APPENDIX DATED 6 OCTOBER 2022

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your issued and fully paid-up ordinary shares in the capital of Lum Chang Holdings Limited, you should immediately forward this Appendix to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the accuracy of any of the statements made, opinions expressed or reports contained in this Appendix.



LUM CHANG HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 198203949N)

APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING DATED 6 OCTOBER 2022 IN RELATION TO THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Appendix:

"**Act**"	:	Companies Act 1967, as may be amended or modified from time to time
"**AGM**"	:	Annual general meeting of the Company
"**Beverian**"	:	Beverian Holdings Pte Ltd
"**Board**"	:	The board of directors of the Company
"**CDP**"	:	The Central Depository (Pte) Limited
"**Company**"	:	Lum Chang Holdings Limited
"**Controlling Shareholder**"	:	A person who (a) holds directly or indirectly 15% or more of the total voting rights in the Company (unless the SGX-ST determines that a person is not a controlling shareholder); or (b) in fact exercises control over the Company
"**Directors**"	:	The directors of the Company as at the Latest Practicable Date
"**EPS**"	:	Earnings per Share
"**FY2022**"	:	Financial year ended 30 June 2022
"**Group**"	:	The Company and its subsidiaries
"**Latest Practicable Date**"	:	30 September 2022, being the latest practicable date prior to the printing of this Appendix
"**LCI**"	:	Lum Chang Investments Pte Ltd
"**Listing Manual**"	:	The listing manual of the SGX-ST, as may be amended or modified from time to time
"**Market Day**"	:	A day on which the SGX-ST is open for securities trading
"**NAV**"	:	Net asset value
"**Off-Market Share Purchase**"	:	A Share Purchase (if effected otherwise than on the SGX-ST) pursuant to an equal access scheme (as defined under Section 76C of the Act) for the purchase of Shares from the Shareholders

"**On-Market Share Purchase**"	:	A Share Purchase effected on the SGX-ST through the ready market, through one or more duly licensed stockbrokers appointed by the Company for the purpose
"**Registrar**"	:	The Registrar of Companies appointed under the Act and includes any Deputy or Assistant Registrar of Companies
"**RMDV**"	:	RMDV Investments Pte. Ltd.
"**Securities Account**"	:	The securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholders**"	:	The registered holders of Shares except that where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register and whose Securities Accounts are credited with the Shares
"**Share Purchase**"	:	Purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate
"**Share Purchase Mandate**"	:	The general mandate given by Shareholders to authorise the Board to purchase or otherwise acquire Shares, on behalf of the Company, in accordance with the terms set out in this Appendix as well as the rules and regulations set out in the Act and the Listing Manual
"**Shares**"	:	Ordinary shares in the capital of the Company
"**SIC**"	:	Securities Industry Council of Singapore
"**subsidiary holdings**"	:	Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Act
"**Substantial Shareholder**"	:	A person who has an interest in not less than 5% of the issued voting Shares of the Company
"**Take-over Code**"	:	The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time
"**S$**" and "**cents**"	:	Singapore dollars and cents respectively
"**%**"	:	Percentage or per centum

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81F of the Securities and Futures Act 2001.

The term "**Treasury Shares**" shall have the meaning ascribed to it in Section 4 of the Act.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Act.

Words denoting the singular shall, where applicable, include the plural and *vice versa* and words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or the Listing Manual or any statutory modification thereof and used in this Appendix shall, where applicable, have the meaning assigned to it under the Act or the Listing Manual or any such statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day and dates in this Appendix shall be a reference to Singapore time and dates, unless otherwise stated.

Any discrepancies in figures included in this Appendix between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

The Company has engaged Messrs Chang See Hiang & Partners as its legal adviser for the corporate action set out in this Appendix.

PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

1 INTRODUCTION

1.1 At the AGM held on 29 October 2021, the Shareholders approved the renewal of the Share Purchase Mandate (the "**2021 Share Purchase Mandate**") to enable the Company to purchase or otherwise acquire its issued Shares as permitted under and in accordance with the provisions of the Act. The rationale for, the authority and limits on, and the financial effects of, the 2021 Share Purchase Mandate were set out in the Company's Appendix to the Notice of AGM dated 7 October 2021 to Shareholders.

1.2 The 2021 Share Purchase Mandate was expressed, *inter alia*, to continue in force until (i) the date on which the next AGM is held or required by law to be held; or (ii) the date on which the Share Purchases are carried out to the full extent mandated; or (iii) the date on which the authority conferred by the 2021 Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting, whichever is the earliest.

1.3 The 2021 Share Purchase Mandate would be expiring on 28 October 2022, being the date of the forthcoming AGM. Accordingly, the Directors propose that Shareholders' approval for the renewal of the Share Purchase Mandate be sought at the AGM on 28 October 2022.

