board comprises two (2) Executive Directors and four (4) Independent Directors:

Executive Directors
Mr. Chen Yong Hua (Executive Chairman)
Mr. Neo Cheow Hui (Chief Executive Officer)

Independent Directors
Mr. Loy Soo Chew (Lead Independent Director)
Mr. Ho Ying Ming
Mr. Andrew Chua Thiam Chwee
Mr. Wong Quee Quee, Jeffrey

The NC is of the view that the current Board, with Independent Directors making up a majority of the Board, has a strong and independent element to exercise objective judgment on corporate affairs.

The NC considers an Independent Director as one who is independent in conduct, character and judgement, and 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 in the best interests of the Company. The NC conducts its review annually to determine the independence of each Independent Director which take into the consideration the definition set out in the Code and Rule 406(3)(d) of the Catalist Rules.

As at the date of this report, none of the Independent Directors has served on the Board beyond nine (9) years since the date of his first appointment.

The Board has examined its size and is of the view that it is an appropriate size for effective decision-making, taking into account the scope and nature of the operations of the Company. The NC is of the view that no individual or small group of individuals dominate the Board's decision-making process.

The Independent Directors are respected individuals from different backgrounds whose core competencies, qualifications, skills and experience are extensive and complementary. The Board comprises individuals who carry specialist backgrounds in accounting, finance, business and management, strategic planning and law.

The Board recognises the benefits of diversity in gaining new ways of thinking, insights and different perspectives to the Company, which will result in productivity and quality of board deliberations and discussions. The Board has adopted a formal Board Diversity Policy ("**BDP**") to outline its approach for enhancing diversity within the Board.

According to the BDP, the Board, with the assistance of the NC, will periodically review its composition, at least an annual basis. The assessment will take into account, amongst others, the various benefits stemming from diversity, including but not limited to skills, business experience, industry expertise, gender, age, and distinctive qualities of Directors, both on an individual basis and as a group. This evaluation will be conducted within the context, nature and extent of the Group's operations and business. In addition, the BDP stipulates that a search firm to be engaged, where required, to assist the Board or any committee of the Board in identifying candidates for appointment to the Board will be obligated to include diversity. The final decision regarding the appointment of Directors to the Board will be based on their merit, taking into consideration their relevant skills, experience, independence, and knowledge for the effective functioning of the Board, as well as a range of diversity aspects and perspective as described in the BDP to promote and encourage boardroom diversity.

In this regard, the NC is responsible for:

(a) ensuring that boardroom diversity objectives are adopted and implemented effectively and practically in processes such as Board recruitment, Board performance evaluation and succession planning; and

(b) formulating and establishing the relevant measurable objectives and targets to promote and achieve diversity on the Board. The NC will then make its recommendations for consideration and approval by the Board.

In consultation with the NC, the Board will conduct an annual review to assess if the existing attributes and core competencies of the Board are complementary and contributes to the efficacy of the Board and ensure that the objectives of the BDP are met and remain effective for the Company. This enables the Board to maintain or enhance balance and diversity within the Board. The Board has the option to enhance various aspects of its diversity whenever deemed necessary. For FY2024, the Board has a good mix of Directors in different age groups, skill sets and experience.

The diversity in the age, gender, nationality and race of the current Board as at 31 May 2024 is as follows:

Age Group		
40-50	**51-60**	**61 and above**
2	3	1

Gender	
Male	**Female**
6	0

Nationality	
Singaporean	**Others**
6	0

Race	
Chinese	**Others**
6*	0

Note: * includes Singapore Citizen

The Board strongly views that diversity of the Board's composition is important to facilitate optimal decision-making by harnessing different insights and perspectives. Whilst the capital market experience is of paramount importance to the Board, a high-performance board should comprise directors with a wide variety of backgrounds, experiences and skills. The NC is of the view that the current Board comprises persons who as a group provide a diverse mix of capabilities such as skills, experience and knowledge required for the Board to be effective and to enable the Board to make decisions in the best interest of the Company.

The NC has assessed the current level of diversity on the Board to be satisfactory, and the Company takes the approach that maintaining a satisfactory level of diversity as an ongoing process. The targets to ensure the existing skill sets and core competencies of the Board are complementary and enhances the efficiency of the Board and to achieve diversity on the Board are assessed from time to time, based on the composition of the Board and operations of the Group at the relevant time.

The Independent Directors participate actively during Board meetings. Independent Directors constructively challenge and help develop proposals on strategy; and review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance. The Independent Directors discuss regularly without the presence of Management matters such as the changes that they like to see in Board processes, corporate governance initiatives, and matters which they wish to discuss during the Board meetings.

The Company has benefited from the Management's access to its Directors for guidance and exchange of views both within and outside of the meetings of the Board and Board Committees. The Independent Directors communicate amongst themselves and with the Company's auditor and Management.

Chairman and Chief Executive Officer

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 a clear division of responsibilities between the Chairman and Chief Executive Officer ("**CEO**"), which ensures there are a balance of power, increased accountability and greater capacity for the Board in terms of independent decision making. Mr. Chen Yong Hua is the Executive Chairman while Mr. Neo Cheow Hui is the CEO. The Chairman is responsible for the formulation of the Group's strategic, direction and expansion plans, while the CEO is responsible for the conduct of the Group's daily business operations.

The Chairman also encourages constructive relations between the Board and Management and between the Executive Directors and Independent Directors, as well as effective communication with shareholders. To facilitate effective contribution of directors, and in particular, the Independent Directors, the Chairman ensures that relevant information on business initiatives, industry developments and press commentaries on matters relating to the Company or the industries in which it operates are circulated to the Board members on a continuous basis so as to enable them to be updated and thereby enhance the effectiveness of the Independent Directors and the Board as a whole. The Chairman and the CEO are not related.

The Chairman takes a leading role in the Company's drive to achieve, promote and maintain a high standard of corporate governance with the support of the directors, the Management and the Company Secretaries.

All major decisions made by the Board are reviewed and approved by majority of the Board.

Notwithstanding that the Executive Chairman, Mr. Chen Yong Hua, is part of the management team and is not considered an Independent Director, the Company remains in compliance with Provision 3.3 of the Code, where Mr. Loy Soo Chew has been appointed as the Lead Independent Director of the Company on 15 April 2019 to lead and co-ordinate activities of Independent Directors and providing a channel to non-executive directors for confidential discussions on any concerns and to resolve conflicts of interests as and when necessary. In addition, the Lead Independent Director may also help the NC to conduct annual performance evaluation and develop succession plans for the Chairman and CEO as well as to help the RC to design and assess the Chairman's remuneration. The Lead Independent Director is the main liaison on Board issues between the Independent Directors and the Chairman and is available to shareholders where they have concerns when contact through the normal channels of the Chairman, the CEO, or the Chief Financial Officer ("**CFO**") has failed to resolve or where such communication is inappropriate or inadequate.

The Independent Directors, led by the Lead Independent Director, meet amongst themselves without the presence of the other Directors, where necessary, and the Lead Independent Director will provide feedback to the Chairman after such meetings.

The Board believes that the Independent Directors have demonstrated high commitment in their role as Directors and there are adequate safeguards in place to ensure an appropriate balance of power and authority within the spirit of good corporate governance.

Board Membership

Principle 4: 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.

The NC currently comprises three (3) Independent Directors, all of whom, including the Chairman are independent. The NC members are:

Nominating Committee
Mr. Andrew Chua Thiam Chwee (Chairman)
Mr. Wong Quee Quee, Jeffrey
Mr. Ho Ying Ming

In view that all members of the NC are all Independent Directors, the Board is of the view that there is sufficient independent element in the committee. The Lead Independent Director, who is also the Chairman of the AC, should focus on the AC matters instead. Notwithstanding the foregoing, the Lead Independent Director was invited to attend all NC meetings during FY2024.

The NC is regulated by its terms of reference and its principal functions include the following:

- to appoint new Directors and re-nominate existing Directors, having regard to their contribution and performance;
- to assess the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board;
- to determine on an annual basis whether or not a Director is independent;
- to decide whether a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly when the Director has multiple board representations;
- to review the training and professional development programs for the Board; and
- to review the Board succession plans for Directors, in particular, the Chairman, the CEO and key management personnel ("**KMP**").

Process for appointing of new directors

The NC has recommended, and the Board has approved, a formal process for the selection of new Directors as follows:-

(a) The NC evaluates the balance of skills knowledge and experience on the Board and, in the light of such evaluation and in consultation with Management, prepares a description of the role and the essential and desirable competencies for a particular appointment;

(b) Directors and Management may suggest suitable potential candidates. If necessary, the NC may enlist external help (for example, from Singapore Institute of Directors, search consultants or advertisements) to source for potential candidates;

(c) The NC assesses suitability of short-listed candidates and discusses with them, if necessary, to ensure that the candidates are aware of the expectations and the level of commitment required; and

(d) The NC makes recommendations to the Board for approval.

All Directors are to submit themselves for re-nomination and re-election at regular intervals of at least once every three (3) years. The Company's Constitution provides that one-third of the Board for the time being shall retire from office by rotation at each Annual General Meeting ("**AGM**") of the Company. In addition, the Company's Constitution also provides that newly appointed Directors are required to submit themselves for re-election at the AGM of the Company immediately following their appointments.

Each member of the NC shall abstain from voting on any resolutions in respect to his re-nomination as a Director. Mr. Chen Yong Hua and Mr. Wong Quee Quee, Jeffrey will be retiring at the forthcoming AGM pursuant to the Company's Constitution. Mr. Chen Yong Hua and Mr. Wong Quee Quee, Jeffrey being eligible, had each consented to stand for re-election as Directors of the Company at the forthcoming AGM.

Mr. Ho Ying Ming and Mr. Andrew Chua Thiam Chwee who have served on the board for an aggregate period of nine years by 30 September 2024 will be stepping down as an Independent Director of the Company pursuant to Catalist Rule 406(3)(d)(iv) on or before 30 September 2024. A separate cessation announcement as required under Rule 704(6)(a) of the Catalist Rules of SGX-ST will be made via SGXNet once the details and processes are confirmed and completed.

For the financial year under review, the NC is of the view that the Independent Directors of the Company are independent (as defined under Principle 2 as set out in page 26 of this Annual Report) and are able to exercise judgment on the corporate affairs of the Group that is independent of the Management.

Despite some of the Directors having other Board representations, the NC is satisfied that these Directors are able to and have adequately carried out their duties as Directors of the Company. Currently, the Board has not determined the maximum number of listed Board representations which any Director may hold as it would not adequately take into account the varied circumstances of each Director. The NC and the Board will review the requirement to determine the maximum number of listed Board representations as and when they deem fit. The Company currently does not have any alternate Directors.

Details of the Directors' academic and professional qualifications and directorships both present and those held over the preceding 3 years in other listed companies and other principal commitments are set out on pages 17 to 19 and 42 to 51 of the Annual Report.

The key information regarding Directors is set out below:

Name of Director	Board Appointment Executive / Non-Executive	Board Committees as Chairman or Member	Directorship Date First Appointment / Date of Last Re-Election	Due for Re- Election / Re-Appointment on forthcoming Annual General Meeting
Mr. Chen Yong Hua	Executive Chairman and Executive Director	Board Member	12 January 2012 / 29 September 2022	√
Mr. Neo Cheow Hui	Chief Executive Officer and Executive Director	Board Member	21 July 2005 / 29 September 2022	–
Mr. Loy Soo Chew	Lead Independent Director	Board Member, Chairman of AC and Member of RC	15 April 2019 / 29 September 2022	–
Mr. Ho Ying Ming	Independent Director	Board Member, Chairman of RC and Member of NC	30 September 2015 / 28 September 2023	–
Mr. Andrew Chua Thiam Chwee	Independent Director	Board Member, Chairman of NC, and Member of AC	30 September 2015 / 28 September 2023	–
Mr. Wong Quee Quee, Jeffrey	Independent Director	Board Member, Member of AC, NC and RC	15 April 2019 / 29 September 2021	√

Note: Information on the Directors' shareholding in the Company is set out in the Directors' Statement.

Board Performance

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 NC determines how the Board's performance may be evaluated and proposes objective performance criteria, subject to the Board's approval, which address how the Board has enhanced long-term shareholders' value. The performance evaluation takes into consideration the Company's share price performance vis-à-vis the Singapore Straits Times Index. The Board has also implemented a process to be carried out by the NC for assessing the effectiveness of the Board as a whole and its Board Committees and for assessing the contribution from each individual Director to the effectiveness of the Board.

The Board and the NC have endeavoured to ensure that the Directors appointed to the Board possess the relevant experience, knowledge and expertise critical to the Group's business.

During the financial year under review, the Directors were requested to complete the evaluation form of the Board as a whole, Board Committees and individual directors respectively to assess the overall effectiveness of the Board, Board Committees and individual Directors. The results of the evaluation exercise were considered by the NC which then made recommendations to the Board on enhancements to improve the effectiveness of the Board as a whole.

The NC, having reviewed the performance of the Board as a whole, Board Committees and each individual Director, is of the view that the performances of the Board, Board Committees and each individual Director have been satisfactory and met their performance objectives. No external facilitator was used in the evaluation process for FY2024.

All NC members have abstained from voting or review process of any matters in connection with the assessment of his own performance.

The NC meet at least once a year, and as warranted by circumstances, to discharge its function. In FY2024, one (1) NC meeting was held.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

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.

The RC comprises the following three (3) Directors, all of whom, including the Chairman are Independent Directors:

<u>Remuneration Committee</u>
Mr. Ho Ying Ming (Chairman)
Mr. Wong Quee Quee, Jeffrey
Mr. Loy Soo Chew

The members of the RC carried out their duties in accordance with the terms of reference which include recommending to the Board, a framework of remuneration for each Director.

The RC recommends to the Board a framework for the remuneration for the Board and KMP and to determine specific remuneration packages for each Executive Director which is based on transparency and accountability.

The RC is regulated by its ToR and its key functions include:

- reviewing and recommending to the Board a framework of remuneration for all Directors of the Company and Management;
- reviewing the service contracts of the Executive Directors; and
- reviewing and submitting its recommendations for endorsement by the Board.

The RC was formed with the mandate to oversee the general compensation of key employees of the Group with a goal to motivate, recruit and retain employees and Directors through competitive compensation and progressive policies.

Each member of the RC will refrain from voting on any resolution in respect of the assessment of his own remuneration. No Director will be involved in determining his own remuneration.

The RC has access to professional advice from experts outside the Company on executive remuneration matters as and when necessary. In accessing the professional advice from experts outside the Company, the RC will ensure that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. The Company will also disclose the names and firms of the remuneration consultants in the annual remuneration report, and include a statement on whether the remuneration professionals have any such relationships with the Company. During the Financial Year, the Company has engaged Mercer (Singapore) Pte Ltd to conduct an Executive Compensation Benchmark and Review of Profit-Sharing Plan for the Executive Directors and several KMP.

In addition to the above, the RC will also review the Company's obligations in the event of termination of the Executive Directors' and KMP's contracts of service, to ensure that such service agreements contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

The RC meets at least once a year, and as warranted by circumstances, to discharge its function. In FY2024, one (1) RC meeting was held.

Level and Mix of Remuneration

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.

The Company has a remuneration policy, which comprises a fixed component and a variable component. The fixed and variable components are in the form of a base salary and a variable bonus respectively, and take into account the performance of the Company as a whole and the performance of the individual Director and the KMP so as to align remuneration with the interests of shareholders and link rewards to corporate and individual performance.

The remuneration packages for the Executive Directors and KMP will be reviewed by the RC annually to ensure that the remuneration commensurate with the level of contribution, taking into account factors such as effort and time, and responsibilities of the Executive Directors and KMP. For FY2024, the RC is satisfied that the performance conditions for the Executive Directors and KMP were met.

On September 2021, shareholders approved the GKE Employee Share Option Scheme 2021 ("**GKE ESOS 2021**"). The GKE ESOS 2021 is administered by the RC ("**Administration Committee**").

The primary objective of establishing the GKE ESOS 2021 is to attract, reward, retain and motivates the Group's Directors and key employees so as to strengthen the Group's competitiveness and build a sustainable long-term business. Allowing the Group's Directors and high performing employees to participate in the equity of the Company will encourage them to achieve a higher standard of performance and promote loyalty to the Company and the Group.

In addition, by fostering a greater ownership culture within the Group, GKE ESOS 2021 would engender the alignment of the interest of employees with that of the Shareholders. This long-term shareholder value through sustainable growth is achieved through increased performance standards and efficiency of key employees. In addition, the participatory style of management promotes greater commitment and a stronger sense of identification towards the Group amongst the employees.

Under GKE ESOS 2021, a Participant will be granted the right to subscribe for shares ("**Options**"). An Option represents the right of the Participant to receive fully paid shares upon payment of the Exercise Price (as defined and determined under the GKE ESOS 2021) within the Exercise Period (as defined in the GKE ESOS 2021). The Exercise Price and Exercise Period shall be determined by the Administration Committee in its absolute discretion in accordance with the GKE ESOS 2021.

The Independent and Non-Executive Directors do not enter into service agreements with the Company. They are paid with Directors' fees, the amount of which is dependent on their level of responsibilities. The Company will submit the quantum of Directors' fees for the coming year to the shareholders for approval at each AGM. Save for Directors' fees and ESOS as disclosed in Principle 8 on page 33 of this report, the Independent Directors do not receive any other remuneration from the Company in FY2024.

The Company does not use contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors and KMP in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. As the Directors owe a fiduciary duty to the Company, it should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

Disclosure on Remuneration

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.

The level and mix of each of the Director's remuneration for the FY2024 are set out below:

Directors Names	**Directors' Fees[1] (%)**	**Salary (%)**	**Bonus (%)**	**Benefits[2] (%)**	**Total (%)**
<u>S$500,001 to $750,000</u>					
Chen Yong Hua	0	55	42	3	100
Neo Cheow Hui	0	53	41	6	100
<u>Below S$250,000</u>					
Qian Wen Hua[3]	0	96	0	4	100
Loy Soo Chew	98	0	0	2	100
Andrew Chua Thiam Chwee	97	0	0	3	100
Ho Ying Ming	98	0	0	2	100
Wong Quee Quee, Jeffrey	98	0	0	2	100

Notes:

(1) These fees are subject to the approval of the shareholders at the forthcoming AGM.

(2) Inclusive of share based payment expenses.

(3) Ms. Qian Wen Hua has retired on 28 September 2023.

The level and mix of top six (6) existing KMP who are not Directors or the CEO of the Company for FY2024 are set out below:

Name of KMP	Salary (%)	Bonus (%)	Benefits (%)	Total (%)
S$500,001 to S$750,000				
Neo Hwee Lee, Marina[1]	50	48	2	100
Chai Hwee Hoon, Doreen	52	46	2	100
S$250,001 to S$500,000				
Chua Wei Chye Lawrence	68	28	4	100
Chen Jiang Nan[2]	71	26	3	100
Below S$250,000				
Li Zi Yan	81	17	2	100
Toh Cheng Chye	76	21	3	100

Details of remuneration paid to the immediate family member of Directors, the CEO or a substantial shareholder of the Company for FY2024 are as follows:

Name of Immediate Family Member	Salary %	Bonus %	Benefits %	Total %
S$250,001 to S$500,000				
Neo Hwee Lee, Marina[1]	50	48	2	100
Chen Jiang Nan[2]	71	26	3	100

Notes:

(1) Ms. Neo Hwee Lee, Marina is the sister of Mr. Neo Cheow Hui.