1.4 The purpose of this Appendix is to provide Shareholders with information relating to the proposed renewal of the Share Purchase Mandate.

2 RATIONALE FOR THE SHARE PURCHASE MANDATE

2.1 The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

(a) to enable the Board to return the Group's surplus funds, which are in excess of the foreseeable financial and investment needs of the Group, to Shareholders effectively and expediently and to enhance the EPS of the Company when circumstances permit;

(b) in line with international practice, the Share Purchase Mandate will give the Company greater flexibility in managing its capital and maximising returns to its Shareholders. To the extent that the Company has capital and surplus funds which are in excess of its financial needs, taking into account its growth and expansion plans, the Share Purchase Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner; and

(c) the Share Purchase Mandate allows the Board to purchase Shares when the Shares are under-valued, which would help to buffer short-term share price volatility and offset the effects of share price speculation.

2.2 The Share Purchase Mandate authorises a purchase of Shares of up to 10% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings) during the duration referred to in paragraph 3.2(a) of this Appendix. The purchase or acquisition of Shares would be made only as and when the Board considers it to be in the best interests of the Company and in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group, or result in the Company being delisted from the SGX-ST.

2.3 The Board will use their best efforts to ensure that after a Share Purchase, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

3 AUTHORITY AND LIMITS ON THE SHARE PURCHASE MANDATE

The authority and limits placed on Share Purchases under the proposed Share Purchase Mandate, if renewed at the AGM on 28 October 2022, are summarised below:

3.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings) as at the date of the forthcoming AGM at which approval for the renewal of the Share Purchase Mandate is being sought. Under the Act, any Shares which are held as Treasury Shares and subsidiary holdings will be disregarded for the purpose of computing the 10% limit.

For illustrative purposes only, on the basis of 376,688,104 issued Shares (excluding 8,341,500 Treasury Shares and subsidiary holdings) as at the Latest Practicable Date, and assuming that no further Shares are issued or purchased by the Company on or before the date of the AGM, not more than 37,668,810 issued Shares (representing 10% of the total number of issued Shares, excluding Treasury Shares and subsidiary holdings, as at the Latest Practicable Date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate during the duration referred to in paragraph 3.2(a) of this Appendix.

3.2 Duration of Authority

(a) Share Purchases may be made, at any time and from time to time, on and from the date of the AGM at which the proposed renewal of the Share Purchase Mandate is approved, up to:

(i) the date on which the next AGM is held or required by law to be held;

(ii) the date on which the Share Purchases are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting,

whichever is the earliest.

(b) The authority conferred on the Board by the Share Purchase Mandate to purchase Shares, if renewed at the AGM on 28 October 2022, may be renewed at the next AGM in 2023.

3.3 Manner of Share Purchases

(a) Share Purchases may be made by way of:

(i) an On-Market Share Purchase; and/or

(ii) an Off-Market Share Purchase.

(b) The Board may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Act, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. However, an Off-Market Share Purchase effected in accordance with an equal access scheme must satisfy all the following conditions:

(i) offers under the scheme are to be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

(ii) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made to them; and

(iii) the terms of all the offers shall be the same, except that there shall be disregarded:

(1) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;

(2) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid (if applicable); and

(3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

(c) In addition, the Listing Manual provides that, in making an Off-Market Share Purchase, the Company must issue an offer document to all Shareholders containing at least the following information:

(i) the terms and conditions of the offer;

(ii) the period and procedures for acceptance;

(iii) the reasons for the proposed Share Purchase;

(iv) the consequences, if any, of the Share Purchase that will arise under the Take-over Code or other applicable take-over rules;

(v) whether the Share Purchase, if made, could affect the listing of the Shares on the SGX-ST;

(vi) details of any Share Purchases made by the Company during the previous 12 months (whether On-Market Share Purchases or Off-Market Share Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Purchases, where relevant, and the total consideration paid for such Share Purchases; and

(vii) whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

3.4 Maximum Purchase Price

(a) The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Board.

(b) However, the purchase price to be paid for the Shares pursuant to the Share Purchase Mandate must not exceed:

(i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price (as defined below) of the Shares; and

(ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price of the Shares,

(the "**Maximum Price**") in either case, excluding related expenses of the Share Purchase.

(c) For the above purposes, "**Average Closing Price**" means the average of the closing market prices of a Share over the last 5 Market Days, on which transactions in the Shares were recorded, before the day on which the On-Market Share Purchase was made (and deemed to be adjusted for any corporate action that occurs during the relevant 5 Market Days and the day on which the On-Market Share Purchase was made) or, as the case may be, before the date of making an announcement by the Company of an offer for an Off-Market Share Purchase.