(2) Mr. Chen Jiang Nan is the son of Mr. Chen Yong Hua.

Except as disclosed above, there were no employees who were immediate family members of a Director or the CEO whose remuneration exceeds S$100,000 in the Group's employment during the financial year under review.

For FY2024, the aggregate total remuneration paid to the KMP (who are not Directors or the CEO) of the Company amounted to S$2,296,573.

There were no terminations, retirement or post-employment benefits granted to the Directors, the CEO and KMP other than the standard contractual notice period termination payment in lieu of service for the financial year ended 31 May 2024.

In view of confidentiality of remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose the exact details of the remuneration of the Directors, the CEO, KMP and immediate family members in the Annual Report and that the disclosure based on the above remuneration bands is appropriate.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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 recognises its responsibilities over the governance of risks and has set in place management procedures for ensuring a sound system of risk management and internal controls. These procedures include introducing a structured Enterprise Risk Management ("**ERM**"), management reviews of key transactions, and the assistance of independent consultants such as the Group's external and internal auditors to review financial statements and internal controls covering key risk areas.

The Group has started implementing an ERM programme in stages which cover the following areas:

- **Structured ERM Reporting Processes**

  An overall framework for risk management has been documented in a manual to be disseminated to personnel responsible for oversight of risks and operations of risk countermeasures. This ERM manual includes the terms of reference of the various personnel and committee responsible for monitoring and managing risks in the Group. The ERM process also requires ongoing identification of key risks to the company. Risk workshops attended by KMP were conducted to provide a structured approach of identification and assessment of risks.

- **Risk Appetite of the Group**

  The Group relies on Management to monitor day to day operations while subjecting key corporate decisions, such as investments or acquisitions of businesses to Board approval. The Group's performance is monitored closely by the Board periodically and any significant matters that might have an impact on the operating results are required to be brought to the immediate attention of the Board.

  The Group has also taken a strict stance towards avoiding any risks that might result in breaching relevant laws and regulations and risks that could adversely affect the reputation of the Group. Active efforts are also in place to manage risks within impact such as transferring them to third party insurers or having internal control procedures to better mitigate the likelihood of their occurrence. Internal audits will be regularly conducted to assess the ongoing compliance with the established controls to address key risk areas where applicable.

- **Risk Assessment and Monitoring**

  Based on the ERM framework, the nature and extent of risks to the Group will be assessed regularly by KMP and risk reports covering top risks to the Group will be submitted to the AC on annual basis. A set of risk registers to document risks arising from this ERM exercise has also been established to document all key risks and the corresponding countermeasures will be updated whenever new risks emerge or when there are applicable changes in the business environment.

  In addition to the above ERM reports, the Board has also received written assurance from the CEO and the CFO that:

  (i) 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

  (ii) the Company's risk management and internal control systems are adequate and effective to address the financial, operational, compliance and information technology risks.

Assessment of the Adequacy of Internal Controls

The Board, with the concurrence of the AC, is of the opinion that, the system of internal controls and risk management maintained by Management throughout the FY2024 is adequate and effective to address the financial, operational, compliance and information technology risks.

The Board and the AC are of the opinion that, the Company's internal controls including financial, operational, compliance, and informational technology controls, and risk management systems were adequate and effective based on:

- the internal controls established and maintained by the Group;
- reports issued by the internal and external auditors;
- risk reports arising from the ERM exercise;
- regular reviews performed by the Management, and annual review undertaken by AC and the Board; and
- confirmation by the Management.

The AC, the Executive Directors and the CFO will continue to review and strengthen the Group's controls environment and allocate more resources and expertise towards improving its internal policies and procedures to maintain a high level of governance and internal controls.

Audit Committee

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

The AC currently comprises the following three (3) Directors:

Audit Committee
Mr. Loy Soo Chew (Chairman)
Mr. Wong Quee Quee, Jeffrey
Mr. Andrew Chua Thiam Chwee

The Company has adopted the written ToR clearly setting out the roles and responsibilities of the AC.

The AC schedules a minimum of four (4) meetings in each financial year and the Board is of the view that the members of the AC have sufficient and financial management knowledge and experience to discharge their responsibilities as members of the AC. The primary function of the AC are as follows:-

- Reviewing the audit plans of the internal and external auditors of the Group and the Company, and reviewing the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the internal and external auditors;
- Reviewing the interim and full-year financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the Board of Directors;
- Reviewing effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;
- Meeting with the internal and external auditors, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;

- Reviewing legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

- Reviewing the cost effectiveness and the independence and objectivity of the external auditor;

- Reviewing the nature and extent of non-audit services provided by the external auditor;

- Recommending to the Board of Directors the external auditor to be nominated, approving the compensation of the external auditor, and reviewing the scope and results of the audit;

- Reporting actions and minutes of the AC to the Board of Directors with such recommendations as the AC considered appropriate;

- Reviewing interested person transactions in accordance with the requirements of the Rules of Catalist of SGX-ST; and

- Reviewing the assurance from the CEO and the CFO on the financial records and financial statements.

In addition, the AC is given the task of commissioning investigations into matters where there is suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation, which has or is likely to have a material impact on the Company's operating results or financial position, and to review the findings thereof. The AC has also conducted reviews of interested person transactions.

The AC recommends to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditor and approves the remuneration of the external auditor. The AC has recommended to the Board that Ernst & Young LLP be nominated for the re-appointment as the external auditor of the Company at the forthcoming AGM.

The AC meets with the internal and external auditors without the presence of Management at least once annually to review the adequacy of audit arrangements, the internal controls established by the Management and the independence, objectivity and observations of the auditors.

During the year, the AC reviewed the financial statements of the Company before the announcement of the Company's financial results. The AC also reviewed and approved both the Company's external auditor's plans to ensure that the plans covered sufficiently the terms of audit scope in reviewing the significant internal controls of the Company. Such significant controls comprise financial, operational and compliance controls. All audit findings and recommendations put by the external auditor were forwarded to the AC. Significant issues were discussed at these meetings.

In addition, the AC undertook on the independence and objectivity of the external auditor through discussions with the external auditor, as well as reviewing the non-audit fees awarded to the external auditor and has confirmed that the non-audit services performed by the external auditor would not affect its independence. Fees paid or payable by the Group to external auditor for non-audit services and audit services for FY2024 amounted to S$33,000 and S$261,000 respectively.

In the review of the financial statements for FY2024, the AC had discussed with Management and the external auditor on changes to accounting standards and significant issues and assumptions that impact the financial statements. The most significant matters had also been included in the Independent Auditors' Report to the members of the Company under "Key Audit Matters". In assessing the Key Audit Matters, the AC took into consideration the approach, methodology and the key assumptions applied in the review of the Key Audit Matters as provided in the Independent Auditor' Report. The AC concluded that Management's accounting treatment and estimates in the Key Audit Matters were appropriate.

The Company is in compliance with Rules 712 and 715 of the Rules of Catalist of the SGX-ST in relation to the engagement of its external auditor.

The Group has implemented a "Whistle-Blowing Policy" whereby accessible channels are provided for employees to raise concerns about possible improprieties in matters of financial reporting or other matters which they become aware and to ensure that:

(i) independent investigations are carried out in an appropriate and timely manner;

(ii) appropriate action is taken to correct the weakness in internal controls and policies which allowed the perpetration of fraud and/or misconduct and to prevent a recurrence; and

(iii) administrative, disciplinary, civil and/or criminal actions that are initiated following the completion of investigations are appropriate, balance and fair, while providing reassurance that employees will be protected from reprisals or victimisation for whistle-blowing in good faith and without malice.

Details of the whistle-blowing policy, together with the dedicated whistle-blowing communication channels have been made available to all employees of the Company. Identity of the whistleblower is kept confidential at all times, and the whistleblower will not be subject to detrimental or unfair treatment.

The whistle-blowing policy and procedures are reviewed by the AC from time to time to ensure they remain relevant. The AC reports to the Board on such matters at the Board meetings. Should the AC receive reports relating to serious offences and/or criminal activities in the Group, the AC and the Board have access to the appropriate external advice where necessary. Where appropriate or required, a report shall be made to the relevant government authorities for further investigation or action.

As of the date of this Annual Report, there is no whistle-blowing case reported through the whistle-blowing mechanism.

The AC is kept updated annually or from time to time on any changes to the accounting and financial reporting standards by the external auditor. No former partner or Director of the Company's existing auditing firm has acted as a member of the AC (a) within a period of two (2) years commencing on the date of his/her ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as his/her has any financial interest in the auditing firm or auditing corporation.

The Company has outsourced its internal audit function to BDO LLP ("**BDO**"), which is an established international auditing firm. BDO conducts its internal audits based on the BDO Global Internal Audit Methodology which is consistent with the International Professional Practices Framework established by the Institute of Internal Auditor. BDO reports directly to the AC on audit matters and the CEO on administrative matters. BDO, as the Internal Auditor, has unfettered access to all the Company's documents, records, properties and personnel, including access to AC and has appropriate standing within the Company.

The BDO Engagement Partner has more than 20 years of experience in audit and advisory services, and is a Chartered Accountant (Singapore), Certified Internal Auditor and Certified Information System Auditor. Members of the internal audit team also have relevant academic qualifications and internal audit experience. The AC is satisfied that the outsourced internal audit function is adequately staffed by suitably qualified and experienced professionals based on the internal audits conducted for FY2024.

The AC decides on the appointment, removal, termination, evaluation and compensation of the internal auditor. The AC annually reviews the independence, adequacy and effectiveness of the internal audit function of the Company.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

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.

The forthcoming AGM will be held physically. Shareholders are informed of general meetings through the announcement released to the SGXNet and on the Company's corporate website, to ensure fair dissemination to shareholders. These notices are also advertised in a national newspaper. All shareholders are entitled to attend the general meetings and are provided the opportunity to participate in the general meetings. If any shareholder is unable to attend, he/she is allowed to appoint such number of proxies as required to vote on his/her behalf at the general meeting through proxy forms sent in advance. The shareholders are also informed on the voting procedures at the general meetings.

Shareholders are encouraged to attend the Company's general meetings to ensure a high level of accountability and to be updated on the Group's strategies and goals. Notice of the general meeting is dispatched to Shareholders, together with explanatory notes or a circular on items of special businesses (if necessary), at least 14 clear calendar days before the meeting. The Board welcomes questions from Shareholders who wish to raise issues, either informally or formally during the AGM.

Each item of special business included in the notice of the general meetings will be accompanied by explanation of the effects of a proposed resolution. All the resolutions at the general meetings are single item resolutions.

The Chairmen of the AC, the NC and the RC are normally present and are available to address questions relating to the work of their respective Board Committees at general meetings. Furthermore, the external auditor is present to assist the Board in addressing any relevant queries by our shareholders including the conduct of audit and the preparation and content of the auditor's report. All Directors will endeavour to be present at the Company's general meetings of shareholders to address shareholders' queries. The Directors' attendance at the Company's general meeting during FY2024 has been disclosed in page 24 of this Annual Report.

Although the Company's Constitution does not include the nominee or custodial services to appoint more than two (2) proxies, the applicable legislation has been amended on 3 January 2016, among other things, to allow certain members, defined as "Relevant Intermediary" to attend and participate in general meetings without being constrained by the two-proxy requirement. Relevant Intermediaries include corporations holding licenses in providing nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors.

The Company's Constitution also provides that the shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company. The instrument appointing a proxy must be deposited at the place specified in the notice of the general meetings not less than forty-eight (48) hours before the time appointed for holding the general meetings.

Voting by absentia by mail, facsimile or email is currently not provided in the Company's Constitution as such voting methods would need to be cautiously studied for their feasibility to ensure that the integrity of the information and the authenticity of the shareholder's identity are not compromised.

The Company will publish the minutes of general meetings of shareholders on both the SGX website via SGXNet and the Company's website within one (1) month from the AGM.

The Group does not have a formal dividend policy at present. The form, frequency and amount of dividends declared each year will take into consideration the Group's earnings, general financial condition, results of operations, capital requirements, cash flow, general business conditions, the Group's development plans and other factors as the Board may deem appropriate.

The Company has declared a first and final dividend of 0.20 Singapore cents per ordinary share in respect of FY2024 which is subject to shareholders' approval at the forthcoming AGM.

Engagement with Shareholders

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 believes in high standards of transparent corporate disclosure and is committed to disclose to its shareholders, the information in a timely and fair manner via SGXNet. Where there is inadvertent disclosure made to a selected Group, the Company will make the same disclosure publicly to all others as soon as practicable. The Company acknowledges the importance for establishing effective communication among the stakeholders through regular engagement and various communication platforms to achieve mutually beneficial goals.

Communication is made through:

- Annual Reports that are prepared and sent to all shareholders. The Board ensures that the Annual Reports includes all relevant information about the Company and the Group, including future developments and other disclosures required by the Companies Act 1967 of Singapore and Singapore Financial Reporting Standards (International);

- interim announcements containing a summary of the financial information and affairs of the Group for that period; and

- notices of explanatory memoranda for AGMs and Extraordinary General Meetings ("**EGMs**"). The notices of AGM and EGM are also advertised in a national newspaper and the Company has arranged the notices of AGM and EGM (if applicable) for FY2024 published via the SGXNET URL: https://www.sgx.com/securities/company-announcement, via publication on the Company's corporate website, http://www.gke.com.sg

The Company's website is http://www.gke.com.sg at which shareholders can access financial information, corporate announcements, press releases, Annual Reports and profile of the Group.

By supplying shareholders with reliable and timely information, the Company is able to strengthen the relationship with its shareholders based on trust and accessibility. The contact details of the investor relations firm are set out in "Corporate Information" section of the Annual Report.

MANAGING STAKEHOLDINGS RELATIONSHIPS

Engagement With Stakeholders

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 has identified five (5) key stakeholders' groups, namely, the communities, employees, investors, customers and suppliers. The Company's approach to the engagement with key stakeholders and materiality assessment were disclosed in the Company's Sustainability Report for FY2024. More details will be disclosed in the standalone Sustainability Report for FY2024. The Company will continue to monitor and improve its engagement to ensure that the best interests of the Company are served.

The Company does not practice selective disclosure. Price sensitive information is first publicly released through SGXNet, before the Company meets with any investors or analysts.

To promote regular, effective and fair communication with Shareholders, the Company maintains a corporate website at http://www.gke.com.sg through which Shareholders are able to access up-to date information on the Group.

The website provides Annual Reports, financial information, stock information, profiles of the Group, and contact details of the investor relations of the Group.

DEALINGS IN SECURITIES

In compliance with Rule 1204(19) of the Rules of Catalist of the SGX-ST, the Company has adopted policies to provide guidance to its officers on securities transactions by the Company and its officers. These internal guidelines apply to dealings in securities by certain employees (including Directors and other officers) of the Group. The Company sends notifications via email to notify all its Directors and officers' at least one (1) month prior to the close of window for trading of the Company's securities. In addition, the Directors and officers of the Company are advised not to deal (whether directly or indirectly) in the Company's securities on short-term considerations and be mindful of the law on insider trading as prescribed by the Securities & Futures Act 2001 of Singapore, at all times even when dealing in securities within the permitted trading period.

The Company, its Directors and officers should not deal in the listed securities of the Company for a period of one (1) month before the half-year and full year results or if they are in possession of unpublished price-sensitive information.

INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy in respect of any transaction with an interested person, which sets out the procedures for review and approval of such transaction.

All interested person transactions will be documented and submitted periodically to the AC for its review to ensure that such transactions are carried out on an arm's length basis and on normal commercial terms and are not prejudicial to the Company and its minority shareholders.

The Group had on 11 May 2022 obtained a general mandate from shareholders for IPTs. Details of IPTs transacted during FY2024 are as follows:-

Name of interested person	Nature of relationship	Aggregate value of all interested person transaction during the financial period under review (excluding transactions less than S$100,000 and transaction conducted under shareholders' mandate pursuant to Rule 920) S$'000	Aggregate value of all interested person transaction conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) S$'000
Purchase of goods from Cenxi Haoyi Recycling Co., Ltd	The Executive Chairman is deemed to have a controlling interest in Cenxi Haoyi Recycling Co., Ltd.	Nil	552

MATERIAL CONTRACTS AND LOANS

Save for the interested persons transactions as disclosed above, pursuant to Rule 1204(8) of the Rules of Catalist of the SGX-ST, the Company confirms that, except as disclosed in the Directors' Report and financial statements, there were no other material contracts and loans of the Company and its subsidiaries involving the interests of the CEO or any Director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, which were entered into since the end of the previous financial year.

CATALIST SPONSOR

The Company is currently under the SGX-ST Catalist sponsor-supervised regime and the continuing sponsor of the Company is RHT Capital Pte. Ltd.. No non-sponsor fee was paid to the sponsor in FY2024.

Information for the Directors who are retiring and being eligible, offer themselves for re-election at the forthcoming AGM pursuant to Rule 720(5) of the Listing Manual of the SGX-ST:

	Name of Director	
Details	**Chen Yong Hua**	**Wong Quee Quee, Jeffrey**
Date of Appointment	12 January 2012	15 April 2019
Date of last re-appointment (if applicable)	29 September 2022	29 September 2021
Age	54	49
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of the Company has accepted the NC's recommendation, who has reviewed and considered Mr. Chen is able to exercise judgment as the Executive Director on the corporate affairs of the Group.	The Board of the Company has accepted the NC's recommendation, who has reviewed and considered Mr. Wong is able to exercise judgment as an Independent Director on the corporate affairs of the Group and independent of the Management. The Board considers Mr. Wong to be independent for the purpose of Rule 704(7) of the Catalist Rules.
Whether appointment is executive, and if so, the area of responsibility	Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman and Executive Director.	Independent Director, a member of the Audit Committee, Nominating Committee and Remuneration Committee.

Details	Name of Director	
	Chen Yong Hua	**Wong Quee Quee, Jeffrey**
Professional qualifications	-	• Chartered Valuer and Appraiser Programme from Nanyang Technological University and Institute of Valuers and Appraisers • Diploma in Regulatory Compliance for International Compliance Association • Solicitor of the Supreme Court of England and Wales • Advocate and Solicitor of the Supreme Court of Singapore • Bachelor of Laws (Honours) (Second Class Upper) from National University of Singapore
Working experience and occupation(s) during the past 10 years	Executive Chairman and Executive Director of GKE Corporation Limited	• November 2012 to November 2014: Religare Capital Markets Corporate Finance Pte. Limited, Managing Director, Investment Banking • November 2014 to November 2017: Religare Capital Markets Corporate Finance Pte. Limited, Head of Investment Banking • December 2017 to April 2018: Soochow CSSD Capital Markets (Asia) Pte. Ltd., Head of Investment Banking • April 2018 to December 2022: Soochow CSSD Capital Markets (Asia) Pte. Ltd., Chief Executive Officer • February 2023 to April 2023: Soochow CSSD Capital Markets (Asia) Pte. Ltd., Senior Adviser • January 2023 to Current: Solitaire LLP, Partner
Shareholding interest in the listed issuer and its subsidiaries	Direct interest 17,200,000 shares, deemed interest 50,000,000 shares (held by United Overseas Bank Nominees Pte Ltd on his behalf) and 2,006,000 employee share options	124,000 employee share options

Details	Name of Director	
	Chen Yong Hua	Wong Quee Quee, Jeffrey
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	Chen Jiang Nan, Vice President of GKE Express Logistics Pte Ltd and Director of Fair Chem Industries Pte Ltd, is the son of Mr. Chen Yong Hua	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships	Past (for the last 5 years) Nil Present • Shen Zhen Hua Yue Industrial Co., Ltd. • Maoming Dbs Trading Co., Ltd, • Guanxi Taihe Shengshi Real Estate Co., Ltd. • Dongguan Tianhua Chuangzhan Printing Co., Ltd. • Hua Nan Pte. Ltd. • Hua Nan (Laos) Pte. Ltd. • Hua Nan (Cambodia) Pte. Ltd.	Past (for the last 5 years) • Soochow CSSD Capital Markets (Asia) Pte. Ltd. • Honestbee Pte. Ltd. (In Liquidation) • Solum Capital Limited (Stuck-Off) • The Cub SG Pte. Ltd. (Struck-Off) • Rich Capital Holdings Limited • Sunstone Capital Markets Private Limited (Struck-Off) Present • Proccuri Corporation Limited, Independent Non-Executive Director, Chairman of the Nominating Committee and member of the Audit and Remuneration Committees • Singapore Judo Federation, Honorary Secretary General • Hwa Chong Alumni Association, Deputy Secretary General • Management Committee Strata Title 3682, Secretary • GSS Energy Limited, Independent Non-Executive Director, Chairman of the Audit Committee and member of the Nominating and Remuneration Committees. • DHC Capital Pte. Ltd., Senior Adviser

Details	Name of Director	
	Chen Yong Hua	Wong Quee Quee, Jeffrey
		• Truth Assets Management (S) Pte. Ltd., Non-Executive Director • Truth Wealth Management VCC, Non-Executive Director • Katrina Group Ltd., Independent Non-Executive Director, Chairman of the Nominating Committee and member of the Audit and Remuneration Committees. • AsiaPhos Limited, Independent and Non-Executive Chairman and Chairman of the Nominating Committee
a. Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b. Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	Yes Mr. Wong was previously a Non-Executive Director of Honestbee Pte. Ltd. and resigned from such position with effect from 15 August 2019. Subsequent to his resignation, the Singapore Court had, on 7 July 2020 issued an order for Honestbee Pte. Ltd. to be wound up.
c. Whether there is any unsatisfied judgment against him?	No	No

Details	Name of Director	
	Chen Yong Hua	Wong Quee Quee, Jeffrey
d. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f. Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g. Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No

Details	Name of Director	
	Chen Yong Hua	Wong Quee Quee, Jeffrey
h. Whether he has ever been disqualified from acting as a Director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i. Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j. Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :—		
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No

Details	Name of Director	
	Chen Yong Hua	**Wong Quee Quee, Jeffrey**
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	Yes Mr. Wong was previously an Executive Director of Soochow CSSD Capital Markets (Asia) Pte. Ltd. ("**SCCM**"). In February 2023, SCCM received a supervisory reminder from the Monetary Authority of Singapore (the "**Authority**") to maintain its base capital at or above the minimum requirement required by the Authority. Mr. Wong was previously an Executive Director of Religare Capital Markets Corporate Finance Pte. Limited ("**RCMCF**") between December 2010 and November 2017. In July 2016, RCMCF received a supervisory reminder from the Authority in respect of its breach of Regulation 6(1)(a) of the Securities and Futures (Financial and Margin Requirements for Holders of Capital Market Services Licenses) Regulations (the "**SF(FRM)R**"), which required a holder of the capital market services licence granted under the Singapore Securities and Futures Act to ensure that its financial resources do not fall below its total risk requirement. In July 2017, there was another breach of the SF(FRM)R by RCMCF which came to the attention of the Authority. After his resignation as Executive Director of RCMCF in November 2017, he was informed that the Authority had, in February 2018, issued a supervisory reminder to remind RCMCF to ensure compliance with all applicable regulations at all time. Mr. Wong is an Independent Non-Executive Director of Procurri Corporation Limited ("**Procurri**"). In August 2020, the Authority issued a reminder to Procurri to comply with Section 137G(1) of the Securities and Futures Act.

Details	Name of Director	
	Chen Yong Hua	Wong Quee Quee, Jeffrey
k. Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Any prior experience as a Director of an issuer listed on the Exchange?	Yes	Yes
If yes, please provide details of prior experience.	• GKE Corporation Limited	• GKE Corporation Limited • Procurri Corporation Limited • Rich Capital Holdings Limited • Libra Group Limited • GSS Energy Limited • AsiaPhos Limited • Katrina Group Ltd.
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.	N.A.	N.A.

PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE

Name of Director	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Directorships in other listed companies and other major appointments	Past directorships in other listed companies and other major appointments over the preceding 3 years
Mr. Chen Yong Hua	Executive Chairman and Executive Director	Board Member	Nil	Nil
Mr. Neo Cheow Hui	Chief Executive Officer and Executive Director	Board Member	Nil	Nil
Mr. Loy Soo Chew	Lead Independent Director	Board Member, Chairman of the Audit Committee and Member of Remuneration Committee	• Kian Ann Engineering Pte. Ltd. (Executive Director)	• Advancer Global Limited (Independent Director)
Mr. Andrew Chua Thiam Chwee	Independent Director	Board Member, Chairman of Nominating Committee, Member of Audit Committee	• KTL Global Limited (Lead Independent Director)	• Lum Chang Holdings Limited (Independent Director)
Mr. Ho Ying Ming	Independent Director	Board Member, Chairman of Remuneration Committee and Member of Nominating Committee	• Shook Lin & Bok LLP (Partner)	Nil

Name of Director	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Directorships in other listed companies and other major appointments	Past directorships in other listed companies and other major appointments over the preceding 3 years
Mr. Wong Quee Quee, Jeffrey	Independent Director	Board Member, Member of Audit Committee, Nominating Committee and Remuneration Committee	• Procurri Corporation Limited (Independent Director) • GSS Energy Limited (Independent Director) • Katrina Group Ltd. (Independent Director) • Truth Assets Management (S) Pte. Ltd. (Non-Executive Director) • Truth Wealth Management VCC (Non-Executive Director) • Hwa Chong Alumni Association (Deputy Secretary General) • Singapore Judo Federation (Honorary Secretary General) • Management Committee Strata Title 3682 (Secretary) • DHC Capital Pte. Ltd. (Senior Adviser) • Solitaire LLP (Partner)	• Soochow CSSD Capital Markets (Asia) Pte. Ltd. (CEO and Executive Director/Senior Adviser)

DIRECTORS' STATEMENT

The Directors hereby present their statement to the members together with the audited consolidated financial statements of GKE Corporation Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 May 2024.

Opinion of the Directors

In the opinion of the Directors,

(i) the consolidated financial statements of the Group and the balance sheet and the statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 May 2024 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date; and

(ii) 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.

Directors

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

Chen Yong Hua	(Executive Chairman and Executive Director)
Neo Cheow Hui	(Chief Executive Officer and Executive Director)
Loy Soo Chew	(Lead Independent Director)
Ho Ying Ming	(Independent Director)
Andrew Chua Thiam Chwee	(Independent Director)
Wong Quee Quee, Jeffrey	(Independent Director)

In accordance with Regulation 107 of the Company's Constitution, the following Directors would be retiring and being eligible, offered themselves for re-election at the forthcoming AGM for the financial year ended 31 May 2024:

Regulation 107

Chen Yong Hua
Wong Quee Quee, Jeffrey

Arrangements to enable Directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

The following Directors, who held office at the end of the financial year, had, according to the register of Directors' shareholdings, required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest			Deemed interest		
Name of Director	**At the beginning of financial year**	**At the end of financial year**	**At 21 June 2024**	**At the beginning of financial year**	**At the end of financial year**	**At 21 June 2024**
Ordinary shares of the Company						
Chen Yong Hua	17,200,000	17,200,000	17,200,000	50,000,000	50,000,000	50,000,000
Neo Cheow Hui	27,945,300	28,245,300	28,245,300	500,000	500,000	500,000
Share options of the Company						
Chen Yong Hua	1,225,000	2,006,000	2,006,000	–	–	–
Neo Cheow Hui	1,225,000	2,006,000	2,006,000	–	–	–
Loy Soo Chew	74,000	124,000	124,000	–	–	–
Andrew Chua Thiam Chwee	86,000	142,000	142,000	–	–	–
Ho Ying Ming	86,000	86,000	86,000	–	–	–
Wong Quee Quee, Jeffrey	74,000	124,000	124,000	–	–	–

Except as disclosed in this report, no Director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year or on 21 June 2024.

Options

At an Extraordinary General Meeting held on 29 September 2021, shareholders approved the GKE Employee Share Option Scheme 2021 ("**ESOS 2021**") for the granting of options in respect of ordinary shares in the capital of the Company pursuant to the GKE Employee Share Option Scheme 2021 to the eligible employees and Directors of the Company ("**Participant**").

The Scheme is administrated by the Company's Remuneration Committee ("**Administrative Committee**") comprising three (3) Directors, Ho Ying Ming, Loy Soo Chew and Wong Quee Quee, Jeffrey.

Other information regarding the Scheme is set out below:

(i) The aggregate number of shares which may be delivered pursuant to the exercise of Options granted under the ESOS 2021 on any date, shall not exceed 15% of the total number of issued Shares.

(ii) The aggregate number of shares over which the Committee may offer to grant Options to the Controlling Shareholders and their Associate under the ESOS 2021 shall not exceed 25% of the aggregate number of Shares available under the ESOS 2021 from time to time. The aggregate number of Shares available to each Controlling Shareholder or each of his Associates shall not exceed 10% of the total number of Shares available under the ESOS 2021 from time to time.

Options (cont'd)

(iii) The options that are granted under the ESOS 2021, at the Administrative Committee's discretion, was set at a price equal to the average of the last dealt price of the shares on the SGX-ST over the five (5) consecutive trading days immediately preceding the date of grant of that option.

(iv) Options granted under the ESOS 2021 will have a life span expiring on or before the 10th anniversary of the date of grant in respect of options granted to eligible employees and, on or before the 5th anniversary of the date of grant in respect of options granted to Non-Executive Directors of the Group.

(v) The ESOS 2021 shall continue to be in force for a maximum period of 10 years from the adoption date and may continue beyond the above stipulated period with the approval of shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

At the end of the financial year, details of the options granted under the ESOS 2021 to subscribe for ordinary shares of the Company, are as follows:

Date of grant of options	Exercise price per share ($)	Outstanding at 1 June 2023	Granted	Cancelled	Outstanding at 31 May 2024	Exercise period
28/2/2022	0.11	4,043,000	–	(105,000)	3,938,000	1/3/2023-27/2/2032
28/2/2022	0.11	182,000	–	–	182,000	1/3/2023-27/2/2027
28/2/2023	0.092	3,218,000	–	(83,000)	3,135,000	29/2/2024-27/2/2033
28/2/2023	0.092	138,000	–	–	138,000	29/2/2024-27/2/2028
28/2/2024	0.064	–	4,824,000	–	4,824,000	1/3/2025-27/2/2034
28/2/2024	0.064	–	156,000	–	156,000	1/3/2025-27/2/2029
Total		**7,581,000**	**4,980,000**	**(188,000)**	**12,373,000**	

Except as disclosed above, there were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries as at the end of the financial year.

Information on Directors of the Company who have been granted options under the ESOS 2021, and the aggregate number of options granted under the ESOS 2021 to Directors and employees of the Company's subsidiaries, are as follows:

	Options granted for financial year ended 31 May 2024	Aggregate options granted since commencement of the ESOS 2021 to 31 May 2024	Aggregate options exercised since commencement of the ESOS 2021 to 31 May 2024	Aggregate options outstanding as at 31 May 2024
Directors				
Chen Yong Hua	781,000	2,006,000	–	2,006,000
Neo Cheow Hui	781,000	2,006,000	–	2,006,000
Loy Soo Chew	50,000	124,000	–	124,000
Ho Ying Ming	–	86,000	–	86,000
Andrew Chua Thiam Chwee	56,000	142,000	–	142,000
Wong Quee Quee, Jeffrey	50,000	124,000	–	124,000

Audit Committee

The Audit Committee ("**AC**") carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act 1967 including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the internal and external auditors;

- Reviewed the interim and full-year financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the Board of Directors;

- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;

- Met with the internal and external auditors, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;

- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

- Reviewed the cost effectiveness and the independence and objectivity of the external auditor;

- Reviewed the nature and extent of non-audit services provided by the external auditor;

- Recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;

- Reported actions and minutes of the AC to the Board of Directors with such recommendations as the AC considered appropriate; and

- Reviewed interested person transactions in accordance with the requirements of the Rules of Catalist of the SGX-ST.

The AC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The AC has also conducted a review of interested person transactions.

The AC convened four (4) meetings during the year with full attendance from all members. The AC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the AC are disclosed in the Report on Corporate Governance.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors:

Chen Yong Hua
Director

Neo Cheow Hui
Director

Singapore
29 August 2024

Independent auditor's report to the members of GKE Corporation Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GKE Corporation Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**"), which comprise the balance sheets of the Group and the Company as at 31 May 2024, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International) in Singapore ("**SFRS(I)**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 May 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Impairment assessment on goodwill

As at 31 May 2024, the Group has goodwill amounting to $3,341,000. The Group allocated the goodwill to the relevant cash generating units ("**CGUs**") for impairment testing as disclosed in Note 11 to the financial statements. The impairment test is a key audit matter due to the significant judgments and assumptions made by management in determining the recoverable amount of the CGUs using the value-in-use method. The key assumptions used to determine the recoverable value include forecasted revenue growth rates, discount rates and long-term growth rates which are affected by uncertainties around future market or economic conditions.

Independent auditor's report to the members of GKE Corporation Limited

Key Audit Matters (cont'd)

Impairment assessment on goodwill (cont'd)

We obtained management's value-in-use calculations and tested the mathematical accuracy of the underlying value-in-use calculations. We inquired with management to understand their basis for determining the key assumptions used such as revenue growth rates, discount rates and long-term growth rates. We assessed the reasonableness of these key assumptions by comparing them to economic growth forecasts from public sources of information and historical performance of the CGUs. We involved our internal specialist in evaluating the reasonableness of the discount rates used in the determination of the recoverable amount of the CGUs. We also tested management's sensitivity analysis around the key assumptions used and considered the outcomes of management's assessment.

We also assessed the adequacy of the disclosures in Note 11 to the financial statements concerning goodwill.

Allowance for expected credit losses for trade receivables

As at 31 May 2024, the carrying amount of the Group's trade receivables amounted to $34,531,000, representing 18.7% of total assets on the consolidated financial statements. The Group makes allowances for expected credit losses based on an assessment of the recoverability of trade receivables. In doing so, the Group uses judgement in making the assumptions as disclosed in Note 3 to the financial statements.

As part of the audit, we obtained an understanding of the Group's processes and key controls relating to the assessment of expected credit losses. We reviewed the key data sources and assumptions used in the determination of default rate and the current and forward-looking information in view of the current market condition. We also had discussions with management on the recoverability of long outstanding debts to evaluate the reasonableness of their estimate.

We also assessed the adequacy of the disclosures related to the Group's trade receivables in Note 15 to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises information included in the Annual Report 2024, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Directors for the Financial Statements

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

Independent auditor's report to the members of GKE Corporation Limited

Responsibilities of Management and Directors for the Financial Statements (cont'd)

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgment 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.

Independent auditor's report to the members of GKE Corporation Limited

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

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 Lim Huijing Amanda.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

29 August 2024

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 May 2024

	Note	2024	2023
		$'000	**$'000**
Revenue	4	**110,555**	108,930
Cost of sales		**(78,103)**	(77,321)
Gross profit		**32,452**	31,609
Other income	5	**1,828**	2,025
Expenses			
Marketing and distribution costs		**(532)**	(426)
Administrative expenses		**(24,120)**	(23,035)
Finance costs	6	**(2,709)**	(2,846)
Other expenses		**(204)**	(579)
Share of results of associates		**45**	134
Profit before tax	7	**6,760**	6,882
Income tax expense	8	**(2,457)**	(2,973)
Profit for the year		**4,303**	3,909
Profit attributable to:			
Owners of the Company		**4,303**	3,909
Profit for the year		**4,303**	3,909
Earnings per share (cents per share) attributable to owners of the Company			
- Basic	9	**0.56**	0.50
- Diluted	9	**0.55**	0.50

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 May 2024

	2024 $'000	2023 $'000
Profit for the year	**4,303**	3,909
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Net change in fair value of cash flow hedges	**(334)**	361
Foreign currency translation	**(366)**	(1,428)
Other comprehensive income for the year, net of tax	**(700)**	(1,067)
Total comprehensive income for the year	**3,603**	2,842
Attributable to:		
Owners of the Company	**3,603**	2,842
Total comprehensive income for the year	**3,603**	2,842

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

BALANCE SHEETS

As at 31 May 2024

	Note	Group 31 May 2024 $'000	Group 31 May 2023 $'000	Company 31 May 2024 $'000	Company 31 May 2023 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	10	**110,474**	123,824	**190**	259
Intangible assets	11	**4,634**	5,043	**–**	–
Investments in subsidiaries	12	**–**	–	**59,396**	56,931
Investments in associates	13	**1,819**	1,921	**–**	–
Financial assets at fair value through profit or loss	14	**125**	128	**25**	25
Deferred tax assets	24	**1,167**	491	**–**	–
Other receivables	15	**–**	38	**–**	8,001
Total non-current assets		**118,219**	131,445	**59,611**	65,216
Current assets					
Inventories	16	**1,846**	1,974	**–**	–
Trade and other receivables	15	**37,308**	36,020	**5,504**	12,529
Prepaid operating expenses		**1,172**	1,031	**88**	76
Derivative financial assets	26	**117**	424	**–**	–
Cash and short-term deposits	17	**26,485**	29,760	**3,700**	3,735
Total current assets		**66,928**	69,209	**9,292**	16,340
Total assets		**185,147**	200,654	**68,903**	81,556
EQUITY AND LIABILITIES					
Equity					
Share capital	18	**85,145**	85,145	**85,145**	85,145
Treasury shares	19	**(1,778)**	(1,531)	**(1,778)**	(1,531)
Retained earnings/ (accumulated losses)		**10,695**	8,058	**(23,055)**	(27,032)
Other reserves	20	**269**	751	**157**	55
Total equity		**94,331**	92,423	**60,469**	56,637
Net current assets/(liabilities)		**25,591**	25,415	**1,224**	(4,244)

BALANCE SHEETS

As at 31 May 2024

	Note	Group		Company	
		31 May 2024	31 May 2023	31 May 2024	31 May 2023
		$'000	$'000	$'000	$'000
Non-current liabilities					
Other liabilities	21	**1,849**	2,007	**–**	–
Borrowings	22	**31,653**	41,340	**194**	4,163
Lease liabilities	23	**12,804**	17,835	**–**	20
Deferred tax liabilities	24	**3,173**	3,255	**172**	152
Total non-current liabilities		**49,479**	64,437	**366**	4,335
Current liabilities					
Trade and other payables	25	**15,352**	14,451	**6,153**	17,485
Other liabilities	21	**7,583**	7,585	**1,126**	1,095
Borrowings	22	**10,666**	13,043	**769**	1,954
Lease liabilities	23	**4,770**	5,870	**20**	38
Tax payable		**2,966**	2,845	**–**	12
Total current liabilities		**41,337**	43,794	**8,068**	20,584
Total liabilities		**90,816**	108,231	**8,434**	24,919
Total equity and liabilities		**185,147**	200,654	**68,903**	81,556

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

Group 2024	Note	Share capital (Note 18) $'000	Treasury shares (Note 19) $'000	Retained earnings $'000	Other reserves total $'000	Cash flow hedge reserve (Note 20) $'000	Translation reserve (Note 20) $'000	Statutory reserve (Note 20) $'000	Capital reserve (Note 20) $'000	Share based payments reserve (Note 20) $'000	Total equity $'000
Balance at 1 June 2023		85,145	(1,531)	8,058	751	432	(824)	1,924	(933)	152	92,423
Profit for the year		–	–	4,303	–	–	–	–	–	–	4,303
Other comprehensive income:											
- Foreign currency translation		–	–	–	(366)	–	(366)	–	–	–	(366)
- Net change in fair value of cash flow hedges		–	–	–	(334)	(334)	–	–	–	–	(334)
Other comprehensive income for the year, net of tax		–	–	–	(700)	(334)	(366)	–	–	–	(700)
Total comprehensive income for the year		–	–	4,303	(700)	(334)	(366)	–	–	–	3,603
Contributions by and distributions to owners:											
- Dividends paid	30	–	–	(1,550)	–	–	–	–	–	–	(1,550)
- Purchase of treasury shares		–	(247)	–	–	–	–	–	–	–	(247)
- Share based payments	20(iv)	–	–	–	102	–	–	–	–	102	102
Total contributions by and distributions to owners		–	(247)	(1,550)	102	–	–	–	–	102	(1,695)
Total transactions with owners in their capacity as owners		–	(247)	(1,550)	102	–	–	–	–	102	(1,695)
Other											
Transfer to statutory reserve	20(v)	–	–	(116)	116	–	–	116	–	–	–
Closing balance at 31 May 2024		85,145	(1,778)	10,695	269	98	(1,190)	2,040	(933)	254	94,331

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 May 2024

Group 2023	Note	Share capital (Note 18) $'000	Treasury shares (Note 19) $'000	Retained earnings $'000	Other reserves total $'000	Cash flow hedge reserve (Note 20) $'000	Translation reserve (Note 20) $'000	Statutory reserve (Note 20) $'000	Capital reserve (Note 20) $'000	Share based payments reserve (Note 20) $'000	Total equity $'000
Balance at 1 June 2022		85,145	(1,531)	5,835	1,562	71	604	1,788	(933)	32	91,011
Profit for the year		–	–	3,909	–	–	–	–	–	–	3,909
Other comprehensive income:											
- Foreign currency translation		–	–	–	(1,428)	–	(1,428)	–	–	–	(1,428)
- Net change in fair value of cash flow hedges		–	–	–	361	361	–	–	–	–	361
Other comprehensive income for the year, net of tax		–	–	–	(1,067)	361	(1,428)	–	–	–	(1,067)
Total comprehensive income for the year		–	–	3,909	(1,067)	361	(1,428)	–	–	–	2,842
Contributions by and distributions to owners:											
- Dividends paid	30	–	–	(1,550)	–	–	–	–	–	–	(1,550)
- Share based payments	20(iv)	–	–	–	120	–	–	–	–	120	120
Total contributions by and distributions to owners		–	–	(1,550)	120	–	–	–	–	120	(1,430)
Total transactions with owners in their capacity as owners		–	–	(1,550)	120	–	–	–	–	120	(1,430)
Other											
Transfer to statutory reserve	20(v)	–	–	(136)	136	–	–	136	–	–	–
Closing balance at 31 May 2023		85,145	(1,531)	8,058	751	432	(824)	1,924	(933)	152	92,423

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

Company 2024	Note	Share capital (Note 18) $'000	Treasury shares (Note 19) $'000	Accumulated losses $'000	Other reserves total $'000	Capital reserve (Note 20) $'000	Share based payment reserve (Note 20) $'000	Total equity $'000
Balance at 1 June 2023		85,145	(1,531)	(27,032)	55	(97)	152	56,637
Profit for the year		–	–	5,527	–	–	–	5,527
Total comprehensive income for the year		–	–	5,527	–	–	–	5,527
Contributions by and distributions to owners:								
Dividend paid	30	–	–	(1,550)	–	–	–	(1,550)
Purchase of treasury shares		–	(247)	–	–	–	–	(247)
Share based payments	20(iv)	–	–	–	102	–	102	102
Total contributions by and distributions to owners		–	(247)	(1,550)	102	–	102	(1,695)
Closing balance at 31 May 2024		85,145	(1,778)	(23,055)	157	(97)	254	60,469

Company 2023	Note	Share capital (Note 18) $'000	Treasury shares (Note 19) $'000	Accumulated losses $'000	Other reserves total $'000	Capital reserve (Note 20) $'000	Share based payment reserve (Note 20) $'000	Total equity $'000
Balance at 1 June 2022		85,145	(1,531)	(27,330)	(65)	(97)	32	56,219
Profit for the year		–	–	1,848	–	–	–	1,848
Total comprehensive income for the year		–	–	1,848	–	–	–	1,848
Contributions by and distributions to owners:								
Dividend paid	30	–	–	(1,550)	–	–	–	(1,550)
Share based payments	20(iv)	–	–	–	120	–	120	120
Total contributions by and distributions to owners		–	–	(1,550)	120	–	120	(1,430)
Closing balance at 31 May 2023		85,145	(1,531)	(27,032)	55	(97)	152	56,637

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 May 2024

	Note	2024 $'000	2023 $'000
Cash flows from operating activities:			
Profit before tax		**6,760**	6,882
Adjustments for:			
Depreciation of property, plant and equipment	10	**15,361**	15,185
Amortisation of intangible assets – customer relationships	11	**201**	379
Amortisation of intangible assets – mining rights	11	**190**	209
Gain on disposal of property, plant and equipment	5	**(23)**	(75)
Allowance for expected credit loss, net	7	**2,760**	2,201
Bad debts written off	7	**–**	61
Fair value loss on financial assets	14	**– ***	42
Property, plant and equipment written off	7	**153**	18
Interest income	5	**(207)**	(93)
Interest expense	6	**2,709**	2,846
Share of results of associates		**(45)**	(134)
Share based payment expenses	7	**102**	120
Reversal of overprovision for withholding tax	5	**–**	(365)
Effect of exchange rate changes		**(18)**	1,048
Operating cash flows before changes in working capital		**27,943**	28,324
Changes in working capital:			
Decrease/(increase) in inventories		**128**	(909)
(Increase)/decrease in trade and other receivables		**(4,010)**	991
(Increase)/decrease in prepaid operating expenses		**(141)**	815
Increase in trade and other payables		**901**	767
Decrease in other liabilities		**(160)**	(2,173)
Cash flows from operations		**24,661**	27,815
Interest received		**207**	93
Net income tax paid		**(3,110)**	(2,940)
Net cash flows generated from operating activities		**21,758**	24,968
Cash flows from investing activities:			
Dividend received from an associate		**103**	128
Proceeds from disposal of property, plant and equipment		**28**	87
Proceeds from disposal of subsidiary		**–**	3,214
Purchase of property, plant and equipment (Note A)		**(2,358)**	(6,307)
Net cash flows used in investing activities		**(2,227)**	(2,878)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 May 2024

	Note	2024 $'000	2023 $'000
Cash flows from financing activities:			
Dividends paid to ordinary shareholders	30	**(1,550)**	(1,550)
Interest paid		**(2,731)**	(2,842)
Repayment of principal portion of lease liabilities	22	**(6,220)**	(6,413)
Proceeds from loans and borrowings	22	**1,886**	1,474
Repayment of loans and borrowings	22	**(13,867)**	(9,843)
Purchase of treasury shares	19	**(247)**	–
Net cash flows used in financing activities		**(22,729)**	(19,174)
Net (decrease)/increase in cash and cash equivalents		**(3,198)**	2,916
Cash and cash equivalents at 1 June		**29,760**	27,106
Effect of exchange rate changes on cash and cash equivalents		**(77)**	(262)
Cash and cash equivalents at 31 May	17	**26,485**	29,760

** Denotes amount less than $1,000*

Note A:

During the current financial year, the Company acquired property, plant and equipment with an aggregate cost of $2,457,000 (2023: $7,491,000) of which $99,000 (2023: $1,085,000) relates to new right-of-use assets and Nil (2023: $99,000) were acquired by means of hire purchase arrangements. Cash payments of $2,358,000 (2023: $6,307,000) were made to purchase property, plant and equipment.

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

1. Corporate information

GKE Corporation Limited (the "**Company**") is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

The registered office and principal place of business of the Company is located at 39 Benoi Road #06-01 Singapore 627725.

The principal activities of the Company are those of an investment holding company and the provision of management services. The principal activities of the subsidiaries are disclosed in Note 12 to the financial statements.

2. Material accounting policy information

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $) and all values are rounded to the nearest thousand ($'000) as indicated, except when otherwise indicated.

2.2 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 June 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Descriptions	**Effective for annual periods beginning on or after**
Amendments to SFRS(I) 1-1 *Presentation of Financial Statements:* Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to SFRS(I) 16 *Leases:* Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-1 *Presentation of Financial Statements:* Non-current Liabilities with Covenants	1 January 2024

2. Material accounting policy information (cont'd)

2.3 ***Standards issued but not yet effective (cont'd)***

Descriptions	**Effective for annual periods beginning on or after**
Amendments to SFRS(I) 1-7 *Statement of Cash Flows* and SFRS(I) 7 *Financial Instruments: Disclosures:* Supplier Finance Arrangements	1 January 2024
Amendments to SFRS(I) 1-21 *The Effects of Changes in Foreign Exchange Rates:* Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 10 *Consolidated Financial Statements* and SFRS(I) 1-28 *Investments in Associates and Joint Ventures:* Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

Management expects that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 ***Basis of consolidation***

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

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

2. Material accounting policy information (cont'd)

2.5 ***Foreign currency***

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(b) *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.6 ***Property, plant and equipment***

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land, buildings and improvements	–	12 to 50 years
Cement plant and related equipment	–	10 to 49 years
Furniture, fittings and office equipment	–	1 to 5 years
Motor vehicles, trailers and forklifts	–	5 to 10 years
Warehouse equipment	–	2 to 15 years

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

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2. Material accounting policy information (cont'd)

2.7 ***Land use rights***

Land use rights are initially measured at cost. Following initial recognition, land use rights are measured at cost less accumulated amortisation. The land use rights are amortised on a straight-line basis over its the lease term of 50 years. The land use rights are accounted for as right-of-use assets as disclosed in Note 2.20(a).

2.8 ***Intangible assets***

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Customer relationships

Intangible assets acquired in business combinations, such as customer relationships, are amortised on a straight-line basis over their finite useful lives of 2 to 7 years.

Mining rights

Mining rights acquired by the Group's wholly owned subsidiary, Wuzhou Xing Jian Readymix Co., Ltd, are amortised based on the units of production method.

2.9 ***Impairment of non-financial assets***

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

2. Material accounting policy information (cont'd)

2.9 *Impairment of non-financial assets (cont'd)*

A previously recognised impairment loss 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.10 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated impairment losses.

2.11 *Associates*

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control of those policies.

The Group accounts for its investments in associates using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of the operations of the associates. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates is prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the Company's separate financial statements, investments in associates are accounted for at cost less accumulated impairment losses.

2. Material accounting policy information (cont'd)

2.12 ***Financial instruments***

(a) ***Financial assets***

Initial recognition and measurement

Financial assets are recognised when, and only when, the entity becomes party to the contractual provisions of the financial instrument.

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.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

<u>Investment in debt instruments</u>

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The Group measures the debt instruments at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) ***Financial liabilities***

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

2. Material accounting policy information (cont'd)

2.12 ***Financial instruments (cont'd)***

(b) ***Financial liabilities (cont'd)***

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.13 ***Derivative financial instruments and hedge accounting***

The Group applies hedge accounting for certain hedging relationships which qualify for hedge accounting.

For the purpose of hedge accounting of the Group, hedges are classified as cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while any ineffective portion is recognised immediately in profit or loss.

The Group uses interest rate swap contracts to hedge its risks associated with interest rate fluctuations.

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.

When a cash flow hedge is discontinued, the cumulative gain or loss previously recognised in other comprehensive income will remain in the cash flow hedge reserve until the future cash flows occur if the hedged future cash flows are still expected to occur or reclassified to profit or loss immediately if the hedged future cash flows are no longer expected to occur.

2.14 ***Impairment of financial assets***

The Group recognises an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

2. Material accounting policy information (cont'd)

2.14 *Impairment of financial assets (cont'd)*

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group calculates ECLs for trade receivables initially based on the Group's historical observed default rates and adjusts based on the forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The Group considers a financial asset in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.15 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at banks, cash on hand and short-term deposits, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.16 *Inventories*

Inventories comprise raw materials and finished goods.

Inventories are stated at the lower of cost and net realisable value. Costs comprise of purchase costs accounted for on first-in-first out and weighted average cost basis. In the case of finished goods, costs also include a proportion of manufacturing overheads based on normal operating capacity.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.17 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.18 *Government grants*

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to income, the grant is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income are presented as a credit in profit or loss, under "Other income".

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

2. Material accounting policy information (cont'd)

2.19 ***Employee benefits***

(a) *Defined contribution plans*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

Singapore

The Group makes contributions to the Central Provident Fund ("**CPF**") scheme in Singapore, a defined contribution pension scheme. The Group makes monthly contributions based on stipulated contribution rates.

People's Republic of China ("**PRC**")

Subsidiaries incorporated and operating in the PRC are required to provide certain staff pension benefits to their employees under existing PRC regulations. Contributions are provided at rates stipulated by PRC regulations and are contributed to a pension fund managed by government agencies, which are responsible for administering these amounts for the subsidiaries' PRC employees.

(b) *Share based compensation*

The fair value of employee services received in exchange for equity-settled share-based remuneration plans granted to employees is recognised as variable share-based payment to employees in profit or loss with a corresponding increase in the share-based payment reserve over the vesting period. The amount is determined by reference to the fair value of the shares on grant date and the expected number of shares to be vested on vesting date.

At the end of each financial reporting period, the Company revises its estimates of the expected number of shares that the participants are expected to receive. Any changes to the expected number of shares to be vested will entail a corresponding adjustment to the share based payment to employees and share based payment reserve.

2.20 ***Leases***

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) *As lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

2. Material accounting policy information (cont'd)

2.20 ***Leases (cont'd)***

(a) *As lessee (cont'd)*

Right-of-use assets (cont'd)

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Warehouses and dormitories	-	1 to 18 years
Forklifts and motor vehicles	-	1 to 4 years
Plant and machinery	-	10 years
Land use rights	-	50 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.9.

The Group's right-of-use assets are presented within property, plant and equipment (Note 10).

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2. Material accounting policy information (cont'd)

2.20 ***Leases (cont'd)***

(b) *As lessor*

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.21 ***Revenue***

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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

(a) *Rendering of services*

Revenue from services is recognised over time as services are rendered under the terms of the contract.

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised 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.

(b) *Rental income*

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(c) *Sale of goods*

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied. The amount of revenue recognised is based on the contractual price. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or possible return of goods.

2. Material accounting policy information (cont'd)

2.22 ***Other income***

(a) *Interest income*

Interest income is recognised using the effective interest method.

(b) *Dividend income*

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

2.23 ***Taxes***

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

2. Material accounting policy information (cont'd)

2.23 ***Taxes (cont'd)***

(b) *Deferred tax (cont'd)*

- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.24 ***Share capital and share issuance expenses***

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.25 ***Treasury shares***

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2. Material accounting policy information (cont'd)

2.26 ***Contingencies***

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.27 ***Biological assets***

Crops are accounted for as biological assets until the point of harvest. Biological assets are measured on initial recognition and at the end of each reporting period at fair value less costs to sell. Changes in fair value of crops are recognised in profit or loss as part of cost of sales. Costs related to growing and harvesting the crops are expensed as incurred. Costs incurred in growing the crops, including any applicable harvest costs, are recognised as part of cost of sales. At the time of harvest, crops are measured at fair value less costs to sell and transferred to inventories.

3. Significant accounting judgments and estimates

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to carrying amount of the asset or liability affected in the future periods.

3.1 ***Judgments made in applying accounting policies***

Management is of the opinion that there is no significant judgment made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

3. Significant accounting judgments and estimates (cont'd)

3.2 ***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future development, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) *Impairment assessment of goodwill*

As disclosed in Note 11 to the financial statements, the recoverable amounts of the cash generating units, which goodwill has been allocated to, are determined based on value in use calculations. The value in use calculations are based on discounted cash flow models. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The key assumptions applied in the determination of the value in use including a sensitivity analysis, are disclosed and further explained in Note 11 to the financial statements.

(b) *Allowance for ECL for trade receivables*

The Group determines impairment of trade receivables by making debtor-specific assessment. In addition, the Group uses a provision matrix to calculate ECL for the remaining trade receivables. The provision rates are based on days past due for groupings of customers based on customer profiles.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

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

The carrying amount of the Group's trade receivables and information about the ECL are disclosed in Note 15.

(c) *Share based payments*

Estimating fair value for share based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them.

The Group initially measures the fair value of equity-settled transactions with employees at the grant date using the Black-Scholes Option model for ESOS 2021. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 20(iv).

4. Revenue

	Group	
	2024	2023
	$'000	$'000
Major product or service lines		
Sale of goods	**30,130**	30,974
Services rendered	**38,986**	37,086
Rental income	**41,439**	40,870
	110,555	108,930
Timing of transfer of goods or services		
At a point in time	**30,130**	30,974
Over time	**80,425**	77,956
	110,555	108,930

5. Other income

	Group	
	2024	2023
	$'000	$'000
Gain on disposal of property, plant and equipment	**23**	75
Grant income	**1,121**	1,029
Reversal of overprovision for withholding tax	**–**	365
Interest income	**207**	93
Others	**477**	463
	1,828	2,025

6. Finance costs

	Group	
	2024	2023
	$'000	$'000
Interest expense on:		
- Bank loans	**1,874**	1,817
- Interest on lease liabilities (Note 23)	**831**	1,025
- Others	**4**	4
Total finance costs	**2,709**	2,846

7. Profit before tax

The following items have been included in arriving at profit before tax:

	Group	
	2024	**2023**
	$'000	**$'000**
Audit fees paid to:		
- Auditor of the Company	**223**	223
- Affiliate of auditor of the Company	**38**	40
- Other auditors	**17**	14
Non-audit fees paid to:		
- Auditor of the Company	**33**	35
- Affiliate of auditor of the Company	**–**	39
Amortisation of intangible assets – customer relationships (Note 11)	**201**	379
Amortisation of intangible assets – mining rights (Note 11)	**190**	209
Depreciation of property, plant and equipment (Note 10)	**15,361**	15,185
Property, plant and equipment written off	**153**	18
Allowance for expected credit loss, net (Note 15)	**2,760**	2,201
Bad debts written off	**–**	61
Employee benefits expense (including Directors)		
- Salaries and related cost	**36,349**	34,522
- Contribution to defined contribution plans	**3,048**	2,819
Fair value loss on financial assets	**–**	42
Legal and professional fees	**589**	425
Share based payment expenses (Note 20 (iv))	**102**	120
Net foreign exchange loss	**204**	579

Employee benefits expense includes the remuneration of Directors and key management personnel as set out in Note 33(b).

8. Income tax expense

(a) ***Major components of income tax expense***

The major components of income tax expense for the years ended 31 May 2024 and 2023 are:

	Group	
	2024	**2023**
	$'000	**$'000**
Consolidated income statement:		
Current income tax:		
- Current income taxation	**3,164**	3,374
- Under provision in respect of previous years	**126**	106
	3,290	3,480
Deferred income tax:		
- Origination and reversal of temporary differences	**(1,069)**	(612)
- Under provision in respect of previous years	**236**	105
	(833)	(507)
Income tax expense recognised in profit or loss	**2,457**	2,973

(b) ***Relationship between income tax expense and accounting profit***

The reconciliation between income tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 May 2024 and 2023 is as follows:

	Group	
	2024	**2023**
	$'000	**$'000**
Profit before tax	**6,760**	6,882
Income tax using statutory tax rate of 17% (2023: 17%)	**1,149**	1,170
Adjustments:		
Effects of different tax rates in other countries	**(84)**	(200)
Non-deductible expenses	**1,508**	2,022
Income not subject to taxation	**(73)**	(48)
Effect of tax incentives	**(206)**	(198)
Under provision in respect of previous years income tax	**126**	106
Under provision in respect of previous years deferred income tax	**236**	105
Deferred tax assets not recognised	**12**	24
Others	**(211)**	(8)
Income tax expense recognised in profit or loss	**2,457**	2,973

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

9. Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year (excluding treasury shares).

Diluted earnings per share amounts are calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 May:

	Group	
	Basic and diluted	
	2024	**2023**
	$'000	**$'000**
Profit attributable to owners of the Company used in the computation of basic and diluted earnings per share	**4,303**	3,909
	No. of shares	No. of shares
	'000	'000
Weighted average number of ordinary shares for basic earnings per share computation	**774,725**	775,124
Weighted average number of ordinary shares for diluted earnings per share computation	**775,609**	775,124

For the year ended 31 May 2024, 4,980,000 share options have been considered in the calculation of diluted earnings per share as the average price of ordinary shares from beginning of the year or date of grant of share options, whichever is later, to year end was higher than the exercise price of the share options. In the prior year, share options were not included in the calculation of diluted earnings per share as the exercise price of the share options was higher than the share price.

10. Property, plant and equipment

Group 2024	At cost						
	Leasehold land, buildings and improvements	Cement plant and related equipment	Furniture, fittings and office equipment	Motor vehicles, trailers and forklifts	Warehouse equipment	Right-of-use assets (Note 23)	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost:							
At 1 June 2023	120,161	7,056	5,018	15,513	12,691	51,547	211,986
Additions	100	166	596	1,117	379	99	2,457
Reclassification	(105)	3,565	–	5,137	(2,518)	(6,079)	–
Disposals	–	–	(4)	(144)	(8)	(14)	(170)
Write-off	–	–	(265)	–	(27)	(1,594)	(1,886)
Exchange differences	(10)	(230)	(10)	(87)	–	(145)	(482)
At 31 May 2024	120,146	10,557	5,335	21,536	10,517	43,814	211,905
Accumulated depreciation:							
At 1 June 2023	41,705	1,756	3,392	10,835	5,105	25,369	88,162
Depreciation charge for the year	6,140	393	472	1,164	980	6,212	15,361
Reclassification	–	457	–	4,024	(134)	(4,347)	–
Disposals	–	–	(4)	(139)	(8)	(14)	(165)
Write-off	–	–	(113)	–	(26)	(1,594)	(1,733)
Exchange differences	–	(46)	(3)	(84)	–	(61)	(194)
At 31 May 2024	47,845	2,560	3,744	15,800	5,917	25,565	101,431
Net carrying amount:							
At 31 May 2024	72,301	7,997	1,591	5,736	4,600	18,249	110,474

10. Property, plant and equipment (cont'd)

Group 2023	At cost						
	Leasehold land, buildings and improvements	Cement plant and related equipment	Furniture, fittings and office equipment	Motor vehicles, trailers and forklifts	Warehouse equipment	Right-of-use assets (Note 23)	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost:							
At 1 June 2022	119,320	7,556	4,370	14,664	9,772	51,198	206,880
Additions	854	49	703	1,575	3,079	1,231	7,491
Reclassification	–	–	–	31	–	(31)	–
Disposals	–	–	(25)	(509)	(2)	(100)	(636)
Write-off	–	(25)	(8)	–	(29)	(260)	(322)
Exchange differences	(13)	(524)	(22)	(248)	(129)	(491)	(1,427)
At 31 May 2023	120,161	7,056	5,018	15,513	12,691	51,547	211,986
Accumulated depreciation:							
At 1 June 2022	35,654	1,590	2,944	10,600	4,152	19,504	74,444
Depreciation charge for the year	6,051	293	494	934	989	6,424	15,185
Reclassification	–	–	–	31	–	(31)	–
Disposals	–	–	(25)	(497)	(2)	(100)	(624)
Write-off	–	(9)	(6)	–	(29)	(260)	(304)
Exchange differences	–	(118)	(15)	(233)	(5)	(168)	(539)
At 31 May 2023	41,705	1,756	3,392	10,835	5,105	25,369	88,162
Net carrying amount:							
At 31 May 2023	78,456	5,300	1,626	4,678	7,586	26,178	123,824

During the current financial year, the total gain on disposal of property, plant and equipment amounted to $23,000 (2023: $75,000).

10. Property, plant and equipment (cont'd)

	Furniture, fittings and office equipment $'000	Motor Vehicle $'000	Right-of-use assets (Note 23) $'000	Total $'000
Company				
2024				
Cost:				
At 1 June 2023	422	209	315	946
Additions	55	–	–	55
At 31 May 2024	477	209	315	1,001
Accumulated depreciation:				
At 1 June 2023	258	209	220	687
Depreciation charge for the year	61	–	63	124
At 31 May 2024	319	209	283	811
Net carrying amount:				
At 31 May 2024	158	–	32	190
2023				
Cost:				
At 1 June 2022	293	209	315	817
Additions	132	–	–	132
Write-off	(3)	–	–	(3)
At 31 May 2023	422	209	315	946
Accumulated depreciation:				
At 1 June 2022	199	209	157	565
Depreciation charge for the year	61	–	63	124
Write-off	(2)	–	–	(2)
At 31 May 2023	258	209	220	687
Net carrying amount:				
At 31 May 2023	164	–	95	259

10. Property, plant and equipment (cont'd)

Leasehold properties and improvements

As at 31 May 2024, the Group's owned leasehold properties comprise the following:

Location	Title	Description
No. 6 Pioneer Walk Singapore 627751	Leasehold 30 years from 1 May 2006	2-storey ramp-up warehouse building with 4-storey ancillary office building
No. 39 Benoi Road Singapore 627725	Leasehold 35 years and 11.5 months from 1 March 2001	5-storey ramp-up warehouse building with ancillary office
7 Kwong Min Road Singapore 628710	Leasehold 30 year with effect from 1 July 1998	2-storey warehouse building with ancillary office
3 Tuas Avenue 11 Singapore 639069	Leasehold 17 years and 8 months with effect from 1 September 2020	3-storey detached factory with ancillary office

Assets pledged as security

In addition to assets held under finance leases, the Group's leasehold land, buildings and improvements with a carrying amount of $61,563,000 (2023: $66,834,000) are mortgaged to secure the Group's bank loans (Note 22).

11. Intangible assets

	Group			
	Goodwill	Customer relationships	Mining rights	Total
	$'000	$'000	$'000	$'000
Cost:				
At 31 May 2022	5,655	5,226	1,037	11,918
Exchange differences	–	–	(70)	(70)
At 31 May 2023	5,655	5,226	967	11,848
Exchange differences	–	–	(24)	(24)
At 31 May 2024	5,655	5,226	943	11,824
Accumulated amortisation:				
At 31 May 2022	2,314	3,908	–	6,222
Amortisation	–	379	209	588
Exchange differences	–	–	(5)	(5)
At 31 May 2023	2,314	4,287	204	6,805
Amortisation	–	201	190	391
Exchange differences	–	–	(6)	(6)
At 31 May 2024	2,314	4,488	388	7,190
Net carrying amount				
At 31 May 2024	3,341	738	555	4,634
At 31 May 2023	3,341	939	763	5,043

Customer relationships

Customer relationships relates to the ability to make regular contact with recurring customers.

Mining rights

Mining rights relates to mining rights acquired by the Group's wholly owned subsidiary, Wuzhou Xing Jian Readymix Co., Ltd in the PRC from the municipal land authority in the Cangwu County.

Amortisation expense

The amortisation of customer relationships is included in "Administrative expenses" line item and the amortisation of mining rights is included in "Cost of sales" line item in the consolidated income statement.

11. Intangible assets (cont'd)

Impairment testing of goodwill

Goodwill arising from business combinations has been allocated to two CGUs for impairment testing as follows:

- Marquis Services Pte Ltd ("**Marquis**") acquired on 15 December 2015; and
- GKE Services Pte. Ltd. ("**GKES**") acquired on 30 November 2016.

The carrying amount of goodwill allocated to each CGU as at 31 May is as follows:

	Marquis	GKES	Total
	$'000	$'000	$'000
31 May 2024 and 2023			
Goodwill	1,315	2,026	3,341

The recoverable amounts of the CGUs have been determined based on value in use calculations which are based on cash flow projections from financial budgets approved by management covering a 5-year period. The post-tax discount rate applied to the 5-year cash flow projections and the forecasted growth rates used to extrapolate cash flow projections beyond the 5-year period are as follows:

	31 May 2024		31 May 2023	
	Marquis	GKES	Marquis	GKES
Forecasted revenue growth rates	2% – 6.7%	3% – 8.7%	1.7% – 2%	3% – 7%
Long term growth rates	1.6%	1.8%	1.6%	1.8%
Post-tax discount rates	8.3%	10.5%	8.3%	10.0%

Key assumptions used in the value in use calculations

The calculations of value in use for both the CGUs are most sensitive to the following assumptions:

Forecasted revenue growth rates – For GKES, management has forecasted a growth rate of 8.7% in FY2025 due to increase in demands from the recovery from global shipping volume and recovery of air travel carry through to FY2025. Thereafter, the revenue is forecasted to grow between 3% over the budget period for anticipated increase in demands. For Marquis, management forecasted revenue growth of 6.7% in FY2025 in anticipation of demand volume grow. Thereafter, the revenue is forecasted to grow 2% over the budget period for anticipated increase demands and new contracts.

Long-term growth rates – The forecasted growth rates are based on published industry research and do not exceed the long-term average growth rate for the industries relevant to the CGUs.

Post-tax discount rates – Discount rates represent the current market assessment of the risks specific to each CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital ("**WACC**"). The WACC takes into account both debt and equity.

Based on management's assessment, there is no impairment in both of the financial years.

11. Intangible assets (cont'd)

Sensitivity to changes in assumptions

With regards to the assessment of value in use for GKES, a reasonably possible change in any of the above key assumptions would cause the carrying value of the value in use for GKES to increase or decrease the recoverable amount recognised on the balance sheet as follows:

	Estimate range	Sensitivity	Impact to recoverable amount increase/ (decrease)
	%	Basis points	$'000
2024			
Assumptions			
Forecasted revenue growth rates	3% - 8.7%	-/+7	33/(33)
Long-term growth rates	1.8%	-/+9	55/(54)
Post-tax discount rates	10.5%	-/+10	(79)/81

With regards to the assessment of value in use for GKES, a reasonably possible change in any of the above key assumptions would cause the carrying value of the value in use for GKES to increase or decrease the recoverable amount recognised on the balance sheet as follows:

	Estimate range	Sensitivity	Impact to recoverable amount increase/ (decrease)
	%	Basis points	$'000
2023			
Assumptions			
Forecasted revenue growth rates	3% - 7%	-/+7	42/(42)
Long-term growth rates	1.8%	-/+9	1/(1)
Post-tax discount rates	10.0%	-/+10	(8)/9

12. Investments in subsidiaries

	Company	
	2024	2023
	$'000	$'000
Shares, at cost	**73,693**	73,697
Additional investment in a subsidiary	**2,700**	–
Struck-off of a subsidiary	**–**	(4)
Less: Impairment losses	**(16,997)**	(16,762)
	59,396	56,931

12. Investments in subsidiaries (cont'd)

Movement in impairment losses during the financial year is as follows:

	Company	
	2024	**2023**
	$'000	**$'000**
At beginning of the year	**16,762**	16,540
Allowance for the year	**235**	226
Struck-off of a subsidiary	**–**	(4)
At end of the year	**16,997**	16,762

The details of the subsidiaries are as follows:

Name of subsidiaries (Country of incorporation and principal place of business)	**Principal activities**	**Effective percentage of equity held by Group**	
		31 May 2024 %	**31 May 2023 %**
Held by the Company			
GKE Private Limited [i] (Singapore)	Provision of warehousing services and trading business	**100**	100
GKE Warehousing & Logistics Pte Ltd [i] (Singapore)	Provision of warehousing, packing and transportation services	**100**	100
GKE Express Logistics Pte. Ltd. [i] (Singapore)	Provision of freight forwarding, transportation, warehousing and logistics services	**100**	100
GKE Freight Pte. Ltd. [i] (Singapore)	Provision of freight forwarding and transportation services	**100**	100
GKE Holdings (HK) Co., Limited [iii] (Hong Kong)	Investment holding	**100**	100
GKE Shipping Limited [ii] (British Virgin Islands)	Investment holding	**100**	100
Marquis Services Pte Ltd[i] (Singapore)	Provision of freight forwarding, transportation, warehousing and logistics services	**100**	100
GKE Services Pte. Ltd. [i] (Singapore)	Provision of port operations and logistics services, stevedoring and freight forwarding services	**100**	100
GKE Agritech Pte. Ltd. [iii] (Singapore)	Provision of indoor farming solution and growing of crops	**100**	100
Fair Chem Industries Pte Ltd [i] (Singapore)	Provision of blending and manufacturing of chemical and chemical products	**100**	100

12. Investments in subsidiaries (cont'd)

The details of the subsidiaries are as follows: (cont'd)

Name of subsidiaries (Country of incorporation and principal place of business)	Principal activities	Effective percentage of equity held by Group 31 May 2024 %	31 May 2023 %
Held through GKE Holdings (HK) Co., Limited.			
Wuzhou Xing Jian Readymix Co., Ltd [iii] (People's Republic of China)	Producing and manufacturing of environmentally friendly lightweight brick, building materials and cement products	**100**	100
Held through Wuzhou Xing Jian Readymix Co., Ltd			
Cenxi Xing Jian Readymix Co., Ltd [iii] (People's Republic of China)	Producing and manufacturing of environmentally friendly lightweight brick, building materials and cement products	**100**	100

i. Audited by Ernst & Young LLP.

ii. Not required to be audited in the country of incorporation.

iii. Audited by local CPA firms.

In accordance with Rule 716 of SGX-ST Listing Rules, the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its subsidiaries would not compromise the standard and effectiveness of the audit of the Company.

13. Investments in associates

	Group 31 May 2024 $'000	31 May 2023 $'000
Unquoted equity shares, at cost	**1,957**	1,957
Share of post-acquisition profit	**29**	87
Exchange differences	**(167)**	(123)
	1,819	1,921

13. Investments in associates (cont'd)

The activities of the associates are strategic to the Group activities. The Group's investments in associates, are summarised below:

Name of associates (Country of incorporation and principal place of business)	Principal activities	Proportion of ownership interest held by Group 31 May 2024 %	31 May 2023 %
Held through GKE Services Pte. Ltd.			
TNS Ocean Lines International Private Limited [i] (India)	Provision of port operations and logistics services, stevedoring and freight forwarding services	**30**	30
Held through Wuzhou Xing Jian Readymix Co., Ltd			
Cenxi Haoyi Recycling Co., Ltd [i] (People's Republic of China)	Producing and manufacturing of environmentally friendly lightweight brick, building materials and cement products	**24**	24

i. Audited by local CPA firms

14. Financial instruments at fair value through profit or loss

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Quoted equity shares, at fair value				
At beginning of the year	**25**	67	**25**	67
Fair value adjustment	**– ***	(42)	**–**	(42)
At end of the year	**25**	25	**25**	25
Unquoted equity shares, at fair value				
At beginning of the year	**103**	111	**–**	–
Exchange difference	**(3)**	(8)	**–**	–
At end of the year	**100**	103	**–**	–
	125	128	**25**	25

* *Denotes amount less than $1,000*

Quoted equity shares relate to equity interest in Austin Metals Limited (2023: Austin Metals Limited) which the Group does not has significant influence.

Unquoted equity shares relate to 18% equity interest in Wuzhou Zi Wang Quarry Co., Ltd. in which the Group does not have control or significant influence.

15. Trade and other receivables

	Group		Company	
	31 May 2024	31 May 2023	31 May 2024	31 May 2023
	$'000	$'000	$'000	$'000
Trade and other receivables (current):				
Trade receivables	**34,531**	33,976	**–**	–
Loans to subsidiaries	**–**	–	**4,100**	346
Amounts due from subsidiaries	**–**	–	**1,397**	9,556
Staff advances	**19**	18	**–**	–
Refundable deposits	**498**	511	**–**	–
Dividend receivable	**–**	–	**–**	2,500
Other receivables	**1,328**	711	**7**	127
Contract asset	**932**	804	**–**	–
	37,308	36,020	**5,504**	12,529
Other receivables (non-current):				
Loans to subsidiaries	**–**	–	**–**	8,001
Refundable deposits	**–**	38	**–**	–
	–	38	**–**	8,001
Total trade and other receivables (current and non-current)	**37,308**	36,058	**5,504**	20,530
Add: Cash and short-term deposits (Note 17)	**26,485**	29,760	**3,700**	3,735
Less: Contract asset	**(932)**	(804)	**–**	–
Total financial assets carried at amortised cost	**62,861**	65,014	**9,204**	24,265

Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Trade receivables denominated in foreign currencies as at 31 May are as follows:

	Group		Company	
	31 May 2024	31 May 2023	31 May 2024	31 May 2023
	$'000	$'000	$'000	$'000
United States Dollar	**244**	73	**–**	–

15. Trade and other receivables (cont'd)

Related party balances, staff advances and other receivables

The amounts due from subsidiaries are non-trade in nature, unsecured, interest-free, repayable on demand and to be settled in cash.

The current and non-current loans to subsidiaries comprise the following principal amounts as at year end:

a) Unsecured 18-year term loan of Nil (2023: $3,194,000), bears interest at 3.8% per annum and repayable in June 2031. The loan has been fully repaid in the current year.

B) Unsecured 5-year term loan of $4,100,000 (2023: $5,153,000), bears interest at 7.125% (2023: 7.125%) per annum and it shall be fully repaid in August 2024.

Staff advances and other receivables are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Expected credit losses

The movement in allowance for expected credit losses of trade and other receivables computed based on lifetime ECL are as follow:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Movements in allowance account:				
At beginning of the year	**4,154**	2,164	**4,197**	4,197
Charge for the year, recorded in administrative expenses (Note 7)	**2,760**	2,213	**–**	–
Written back	**–**	(12)	**(4,197)**	–
Exchange differences	**(105)**	(211)	**–**	–
At end of the year	**6,809**	4,154	**–**	4,197

16. Inventories

	Group	
	31 May 2024	**31 May 2023**
	$'000	**$'000**
Balance sheet:		
Raw materials	**1,240**	1,228
Finished goods	**606**	746
	1,846	1,974
Income statement:		
Inventories recognised as an expense in cost of sales	**22,376**	22,811

17. Cash and short-term deposits

	Group		Company	
	31 May 2024	**31 May 2023**	**31 May 2024**	**31 May 2023**
	$'000	**$'000**	**$'000**	**$'000**
Cash at banks and on hand	**20,690**	24,918	**1,006**	1,930
Short-term deposits	**5,795**	4,842	**2,694**	1,805
Cash and short-term deposits	**26,485**	29,760	**3,700**	3,735

Cash at banks earns interest at floating rates based on daily bank deposit rates.

The Group's short-term deposits amounting to $5,795,000 (2023: $4,842,000) is placed for varying periods between one (1) month and three (3) months. The range of effective interest rate of short-term deposit is 2.75% - 4.95% (2023: 3.15% - 4.70%) per annum.

Cash and short-term deposits denominated in foreign currencies as at 31 May are as follows:

	Group		Company	
	31 May 2024	**31 May 2023**	**31 May 2024**	**31 May 2023**
	$'000	**$'000**	**$'000**	**$'000**
United States Dollar	**4,786**	4,217	**2,713**	2,062
Renminbi	**15**	473	**15**	473

For the purpose of the consolidated cash flow statement, all cash and short-term deposits are cash and cash equivalents.

18. Share capital

	Group and Company			
	2024		**2023**	
	No. of shares '000	**$'000**	**No. of shares '000**	**$'000**
Issued and fully paid ordinary shares:				
At beginning and end of the year	**794,700**	**85,145**	794,700	85,145

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

19. Treasury shares

	Group and Company			
	2024		2023	
	No. of shares '000	$'000	No. of shares '000	$'000
At beginning of the year	**(19,576)**	**(1,531)**	(19,576)	(1,531)
Share buyback	**(3,423)**	**(247)**	–	–
At end of the year	**(22,999)**	**(1,778)**	(19,576)	(1,531)

Treasury shares relate to ordinary shares of the Company that is held by the Company.

The Company acquired 3,423,000 (2023: Nil) shares in the Company through purchases on the Singapore Exchange during the financial year. The total amount paid to acquire the shares was $247,000 (2023: Nil) and this was presented as a component within shareholders' equity.

20. Other reserves

(i) Translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(ii) Cash flow hedge reserve

Cash flow hedge reserve represents the portion of the fair value changes (net of tax) on derivative financial instruments designated as hedging instruments in cash flow hedges that is determined to be an effective hedge, as shown below:

	Group	
	2024	2023
	$'000	$'000
Interest rate risk:		
At beginning of the year	**432**	71
Effective portion of changes in fair value of cash flow hedges		
- Interest rate swaps	**(809)**	229
Net change in fair value of cash flow hedges reclassified to profit or loss		
- Interest rate swaps	**419**	206
Tax effect		
- Interest rate swaps	**56**	(74)
At end of the year	**98**	432

20. Other reserves (cont'd)

(iii) Capital reserve

Capital reserve represents the gain or loss arising from purchase, sale, issue or cancellation of treasury shares and changes in ownership interest in a subsidiary.

(iv) Share based payments

ESOS 2021

Under the ESOS 2021, the Company, at its discretion, may grant share options of the Company to Executive Directors and key employees of the Company, its subsidiaries and Non-Executive Directors (including the Independent Directors) upon completion of 12 months of service.

The vesting period of the granted employee share options is 12 months after the grant date.

The fair value of share options granted is estimated at the date of grant using the Black- Scholes Option model, taking into account the terms and conditions on which the share options were granted. It also considers historical and expected dividends, and the share price volatility of the Company relative to that of its competitors so as to predict the share performance.

The exercise price of the share options is equal to the market price of the underlying shares on the date of grant. There are no cash settlement alternatives for the employees.

The expense recognised for employee services received during the year is shown in the following table:

	2024	2023
	$'000	$'000
Expense arising from equity-settled share based payment transactions	**102**	120

There were no cancellations or modifications to the awards in FY2024.

Movements during the year

The following table illustrates the number and weighted average exercise prices ("**WAEP**") of, and movements in, share options during the year:

	Group and Company			
	2024		2023	
	Number	WAEP	Number	WAEP
	'000	$	'000	$
Outstanding at beginning of the year	**7,581**	**0.10**	4,258	0.11
Granted during the year	**4,980**	**0.06**	3,356	0.09
Forfeited during the year	**(188)**	**0.10**	(33)	0.11
Outstanding at end of the year	**12,373**	**0.09**	7,581	0.10
Exercisable at 31 May	**7,393**	**0.10**	4,225	0.11

20. Other reserves (cont'd)

(iv) Share based payments (cont'd)

Movements during the year (cont'd)

The weighted average remaining contractual life for the share options outstanding as at 31 May 2024 was 8.4 years for eligible employees and executive directors and 3.5 years for non-executive directors. The weighted average fair value of options granted during the year was $0.02. The range of exercise price for options outstanding at the end of the year were $0.06 to $0.11.

The following tables list the inputs to the model used for the scheme for the year ended 31 May 2024 and 2023:

	Company	
	2024	**2023**
Weighted average fair values at the measurement date	**0.02**	0.03
Dividend yield (%)	**3.0**	3.0
Expected volatility (%)	**38.0**	30.0
Risk–free interest rate (%)	**3.0**	3.0
Expected life of share options (years)	**10.0**	10.0
Weighted average share price ($)	**0.06**	0.09
Model used	Black-Scholes Option	Black-Scholes Option

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

(v) Statutory reserve

In accordance with the Company Law applicable to the subsidiary in the PRC, the subsidiary is required to make appropriation to a statutory reserve ("**SR**"). 10% of the statutory profits after tax as determined in accordance with the applicable PRC accounting standards and regulations must be allocated to the SR until the cumulative total of the SR reaches 50% of the subsidiary's registered capital. Subject to approval from the relevant PRC authorities, the SR may be used to offset any accumulated losses or increase the registered capital of the subsidiary. The SR is not available for dividend distribution to shareholders.

21. Other liabilities

	Group		Company	
	31 May 2024	**31 May 2023**	**31 May 2024**	**31 May 2023**
	$'000	**$'000**	**$'000**	**$'000**
Current:				
Accrued operating expenses	**6,582**	6,743	**1,104**	1,073
Deposits received	**759**	657	**–**	–
Deferred income	**242**	185	**22**	22
	7,583	7,585	**1,126**	1,095
Non-current:				
Deferred income	**1,849**	2,007	**–**	–
	9,432	9,592	**1,126**	1,095
Less:				
GST payables	**(648)**	(436)	**(57)**	(42)
Deferred income	**(2,091)**	(2,192)	**(22)**	(22)
Other liabilities representing financial liabilities carried at amortised cost	**6,693**	6,964	**1,047**	1,031

22. Borrowings

	Group		Company	
	31 May 2024	**31 May 2023**	**31 May 2024**	**31 May 2023**
	$'000	**$'000**	**$'000**	**$'000**
Current:	**10,666**	13,043	**769**	1,954
Non-current:	**31,653**	41,340	**194**	4,163
Total borrowings	**42,319**	54,383	**963**	6,117

The Group's bank borrowings comprise the following:

(i) 18-year SGD commercial property loan

The 18-year SGD commercial property loan of $25,600,000 bears fixed interest at 1.50% per annum for the 1st year and 2nd year, and at 2.25% below the Bank's Commercial Financing Rate ("**CFR**") for the subsequent years. The loan shall be repaid over 216 monthly instalments after its first drawdown. The term loan is secured by first legal mortgage of the leasehold land, buildings and improvements of a subsidiary and corporate guarantee from the Company and a subsidiary.

During the year, the interest rate has been revised to fixed rate for the 1st year and 2nd year at 4.25% per annum and in subsequent years is 2.00% per annum over the applicable Compounded Singapore Overnight Rate Average ("**SORA**") Reference Rate as determined by the Bank on the day of transaction.

22. Borrowings (cont'd)

The Group's bank borrowings comprise the following: (cont'd)

(ii) 10-year SGD equipment loan

The 10-year SGD equipment loan of $3,573,000 bears the interest rate at 1.75% per annum over the applicable Compounded SORA Reference Rate as determined by the Bank on the day of transaction or at such other rate at the sole discretion of the Bank.

The loan shall be repaid over 120 fixed monthly instalments. The term loan is secured by first legal mortgage of the equipment and corporate guarantee from the Company.

(iii) 8-year SGD commercial property loan

The 8-year SGD commercial property loan of Nil (2023: $4,320,000) bears fixed interest rate for the 1st year and 2nd year at 1.85% per annum and in subsequent years is 3-month SORA rate plus 3.00% per annum. The loan has been fully repaid in the current year.

(iv) 12-year SGD term loan

The 12-year SGD term loan of $45,092,000, bears interest at 1.40% per annum over the applicable 1-month SORA or at such other rates as the Bank may stipulate from time to time at its absolute discretion. The loan shall have successive interest periods of 1-month except for the last interest period which shall be a period equivalent to the remaining tenor of the term loan. The term loan is secured by first legal mortgage of the leasehold land, buildings and improvements of subsidiary, and corporate guarantee from the Company.

(v) 1-year RMB bank term loan

(a) The 1-year term loan of Nil (2023: RMB 3,000,000) equivalent to $573,000 bears interest at 0.82% below the People's Republic of China's Loan Prime Rate ("**LPR**"). The loan has been fully repaid in the current year.

(b) The 1-year term loan of Nil (2023: RMB 5,000,000) equivalent to $954,000 bears interest at 0.35% above the People's Republic of China's LPR. The loan has been fully repaid in the current year.

(c) The 1-year term loan of Nil (2023: RMB 2,000,000) equivalent to $382,000 bears interest at the People's Republic of China's LPR. The loan has been fully repaid in the current year.

(d) The 1-year term loan of Nil (2023: RMB 2,000,000) equivalent to $382,000 bears interest at the People's Republic of China's LPR. The loan has been fully repaid in the current year.

(e) The 1-year term loan of Nil (2023: RMB 1,000,000) equivalent to $191,000 bears interest at the People's Republic of China's LPR. The loan has been fully repaid in the current year.

(f) The 1-year term loan of Nil (2023: RMB 7,500,000) equivalent to $1,431,000 bears interest at the People's Republic of China's LPR. The loan has been fully repaid in the current year.

(g) The 1-year term loan of RMB 7,000,000 equivalent to $1,305,000 bears interest at 2.15% above the People's Republic of China's LPR. The loan shall be repaid within 12 months from the first drawdown date.

(h) The 1-year term loan of RMB 2,000,000 equivalent to $373,000 bears interest at the People's Republic of China's LPR. The loan shall be repaid within 12 months from the first drawdown date.

22. Borrowings (cont'd)

The Group's bank borrowings comprise the following: (cont'd)

(v) 1-year RMB bank term loan (cont'd)

(i) The 1-year term loan of RMB 2,000,000 equivalent to $373,000 bears interest at the People's Republic of China's LPR. The loan shall be repaid within 12 months from the first drawdown date.

(j) The 1-year term loan of RMB 1,000,000 equivalent to $186,000 bears interest at the People's Republic of China's LPR. The loan shall be repaid within 12 months from the first drawdown date.

(k) The 1-year term loan of RMB 7,500,000 equivalent to $1,398,000 bears interest at 1.00% below the People's Republic of China's LPR. The loan shall be repaid within 12 months from the first drawdown date.

(l) The 1-year term loan of RMB 1,500,000 equivalent to $280,000 bears interest at 0.75% below the People's Republic of China's LPR. The loan shall be repaid within 12 months from the first drawdown date.

(vi) 5-year temporary bridging loan

The 5-year temporary bridging loan of $3,000,000 bears interest at 2.0% per annum or at such may be approved by Enterprise Singapore under Enterprise Financing Scheme ("**EFS**"). The first principal instalment will be repayable on the 12th month from the first drawdown date.

(vii) 5-year temporary bridging loan

The 5-year temporary bridging loan of $2,000,000 bears interest at 2.0% per annum or at such may be approved by Enterprise Singapore under EFS. The first principal instalment will be repayable on the 12th month from the first drawdown date.

(viii) 5-year term loan

The 5-year term loan of Nil (2023: $6,000,000) bears interest at 2.5% per annum above the rate which the Bank determines as SORA Reference Rate, as conclusively determined by the Bank from time to time applicable to the loan during that interest period. The first principal instalment will be repayable on the 1st month from the first drawdown date. The loan has been fully repaid in the current year.

(ix) 2-year SGD sustainable financing loan

The 2-year SGD sustainable financing loan of $298,000 bears the interest rate at 1.30% per annum over the applicable Compounded SORA Reference Rate.

22. Borrowings (cont'd)

A reconciliation of liabilities arising from financing activities is as follows:

	31 May 2023	Cash flows		Foreign exchange Movement	Other	31 May 2024
		Repayment	Proceeds			
	$'000	$'000	$'000	$'000	$'000	$'000
Bank loans						
- Current	13,043	(13,867)	1,886	(83)	9,687	**10,666**
- Non-current	41,340	–	–	–	(9,687)	**31,653**
Lease liabilities						
- Current	5,870	(6,220)	99	(10)	5,031	**4,770**
- Non-current	17,835	–	–	–	(5,031)	**12,804**
Total	78,088	(20,087)	1,985	(93)	–	**59,893**

	31 May 2022	Cash flows		Foreign exchange Movement	Other	31 May 2023
		Repayment	Proceeds			
	$'000	$'000	$'000	$'000	$'000	$'000
Bank loans						
- Current	12,557	(9,843)	1,474	(285)	9,140	13,043
- Non-current	50,480	–	–	–	(9,140)	41,340
Lease liabilities						
- Current	6,106	(6,413)	369	(77)	5,885	5,870
- Non-current	22,905	–	815	–	(5,885)	17,835
Total	92,048	(16,256)	2,658	(362)	–	78,088

The 'Other' column relates to reclassification of non-current portion of loans and borrowings including obligations under finance leases due to passage of time and accretion of interests.

As at 31 May 2024 and 2023, all the financial covenants on the above bank borrowings have been fully complied with.

The Company does not expect to incur any liabilities arising from the corporate guarantees.

23. Lease liabilities

The Group has lease contracts for various items of property, vehicles and other equipment used in its operations. Leases of property generally have lease terms between 1 and 18 years, the vehicles and other equipment generally have lease terms between 1 and 4 years, the plant and machinery generally have lease terms of 10 years, while the land use rights generally have lease term of 50 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios.

The Group also has certain leases of other equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Warehouses and dormitories	Forklifts and motor vehicles	Plant and machinery	Land use rights	Total
	$'000	$'000	$'000	$'000	$'000
Group					
As at 1 June 2022	23,118	5,577	887	2,112	31,694
Addition	1,091	140	–	–	1,231
Depreciation expenses	(4,801)	(1,447)	(131)	(45)	(6,424)
Exchange differences	–	(118)	(61)	(144)	(323)
As at 31 May 2023 and 1 June 2023	19,408	4,152	695	1,923	26,178
Addition	2	97	–	–	99
Depreciation expenses	(4,882)	(1,160)	(126)	(44)	(6,212)
Reclassification	–	(1,570)	(162)	–	(1,732)
Exchange differences	–	(23)	(15)	(46)	(84)
As at 31 May 2024	14,528	1,496	392	1,833	18,249

Land use rights

Land use rights comprise the following:

(a) A plot of state-owned land in Wuzhou, PRC where the Group has constructed a ready-mix concrete plant. The land use rights are transferable and have a remaining tenure of 41 years (2023: 42 years).

(b) A plot of state-owned land in Cenxi, PRC where the Group has constructed a ready-mix concrete plant. The land use rights are transferable and have a remaining tenure of 46 years (2023: 47 years).

23. Lease liabilities (cont'd)

Assets held under finance leases

The carrying amount of assets held under finance leases, primarily motor vehicles, trailers and forklifts at the end of the reporting period was $1,496,000 (2023: $4,152,000).

Certain leased assets are pledged as security for the related financing loan.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
At beginning of the year	**23,705**	29,011	**58**	93
Addition	**99**	1,184	**–**	–
Accretion of interest (Note 6)	**831**	1,025	**2**	3
Payment	**(7,051)**	(7,438)	**(40)**	(38)
Exchange difference	**(10)**	(77)	**–**	–
At end of the year	**17,574**	23,705	**20**	58
Presented as:				
Current	**4,770**	5,870	**20**	38
Non-current	**12,804**	17,835	**–**	20

The following are the amounts recognised in profit or loss:

	Group	
	2024	**2023**
	$'000	**$'000**
Depreciation expenses of right-of-use assets	**6,212**	6,424
Interest expense on lease liabilities	**831**	1,025
Expense relating to leases of low-value assets (included in cost of sales and administrative expenses)	**669**	310
Total amount recognised in profit or loss	**7,712**	7,759

24. Deferred tax

Deferred tax as at 31 May relates to the following:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Deferred tax assets:				
Differences in depreciation for tax purpose	**–**	–	**15**	–
Allowance for expected credit losses	**1,167**	491	**–**	–
Lease liabilities	**2,030**	228	**–**	
Provision	**22**	25	**–**	7
	3,219	744	**15**	7
Deferred tax liabilities:				
Differences in depreciation for tax purpose	**(3,968)**	(2,130)	**–**	(6)
Fair value adjustments on acquisition of subsidiary	**(1,050)**	(1,151)	**–**	–
Revaluation of cash flow hedges	**(20)**	(74)	**–**	–
Other	**(187)**	(153)	**(187)**	(153)
	(5,225)	(3,508)	**(187)**	(159)
Deferred tax assets	**1,167**	491	**–**	–
Deferred tax liabilities	**(3,173)**	(3,255)	**(172)**	(152)

Deferred 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 taxes relate to the same fiscal authority.

Deferred tax as at 31 May relates to the following:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
At beginning of the year	**(2,764)**	(3,182)	**(152)**	(34)
Tax credited/(charged) to profit or loss				
- Current year (Note 8(a))	**1,069**	612	**(24)**	(118)
- Prior year (Note 8(a))	**(236)**	(105)	**4**	–
Impact of fair value gain from interest rate swap	**(20)**	(174)	**–**	–
Exchange difference	**(55)**	85	**–**	–
At end of the year	**(2,006)**	(2,764)	**(172)**	(152)

24. Deferred tax (cont'd)

Unrecognised tax losses

At the end of the reporting period, the Group has tax losses of approximately $233,000 (2023: $366,000) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. The tax losses have no expiry date.

Unrecognised temporary differences relating to investment in subsidiaries

At the end of the reporting period, no deferred tax liability (2023: Nil) has been recognised for taxes that would be payable on the undistributed earnings of certain subsidiaries of the Group as the Group has control over the distribution of the earnings and has determined that the undistributed earnings of the subsidiaries will not be distributed in the foreseeable future. Such undistributed earnings of the subsidiaries amounted to $17,172,000 (2023: $16,381,000).

Tax consequences of proposed dividends

There are no income tax consequences attached to the payment of dividends in either 2024 or 2023 by the Company to its shareholders.

25. Trade and other payables

	Group		Company	
	31 May 2024	**31 May 2023**	**31 May 2024**	**31 May 2023**
	$'000	**$'000**	**$'000**	**$'000**
Trade and other payables (current):				
Trade payables	**9,190**	8,941	**–**	–
Other payables	**6,162**	5,510	**63**	73
Amounts due to subsidiaries	**–**	–	**2,229**	2,234
Loan from subsidiary	**–**	–	**3,861**	15,178
Total trade and other payables	**15,352**	14,451	**6,153**	17,485
Add: Borrowings (Note 22)	**42,319**	54,383	**963**	6,117
Lease liabilities (Note 23)	**17,574**	23,705	**20**	58
Other liabilities (Note 21)	**6,693**	6,964	**1,047**	1,031
Total financial liabilities carried at amortised cost	**81,938**	99,503	**8,183**	24,691

Trade and other payables are unsecured, non-interest bearing and repayment is based on payment terms and conditions agreed.

25. Trade and other payables (cont'd)

Trade and other payables denominated in foreign currencies as at 31 May are as follows:

	Group		Company	
	31 May 2024	31 May 2023	31 May 2024	31 May 2023
	$'000	$'000	$'000	$'000
United States Dollar	**31**	39	**–**	–

The amounts due to subsidiaries are non-trade in nature, unsecured, interest-free, and repayable on demand and are to be settled in cash.

The loan from subsidiary is unsecured, fixed interest bearing at 3.8% per annum (2023: unsecured, fixed interest bearing at 3.8% per annum). The loan is repayable on demand.

26. Derivative financial assets

	Group			
	31 May 2024		31 May 2023	
	$'000		$'000	
	Notional amount	Assets	Notional amount	Assets
Interest rate swaps	**23,097**	**117**	28,077	424

The fair value of interest rate swaps as shown above are determined with reference to marked-to-market values provided by counterparties.

Hedge accounting has been applied for interest rate swaps that are assessed by the Group to be highly effective hedges.

The Group determines the economic relationship between the loans and borrowings and the derivative by matching the critical terms of the hedging instrument with the terms of the hedged item. The hedge ratio (the ratio between notional amount of the derivative financial instrument to the amount of the loans and borrowings being hedged) is determined to be 1:1. There were no expected sources of ineffectiveness on the Group's hedges as the critical terms of the derivative match exactly with the terms of the hedged item.

The Group uses the interest rate swaps to hedge against the exposure to variability in cash flows from related borrowings. Under the interest rate swaps, the Group receives floating interest and pays fixed interest. The hedge is classified as cash flow hedges and the fair value changes of the interest rate swaps is recognised in cash flow hedge reserve. The interest rate swaps receive floating interest equal to 1-month SORA (2023: 1-month SORA) pays a fixed rate of interest of 1.92% and 2.00% (2023: 1.92% and 2.00%) per annum, and mature on 27 September 2024.

27. Commitments

(a) *Capital commitments*

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	31 May 2024	**31 May 2023**
	$'000	**$'000**
Capital commitments in respect of property, plant and equipment	**357**	363

(b) *Operating lease income commitments - as lessor*

Operating lease income mainly represents rental receivables by the Group from the provision of warehousing at various areas in Singapore. These non-cancellable leases have remaining lease terms of up to 2 years (2023: remaining lease terms of up to 2 years).

Future minimum rental receivables under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	31 May 2024	**31 May 2023**
	$'000	**$'000**
Not later than one year	**1,270**	1,973
Later than one year but not later than five years	**234**	1,549
	1,504	3,522

28. Fair value of assets and liabilities

(a) *Fair value hierarchy*

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

(i) Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;

(ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 – Unobservable inputs for the asset and liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of their fair value hierarchy as the lowest level input that is significant to the entire measurement.

28. Fair value of assets and liabilities (cont'd)

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Group			
	Fair value measurements at the end of the reporting period using			
Recurring fair value measurements	**Quoted prices in active markets for identical instruments (Level 1)**	**Significant observable inputs other than quoted prices (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
31 May 2024				
Assets				
Financial assets				
Financial assets at fair value through profit or loss				
- Quoted equity shares	**25**	**–**	**–**	**25**
- Unquoted equity shares	**–**	**–**	**100**	**100**
- Derivative financial assets	**–**	**117**	**–**	**117**
31 May 2023				
Assets				
Financial assets				
Financial assets at fair value through profit or loss				
- Quoted equity shares	25	–	–	25
- Unquoted equity shares	–	–	103	103
- Derivative financial assets	–	424	–	424

(c) Level 2 fair value measurements

The Group's derivative financial assets are based on valuation technique with market observable inputs. The model incorporate input such as banks' quotes.

28. Fair value of assets and liabilities (cont'd)

(d) Level 3 fair value measurements

(i) Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about their fair value measurements using significant unobservable inputs (Level 3).

	Fair value at 31 May 2024	Fair value at 31 May 2023	Valuation techniques	Key unobservable inputs	Range
	$'000	$'000			
Recurring fair value measurements					
Financial asset					
Unquoted equity shares	**100**	103	Discounted cash flow method	Discount rate	4.9%

For the unquoted equity shares, a 1% increase (decrease) in the discount rate applied will result in a $4,000 decrease (increase) in fair value measurement.

(ii) Valuation policies and procedures

The Group's Chief Financial Officer ("**CFO**") oversees the Group's overall accounting and finance function including treasury functions, risk management and investor relations. In this regard, the CFO reports to the Group's Audit Committee.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS(I) 13 Fair Value Measurement guidance to perform the valuation.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions that are relevant to the valuation if such information are reasonably available.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

The CFO documents and reports its analysis and results of the external valuations, if any, to the Board of Directors.

28. Fair value of assets and liabilities (cont'd)

(e) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Management has determined that the carrying amounts of cash and short-term deposit, trade and other receivables, trade and other payables and other liabilities based on their notional amounts, reasonably approximate their fair values because they are short-term in nature or the interest rates are approximate market interest rates. The carrying amounts of interest-bearing term loans at floating rates reflect fair values because they are all re-priced to the market interest rates near the end of the reporting period.

The carrying amount of other receivables (non-current) is reasonable approximation of fair values as the consideration of time value of money is not material. The carrying amounts of interest-bearing borrowings at floating rates reflect fair values because they are all re-priced to the market interest rates near the end of the reporting period.

29. Financial risk management objectives and policies

The Group and the Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk, interest rate risk and market price risk. The Board of Directors reviews and approves policies and procedures for the management of these risks, which are executed by the Chief Executive Officer. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Group assumes that credit risk of a financial asset has increased significantly when the financial asset remains outstanding for more than the reasonable range of past due days, taking into consideration historical payment track records, current macroeconomics situation as well as the general industry trend.

29. Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

To assess whether there is a significant increase in credit risk, the Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations

- Actual or expected significant changes in the operating results of the counterparty

Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on Group's historical observed default rates analysed in accordance to days past due by grouping of customer, which also incorporate forward looking information such as forecast of economic conditions, leading to an increased number of defaults.

	Group			
	31 May 2024		31 May 2023	
	Gross amount	Less allowance provision	Gross amount	Less allowance provision
	$'000	$'000	$'000	$'000
Group				
Not past due	**9,626**	**–**	9,688	–
Past due 0 to 90 days	**9,526**	**–**	9,478	–
Past due 91 to 180 days	**3,086**	**–**	3,814	(46)
Past due 181 to 365 days	**5,533**	**(85)**	4,201	(50)
Past due more than 365 days	**13,569**	**(6,724)**	10,949	(4,058)
	41,340	**(6,809)**	38,130	(4,154)

Amounts due from related companies

The Group and the Company provide for lifetime expected credit losses for amounts due from related companies and subsidiaries using the probability of default approach. In determining expected credit losses, the Group and the Company consider events such as significant adverse changes in financial conditions and changes in the operating results of the related companies and subsidiaries and determined that significant increase in credit risk occur when there is an increase in likelihood of default.

29. Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

Amounts due from related companies (cont'd)

The loss allowance provision for amounts due from subsidiaries are as follow:

	Company	
	2024	2023
	$'000	**$'000**
Movements in allowance account:		
At beginning of the year	**4,197**	4,197
Written back	**(4,197)**	–
At end of the year	**–**	4,197

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by:

- the carrying amount of each class of financial assets recognised in the balance sheets; and
- an amount of $55,560,000 (2023: $71,439,000) of which $53,683,000 (2023: $69,562,000) relates to corporate guarantees provided by the Company to the financial institutions on its subsidiaries' borrowings and other banking facilities, and $1,877,000 (2023: $1,877,000) relates to bank guarantees.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and cash equivalents are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 15.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

29. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	One year or less	One to five years	Over five years	Total
	$'000	$'000	$'000	$'000
Group				
2024				
Financial assets:				
Trade and other receivables	**36,376**	**–**	**–**	**36,376**
Derivative financial assets	**117**	**–**	**–**	**117**
Cash and short-term deposits	**26,485**	**–**	**–**	**26,485**
Total undiscounted financial assets	**62,978**	**–**	**–**	**62,978**
Financial liabilities:				
Borrowings	**11,635**	**24,292**	**10,254**	**46,181**
Trade and other payables	**15,352**	**–**	**–**	**15,352**
Other liabilities	**6,693**	**–**	**–**	**6,693**
Lease liabilities	**5,715**	**9,126**	**5,899**	**20,740**
Total undiscounted financial liabilities	**39,395**	**33,418**	**16,153**	**88,966**
Total net undiscounted financial assets/ (liabilities)	**23,583**	**(33,418)**	**(16,153)**	**(25,988)**
2023				
Financial assets:				
Trade and other receivables	35,216	38	–	35,254
Derivative financial assets	424	–	–	424
Cash and short-term deposits	29,760	–	–	29,760
Total undiscounted financial assets	65,400	38	–	65,438
Financial liabilities:				
Borrowings	13,917	32,695	10,745	57,357
Trade and other payables	14,451	–	–	14,451
Other liabilities	6,964	–	–	6,964
Lease liabilities	7,036	12,905	7,310	27,251
Total undiscounted financial liabilities	42,368	45,600	18,055	106,023
Total net undiscounted financial assets/ (liabilities)	23,032	(45,562)	(18,055)	(40,585)

29. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

The table below shows the contractual expiry by maturity of the Company's contingent liabilities. The maximum amounts of the corporate guarantee contracts are allocated to the earliest period in which the guarantees could be called.

	Company			
	One year or less	**One to five years**	**Over five years**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
31 May 2024				
Financial guarantees	**20,761**	**23,051**	**9,871**	**53,683**
31 May 2023				
Financial guarantees	26,550	32,453	10,559	69,562

(c) Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily United States Dollar ("**USD**") and Renminbi ("**RMB**").

The Group also holds cash denominated in foreign currencies for working capital purposes. At the end of the reporting period, such foreign currency balances are mainly in USD.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, denominated in PRC. The Group's net investments in PRC is not hedged as currency positions in RMB is considered to be long-term in nature.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD and RMB exchange rates against the functional currency of the Group entities, with all other variables held constant.

	Group	
	Increase/(decrease) Profit before tax	**Increase/(decrease) Profit before tax**
	2024	**2023**
	$'000	**$'000**
Against SGD		
USD - Strengthened 3% (2023: 3%)	**150**	128
- Weakened 3% (2023: 3%)	**(150)**	(128)
RMB - Strengthened 3% (2023: 3%)	**1**	14
- Weakened 3% (2023: 3%)	**(1)**	(14)

29. Financial risk management objectives and policies (cont'd)

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings, interest-bearing loans given to subsidiaries and loans from non-controlling interests. The Group does not hedge its fixed rate loans and borrowings.

The Group and Company manage its exposure to interest risk by sourcing for the most favourable interest rates and entered into interest rate swaps as disclosed in Note 26.

(e) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to equity price risk arising from its investment in quoted equity instruments. These instruments are quoted on Singapore Exchange Securities Trading Limited ("**SGX**") and Australian Securities Exchange Ltd and are classified as financial asset at fair value through profit or loss.

Sensitivity analysis for market price risk

At the end of the reporting period of 31 May 2024 and 2023, if the share prices of the quoted shares on the relevant stock exchange had been 5% higher or lower with all other variables held constant, the Group's fair value adjustments reserve in profit or loss would have been $1,000 (2023: $1,000) higher or lower, arising as a result of an increase or decrease in the fair value of equity instruments classified as financial asset at fair value through profit or loss.

30. Dividends

	Group and Company	
	31 May 2024	**31 May 2023**
	S$'000	**S$'000**
Declared and paid during the financial year:		
Dividends on ordinary shares:		
- Final exempt (one-tier) dividend for FY2023: 0.20 (FY2022: 0.20) Singapore cents	**1,550**	1,550

The Company has proposed a final tax exempt (one-tier) dividend of 0.20 Singapore cents per ordinary share (FY2023: 0.20 Singapore cents) as recommended by the Directors for the financial year ended 31 May 2024.

31. Capital management

Capital includes debt and equity items as disclosed in the table below.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 May 2024 and 31 May 2023.

31. Capital management (cont'd)

One of the externally imposed capital requirements for the Group to maintain its listing on the SGX is to have share capital with a free float of at least 10% of its ordinary shares. Management receives a report from the registrar regularly on substantial share interests showing the non-free float and it demonstrated continuing compliance with the 10% limit throughout the year.

The Company and certain subsidiaries of the Group are subject to financial covenants for credit facilities provided by banks as disclosed in Note 22. These externally imposed capital requirements have been complied with by the Company and its subsidiaries for the financial years ended 31 May 2024 and 2023.

The Group monitors the capital using a gearing ratio, which is debt divided by total equity and debt. The Group's debts include borrowings and finance lease liabilities.

	Group		Company	
	31 May 2024 $'000	31 May 2023 $'000	31 May 2024 $'000	31 May 2023 $'000
Debt	**43,277**	56,403	**983**	6,175
Total equity	**94,331**	92,423	**60,469**	56,637
Total equity and debt	**137,608**	148,826	**61,452**	62,812
Gearing ratio	**31.4%**	37.9%	**1.6%**	9.8%

32. Segment information

For management purposes, the Group is organised into business units based on their products and services, and categorized into four reportable segments as follows:

(a) The investment holding segment is involved in Group level corporate services and investment activities.

(b) The warehousing and logistics segment provides total integrated and comprehensive warehousing and logistics solutions and services that include general cargo storage, dangerous cargo storage, bonded and license warehousing services, conventional transportation, container trucking, projects logistics, international multi-modal sea and air freight forwarding services, marine logistics and chemical warehousing with ancillary services.

(c) The infrastructural materials and services segment is primarily involved in the business of manufacturing and supply of environmentally friendly ready-mixed concrete and building materials.

(d) The agriculture segment is involved in indoor cultivation of vegetables and development of agriculture technology solutions.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain aspects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Tax expense is managed on a group basis and is not allocated to operating segments.

32. Segment information (cont'd)

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

	Investment holding $'000	Warehouse and logistics $'000	Infrastructural materials and services $'000	Agriculture $'000	Consolidation adjustments $'000	Total $'000
31 May 2024						
Revenue						
- External customers	–	89,360	20,089	1,106	–	110,555
- Inter-segment [(1)]	–	392	–	29	(421)	–
Total revenue	–	89,752	20,089	1,135	(421)	110,555
Results:	(1,735)	26,331	3,576	(56)	(257)	27,859
Depreciation of property, plant and equipment	(124)	(13,173)	(1,407)	(266)	(391)	(15,361)
Amortisation of intangible assets	–	(201)	(190)	–	–	(391)
Allowance for expected credit loss	–	–	(2,760)	–	–	(2,760)
Reversal of allowance for amounts due from subsidiaries	4,197	–	–	–	(4,197)	–
Impairment loss on investment in subsidiary	(235)	–	–	–	235	–
Property, plant and equipment written off	–	(153)	–	–	–	(153)
Gain on disposal of property, plant and equipment	–	23	–	–	–	23
Share of results of associates	–	–	45	–	–	45
Dividend income	3,800	–	–	–	(3,800)	–
Interest income	366	587	8	–	(754)	207
Finance costs	(712)	(2,407)	(334)	(10)	754	(2,709)
Segment profit/(loss)	5,557	11,007	(1,062)	(332)	(8,410)	6,760
Tax expense						(2,457)
Profit for the year						4,303
Assets:						
Investments in associates	–	14	1,805	–	–	1,819
Additions to non-current assets [(2)]	55	1,930	185	287	–	2,457
Segment assets [(3)]	71,132	135,016	35,764	4,039	(61,971)	183,980
Unallocated asset:						
Deferred tax assets						1,167
Total assets						185,147
Segment liabilities [(3)]	8,261	67,936	20,041	546	(12,107)	84,677
Unallocated liabilities:						
Tax payable						2,966
Deferred tax liabilities						3,173
Total liabilities						90,816

(1) Inter-segment revenues are eliminated on consolidation.

(2) Consist of additions to property, plant and equipment.

(3) Inter-segment assets and liabilities are eliminated to arrive at the total assets and liabilities reported in the consolidated balance sheet.

32. Segment information (cont'd)

	Investment holding $'000	Warehouse and logistics $'000	Infrastructural materials and services $'000	Agriculture $'000	Consolidation adjustments $'000	Total $'000
31 May 2023						
Revenue						
- External customers	–	86,268	22,050	612	–	108,930
- Inter-segment [(1)]	–	353	–	21	(374)	–
Total revenue	–	86,621	22,050	633	(374)	108,930
Results:	(1,222)	26,214	3,743	(22)	(1,192)	27,521
Depreciation of property, plant and equipment	(124)	(13,024)	(1,509)	(137)	(391)	(15,185)
Amortisation of intangible assets	–	(379)	(209)	–	–	(588)
Allowance for expected credit loss	–	(27)	(2,167)	(7)	–	(2,201)
Impairment loss on investment in subsidiary	(226)	–	–	–	226	–
Bad debts written off	(61)	–	–	–	–	(61)
Property, plant and equipment written off	(1)	(2)	(15)	–	–	(18)
Fair value loss on financial assets	(42)	–	–	–	–	(42)
Gain on disposal of property, plant and equipment	–	75	–	–	–	75
Share of results of associates	–	–	134	–	–	134
Dividend income	4,500	–	–	–	(4,500)	–
Interest income	49	620	1	–	(577)	93
Finance costs	(886)	(2,506)	(435)	–	981	(2,846)
Segment profit/(loss)	1,987	10,971	(457)	(166)	(5,453)	6,882
Tax expense						(2,973)
Profit for the year						3,909
Assets:						
Investments in associates	–	14	1,907	–	–	1,921
Additions to non-current assets [(2)]	132	4,024	2,038	1,297	–	7,491
Segment assets [(3)]	83,751	159,035	38,741	3,353	(84,717)	200,163
Unallocated asset:						
Deferred tax assets						491
						200,654
Segment liabilities [(3)]	24,755	96,375	20,830	2,326	(42,155)	102,131
Unallocated liabilities:						
Tax payable						2,845
Deferred tax liabilities						3,255
Total liabilities						108,231

(1) Inter-segment revenues are eliminated on consolidation.

(2) Consist of additions to property, plant and equipment.

(3) Inter-segment assets and liabilities are eliminated to arrive at the total assets and liabilities reported in the consolidated balance sheet.

32. Segment information (cont'd)

Geographical segments

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets[1]	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Singapore	**90,466**	86,880	**103,899**	115,944
People's Republic of China	**20,089**	22,050	**11,209**	12,923
	110,555	108,930	**115,108**	128,867

[1] Non-current assets information presented above consist of property, plant and equipment and intangible assets as presented in the consolidated balance sheet.

Information about major customer

Revenue from one major customer amount to $14,484,000 (2023: $14,509,000) for the financial year ended 31 May 2024, arising from sales by the warehouse and logistics segment.

33. Related party transactions

(a) Related parties

Other than disclosed elsewhere in the financial statements, the Group had significant transactions with related parties on terms agreed between the parties as follows:

	Group	
	2024	**2023**
	$'000	**$'000**
Sale of goods to an associate	**15**	21
Purchase of goods from an associate	**(552)**	(1,582)

33. Related party transactions (cont'd)

(b) Key management compensation

	Group 2024 $'000	Group 2023 $'000
Directors of the Company		
- Salaries, fees and benefits-in-kind	**1,622**	1,570
- Contribution to defined contribution plans	**35**	49
- Share based payment transactions	**38**	45
Directors of subsidiaries		
- Salaries, fees and benefits-in-kind	**1,336**	1,013
- Contribution to defined contribution plans	**62**	62
- Share based payment transactions	**15**	18
Other key management personnel		
- Salaries, fees and benefits-in-kind	**1,189**	1,087
- Contribution to defined contribution plans	**85**	81
- Share based payment transactions	**19**	23

Key management personnel are the Directors and key personnel having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

34. Changes in reclassification

Certain reclassifications have been made to the prior period's financial statements to enhance comparability with current period's financial statement. As a result, certain line items have been amended on the face of the consolidated income statement. Comparative figures have been adjusted to conform the current period's presentation as follows:

	2023 (As previously reported) $'000	Reclassification $'000	2023 (Represented) $'000
Consolidated income statement			
Cost of sales	78,426	(1,105)	77,321
Administrative expenses	21,930	1,105	23,035
Consolidated balance sheet			
Deferred tax assets	–	491	491
Deferred tax liabilities	(2,764)	(491)	(3,255)

35. Authorisation of financial statements for issue

The financial statements for the year ended 31 May 2024 were authorised for issue in accordance with a resolution of the Directors on 29 August 2024.

STATISTICS OF SHAREHOLDINGS

As at 22 August 2024

Class of shares	**:**	**Ordinary shares**
No. of shares (excluding treasury shares and subsidiary holdings)	**:**	**770,757,890**
Voting rights	**:**	**One vote per share**

As at 22 August 2024, the total number of treasury shares held is 23,942,650 (3.01%) and there are no subsidiary holdings.*

DISTRIBUTION OF SHAREHOLDINGS

Range of Shareholdings	Number of Shareholders	Percentage (%)	Number of Shares	Percentage (%)
1 - 99	9	0.47	442	0.00
100 - 1,000	53	2.80	33,000	0.00
1,001 - 10,000	368	19.42	2,714,615	0.35
10,001 - 1,000,000	1,416	74.72	140,927,655	18.29
1,000,001 and above	49	2.59	627,082,178	81.36
TOTAL	1,895	100.00	770,757,890	100.00

TWENTY LARGEST SHAREHOLDERS

No	Name of Shareholder	Number of Shares Held	Percentage (%)**
1	UOB KAY HIAN PRIVATE LIMITED	152,721,585	19.81
2	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	87,899,300	11.40
3	QIAN WEN HUA	56,760,000	7.36
4	LI ZI YAN	30,107,529	3.91
5	NEO CHEOW HUI	27,945,300	3.63
6	CITIBANK NOMINEES SINGAPORE PTE LTD	22,695,400	2.94
7	MAYBANK SECURITIES PTE. LTD.	22,353,700	2.90
8	NEO HWEE LEE	21,085,000	2.74
9	WANG JIAN PING	18,897,200	2.45
10	CHEN YONG HUA	17,200,000	2.23
11	TENG BENG HUA	16,375,060	2.12
12	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	13,708,163	1.78
13	CHAI HWEE HOON DOREEN	13,500,000	1.75
14	DBS NOMINEES (PRIVATE) LIMITED	13,247,101	1.72
15	ABN AMRO CLEARING BANK N.V	12,478,600	1.62
16	PHILLIP SECURITIES PTE LTD	11,616,400	1.51
17	TAN AI MENG	8,000,000	1.04
18	KIENTA ENGINEERING CONSTRUCTION PTE LTD	7,743,500	1.00
19	HONG LEONG FINANCE NOMINEES PTE LTD	6,479,900	0.84
20	NEO HWEE HOON (LIANG HUIFEN)	5,000,000	0.65
		565,813,738	73.40

* The treasury shares did not included 281,400 shares which were acquired from 16 to 20 August 2024 as it has not been credited into the GKE Share buyback accounts.

** The percentage of issued ordinary shares is calculated based on the number of issued ordinary excluding the treasury shares and subsidiary holdings.

SUBSTANTIAL SHAREHOLDERS AS AT 22 AUGUST 2024
(As recorded in the Register of Substantial Shareholders)

	Number of Shares			
	Direct Interest	**%**	**Deemed Interest**	**%**
Chen Yong Hua [(1)]	17,200,000	2.23	50,000,000	6.49
Chen Li Rong [(2)]	–	–	58,420,642	7.58
Qian Wen Hua	56,760,000	7.36	–	–
Zhu Jun Wen [(2)]	–	–	56,645,429	7.35

Notes:

(1) Chen Yong Hua is deemed to be interested in 50,000,000 Shares which is held by United Overseas Bank Nominees Pte Ltd on his behalf.

(2) Chen Li Rong and Zhu Jun Wen are deemed to be interested in 58,420,642 and 56,645,429 Shares respectively which are held by UOB Kay Hian Pte Ltd on their behalf.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

As at 22 August 2024, 60.81% of the Company's shares are held in the hand of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual - Section B: Rules of Catalist of the SGX-ST which requires 10% of the equity securities (excluding preference shares and convertible equity securities) in a class that is listed to be in the hands of the public.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of GKE Corporation Limited ("**Company**") will be held at 39 Benoi Road #06-01 Singapore 627725 on Friday, 27 September 2024 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements and Directors' Statement of the Company and the Group for the financial year ended 31 May 2024 together with the Auditors' Report thereon. **(Resolution 1)**

2. To declare a First and Final tax exempt (one-tier) Dividend of 0.20 Singapore cents per ordinary share as recommended by the Directors for the financial year ended 31 May 2024. **(Resolution 2)**

3. To approve the payment of Directors' fees of S$170,000 for the financial year ending 31 May 2025 in arrears. (2024: S$170,000) **(Resolution 3)**

4. To re-elect the following Directors of the Company retiring pursuant to Regulation 107 of the Constitution of the Company:

   Mr. Chen Yong Hua **(Resolution 4)**
   Mr. Wong Quee Quee, Jeffrey **(Resolution 5)**

   [See Explanatory Note (i)]

5. To re-appoint Ernst & Young LLP, Public Accountants and Chartered Accountants, as the external auditor of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 6)**

6. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. **Authority to allot and issue shares in the capital of the Company pursuant to Section 161 of the Companies Act 1967 ("Companies Act") and Rule 806 of the Listing Manual – Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Catalist Rules")**

   That pursuant to Section 161 of the Companies Act and Rule 806 of Catalist Rules of the SGX-ST, the Directors of the Company be authorised and empowered to:

   (a) (i) issue shares in the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

   (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares pursuant to any Instrument made or granted by the Directors of the Company while this Resolution was in force,

("**Share Issue Mandate**")

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued shares and Instruments shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

   (a) new shares arising from the conversion or exercise of the Instruments or any convertible securities outstanding at the time of passing of this Ordinary Resolution;

   (b) (where applicable) new shares arising from exercising share options or vesting of share awards, provided that such share awards or share options (as the case may be) were granted in compliance with Part VIII of the Catalist Rules; and

   (c) any subsequent bonus issue, consolidation or subdivision of shares;

   adjustments in accordance with sub-paragraph (2)(a) or sub-paragraph (2)(b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Constitution of the Company for the time being in force; and

(4) unless revoked or varied by the Company in a general meeting, such authority conferred by this Resolution shall continue in force (i) until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments.

[See Explanatory Note (ii)] **(Resolution 7)**

8. **Proposed Renewal of Share Purchase Mandate**

That:

(a) for the purposes of the Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the issued and fully-paid ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as defined below), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:-

(i) on-market purchase(s) (each a "**Market Purchase**") on the SGX-ST or another stock exchange on which the Company's equity securities are listed, in accordance with Section 76E of the Act; and/or

(ii) off-market purchase(s) (each an "**Off-Market Purchase**") effected pursuant to an equal access scheme or schemes as defined in Section 76C of the Act as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act and the Catalist Rules;

be and is hereby authorised and approved generally and unconditionally ("**Share Purchase Mandate**");

(b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Purchase Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Act;

(c) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors of the Company 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 earlier of:-

(i) the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held;

(ii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or

(iii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

(d) in this Resolution:-

"**Maximum Limit**" means the number of Shares representing not more than ten per cent. (10%) of the total number of Shares as at the date of the passing of this Resolution, unless the Company has, at any time during the Relevant Period (as hereafter defined), effected a reduction of its share capital in accordance with the applicable provisions of the Act, in which event the total number of Shares shall be taken to be the total number of Shares as altered by the capital reduction (and in any case, any Shares held as treasury shares and subsidiary holdings will be disregarded in computing the number of Shares which may be purchased);

"**Relevant Period**" means the period commencing from the date on which the last AGM of the Company was held and expiring on the conclusion of the next AGM or the date on which the next AGM is required by law to be held, whichever is the earlier, after the date on which this Resolution is passed;

"**Maximum Price**", in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for the Share purchased or acquired pursuant to the Share Purchase Mandate, as determined by the Directors, which shall not exceed:-

(i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Highest Last Dealt Price of the Shares; where:-

"**Average Closing Price**" means the average of the closing market prices of a Share over the five (5) consecutive market days on which the Shares are transacted on the SGX-ST immediately preceding the date of the Market Purchase by the Company and deemed to be adjusted in accordance with the Catalist Rules for any corporate action which occurs during the relevant five (5) day period and the day on which the Market Purchase is made;

"**Highest Last Dealt Price**" means the highest price transacted for a Share as recorded on the SGX-ST on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase;

"**Day of the making of the offer**" means the day on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(e) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, 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 (iii)] **(Resolution 8)**

9. **Proposed Renewal of Interested Person Transactions General Mandate**

That:

(a) approval be and is given for the purposes of Chapter 9 of the Catalist Rules, for the Company, its subsidiaries and associated companies that are considered to be "entities at risk" under Chapter 9, or any of them, to enter into any of the Mandated Transactions as defined in the Addendum to the Annual Report in relation to (1) the Proposed Renewal of the Share Purchase Mandate and (2) the Proposed Renewal of the IPT General Mandate dated 12 September 2024 ("**Addendum**") with the Mandated Interested Persons as defined in the Addendum, provided that such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders, and are in accordance with the methods and review procedures for such Mandated Transactions as set out in the Addendum ("**IPT General Mandate**");

(b) the approval given for the IPT General Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier;

(c) the audit committee of the Company for the time being be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendments to Chapter 9 of the Catalist Rules which may be prescribed by the SGX-ST from time to time; and

(d) the Directors of the Company and each of them be and are hereby severally authorised to complete and do all such acts and things (including without limitation, executing all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by the IPT General Mandate and/or this Resolution.

[See Explanatory Note (iv)] **(Resolution 9)**

By Order of the Board

Sharon Lim Siew Choo
Goh Xun Er
Company Secretaries

Singapore, 12 September 2024

Explanatory Notes:

(i) Mr. Chen Yong Hua will, upon re-election as a Director of the Company, remain as the Executive Chairman and Executive Director of the Company.

Mr. Wong Quee Quee, Jeffrey will, upon re-election as a Director of the Company, remain as the Independent Director of the Company, a member of the Audit Committee, Nominating Committee and Remuneration Committee and will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

Please refer to pages 42 to 51 of the Annual Report for the detailed information for Mr. Chen Yong Hua and Mr. Wong Quee Quee, Jeffrey required pursuant to Rule 720(5) of the Catalist Rules.

(ii) **Resolution 7** above, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding, in total, one hundred per centum (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to fifty per centum (50%) may be issued other than on a pro rata basis to existing shareholders of the Company.

For determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Resolution is passed after adjusting for new shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Resolution is passed and any subsequent consolidation or subdivision of shares.

(iii) **Resolution 8** above, if passed, will empower the Directors of the Company to exercise all powers of the Company in purchasing or acquiring Shares pursuant to the terms of the Share Purchase Mandate. This authority will continue in force until the conclusion of next AGM of the Company or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting or the date on which the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated, whichever is the earlier. Information relating to this proposed Resolution is set out in the Addendum.

(iv) **Resolution 9** above, if passed, will authorise the Company, its subsidiaries and associated companies that are considered to be "entities at risk" under Chapter 9, or any of them to enter into interested person transactions as described in the Addendum and recurring in the year and will empower the Directors of the Company to do all acts necessary to give effect to the IPT General Mandate. Pursuant to Rule 920(1)(b)(viii) of the Catalist Rules, Mr. Chen Yong Hua, who is deemed to be interested in the IPT General Mandate, will abstain, and has undertaken to ensure that his Associates (as defined in the Addendum) will abstain, from voting and they shall additionally decline to accept any appointment to act as proxy for any Shareholder to vote in respect of such Resolution, unless the Shareholder appointing them as proxy has given specific instructions in his/her/ its proxy form as to the manner in which his/her/its votes are to be cast for such Resolution. Information relating to this proposed Resolution is set out in the Addendum.

Notes:

1. A Member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the AGM ("**Meeting**") is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.

2. A Relevant Intermediary may appoint more than two (2) proxies, 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.)

3. Members (including Central Provident Fund Investment Scheme members ("**CPFIS Investor**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**") may participate in the AGM by:

   (a) Attending the AGM in person;

   (b) Raising questions at the AGM or submitting questions in advance of the AGM; and/or

   (c) Voting at the AGM

      (i) Themselves personally; or

      (ii) Through their duly appointed proxy(ies).

   CPFIS Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 17 September 2024, being seven (7) working days prior to the date of the AGM.

   Members are required to bring along NRIC/passport so as to enable the Company to verify their identity. Members are requested to arrive early to facilitate the registration process.

4. Where a member (other than a Relevant Intermediary) appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies. A proxy need not be a member of the Company.

5. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.

6. The instrument appointing a proxy must be deposited at the Registered Office of the Company at **39 Benoi Road #06-01 Singapore 627725** by mail or by email to enquiry@gkegroup.com.sg. In each case, not less than forty-eight (48) hours before the time appointed for holding the Meeting, (i.e. on or before 10:00 a.m. on 25 September 2024) and failing which, the Proxy Form will not be treated as valid.

Submission of questions prior to the AGM

1. A Member of the Company may also submit questions relating to the resolutions to be tabled for approval at the AGM or the Company's businesses and operations. The Company shall only address relevant and substantial questions (as may be determined by the Company in its sole discretion) received. The Company will publish the minutes of the AGM on SGXNET and the Company's website within one (1) month after the date of AGM.

2. To do so, all questions must be submitted no later than the 19 September 2024, 10.00 a.m. by email to enquiry@gkegroup.com.sg or by post to **39 Benoi Road #06-01 Singapore 627725**. The Company will endeavour to address substantial and relevant questions and will upload the Company's responses to the queries from shareholders on the SGXNet and Company's website by 23 September 2024.

3. If the questions are deposited in physical copy at the Company's registered office or sent via email, and in either case not accompanied by the completed and executed Proxy Form (as defined below), the following details must be included with the submitted questions: (i) the member's full name; and (ii) his/her/its identification/registration number for verification purposes, failing which the submission will be treated as invalid.

A Relevant Intermediary means:

(a) a banking corporation licensed under the Banking Act 1970 of Singapore 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;

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or

(c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that 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 CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal Data Privacy

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, "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), 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) 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.

GKE

GKE CORPORATION LIMITED

(Company Registration No. 200001941G)
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING
PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investors**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, at least 7 working days before the Meeting, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

*I/We, ______________________________ (Name)

______________________________ (NRIC/Passport No./Co. Registration No.)

of ______________________________ (Address)

being a *member/members of **GKE CORPORATION LIMITED** ("**Company**"), hereby appoint:

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or failing *him/her, the Chairman of the Meeting ("**Meeting**") as *my/our *proxy/proxies to attend and vote for *me/us on *my/our behalf at the Meeting of the Company to be held at 39 Benoi Road #06-01 Singapore 627725 on Friday, 27 September 2024 at 10.00 a.m. and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at *his/her discretion. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting as my/our proxy for that resolution will be treated as invalid.

No.	**Resolutions relating to:**	**No. of votes 'For'****	**No. of votes 'Against'****	**No. of votes 'Abstain'****
Ordinary Business				
1	Audited Financial Statements for the financial year ended 31 May 2024			
2	To declare a First and Final tax exempt (one-tier) Dividend of 0.20 Singapore cents per ordinary share as recommended by the Directors for the financial year ended 31 May 2024			
3	Approval of Directors' fees amounting to S$170,000 for the financial year ending 31 May 2025			
4	Re-election of Mr. Chen Yong Hua as Director			
5	Re-election of Mr. Wong Quee Quee, Jeffrey as Director			
6	Re-appointment of Ernst & Young LLP as Auditor and to authorise the Directors of the Company to fix their remuneration			
Special Business				
7	Authority to allot and issue shares			
8	Proposed renewal of Share Purchase Mandate			
9	Proposed renewal of Interested Person Transactions General Mandate			

*** If you wish to exercise all your votes 'For' or 'Against' or 'Abstain', please tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.*

Dated this ________ day of ______________ 2024

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____

Signature of Shareholder(s)
And/or, Common Seal of Corporate Shareholder

*Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF

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 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, 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 (other than a Relevant Intermediary*) entitled to attend and vote at the Meeting of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.

3. Where a member (other than a Relevant Intermediary) appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

4. Subject to note 8, completion and return of the instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

5. The instrument appointing a proxy must be deposited at the Registered Office of the Company at **39 Benoi Road #06-01 Singapore 627725** by mail or by email to enquiry@gkegroup.com.sg. In each case, not less than forty-eight (48) hours before the time appointed for holding the Meeting, (i.e. on or before 10:00 a.m. on 25 September 2024) and failing which, the Proxy Form will not be treated as valid.

6. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.

7. A corporation which is a member may authorise 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 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

8. A member of the Company who holds his/her shares through a Relevant Intermediary* (including CPFIS Members or SRS Investors) and who wishes to exercise his/her votes by appointing the Chairman of the Meeting as proxy should approach his/her Relevant Intermediary (including his/her CPF Agent Bank or SRS Operators) to submit his/her voting instructions at least seven (7) working days prior to the date of the AGM.

* A "**Relevant Intermediary**" is:

(a) a banking corporation licensed under the Banking Act 1970 of Singapore 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; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that 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 Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

General:

The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By 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 12 September 2024.

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GKE CORPORATION LIMITED
(Company Registration No.: 200001941G)

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