4 STATUS OF PURCHASED SHARES

4.1 Under Section 76B of the Act, any Share purchased or acquired by the Company shall be deemed cancelled immediately on such purchase or acquisition (and all rights and privileges attached to that Share will expire on cancellation), unless held as a Treasury Share. All Shares purchased by the Company, unless held as Treasury Shares, will be automatically delisted by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as Treasury Shares.

4.2 Under the Act, Shares purchased or acquired by the Company may be held or dealt with as Treasury Shares. Some of the provisions on Treasury Shares under the Act are summarised below:

(a) Maximum Holdings

The number of Shares held as Treasury Shares shall not at any time exceed 10% of the total number of issued Shares and the Company shall be entered in the Register of Members or the Depository Register, as the case may be, as the member holding those Shares.

Voting and Other Rights

The Company cannot exercise any right in respect of Treasury Shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Act, the Company shall be treated as having no right to vote in respect of Treasury Shares and the Treasury Shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of the Treasury Shares. However, the allotment of Shares as fully paid bonus shares in respect of Treasury Shares is allowed. Also, a sub-division or consolidation of any Treasury Share into Treasury Shares of a greater or smaller number, as the case may be, is allowed so long as the total value of the Treasury Shares after the sub-division or consolidation is the same as before.

(b) Disposal and Cancellation

Where Shares purchased or acquired by the Company are held as Treasury Shares, the Company may at any time:

(i) sell the Treasury Shares (or any of them) for cash;

(ii) transfer the Treasury Shares (or any of them) for the purposes of or pursuant to any share scheme, whether for its employees, directors or other persons;

(iii) transfer the Treasury Shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;

(iv) cancel the Treasury Shares (or any of them); or

(v) sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister of Finance.

4.3 The Shares purchased under the Share Purchase Mandate will be held as Treasury Shares or cancelled by the Company taking into consideration the prevailing circumstances and requirements of the Company at the relevant time.

4.4 In addition, under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of Treasury Shares, stating the following:

(a) date of the sale, transfer, cancellation and/or use;

(b) purpose of such sale, transfer, cancellation and/or use;

(c) number of Treasury Shares sold, transferred, cancelled and/or used;

(d) number of Treasury Shares before and after such sale, transfer, cancellation and/or use;

(e) percentage of the number of Treasury Shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and

(f) value of the Treasury Shares if they are used for a sale or transfer, or cancelled.

5 REPORTING REQUIREMENTS

5.1 Within 30 days of the passing of a Shareholders' resolution to approve the renewal of the Share Purchase Mandate, the Company shall lodge a copy of such resolution with the Registrar.

5.2 The Company shall lodge with the Registrar a notice of Share Purchase in the prescribed form within 30 days of any Share Purchase. Such notification shall include the date of the purchase or acquisition, the number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of Treasury Shares held, the Company's issued share capital before and after the Share Purchase, the amount of consideration paid by the Company for the Share Purchase, whether the Shares were purchased or acquired out of the profits or the capital of the Company and such other particulars as may be required in the prescribed form.

5.3 Within 30 days of the cancellation or disposal of Treasury Shares in accordance with the Act, the Company shall lodge with the Registrar a prescribed notice of the cancellation or disposal of Treasury Shares.

6 SOURCE OF FUNDS

6.1 The Company may only apply funds for the Share Purchases in accordance with the applicable laws in Singapore. The Company may not purchase or acquire its Shares for a consideration other than in cash and in the case of an On-Market Share Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

6.2 The Act stipulates that Share Purchases may be made out of the Company's capital or profits so long as the Company is solvent. Where Shares which are purchased or acquired by the Company are cancelled immediately on such purchase or acquisition, the Company shall:

(a) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;

(b) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or

(c) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company.

Where the consideration paid by the Company for the Share Purchases is made out of profits, such consideration will correspondingly reduce the amount of profits available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the Share Purchases is made out of capital, the amount of the Company's capital will be reduced correspondingly but the amount of profits available for the distribution of cash dividends by the Company will not be reduced.

6.3 For the purposes of paragraph 6.2 above, the consideration paid by the Company for the Share Purchases shall include any expenses (including brokerage or commission) incurred directly in the purchase or acquisition of the Shares which is paid out of the Company's capital or profits.

6.4 The Company intends to use internal sources of funds or external borrowings, or a combination of both, to finance the Share Purchase(s). The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that it would materially affect the working capital requirements of the Group. The purchase or acquisition of the Shares will only be effected after considering relevant factors such as the working capital requirements of the Group, the availability of financial resources and the prevailing market conditions.

7 FINANCIAL EFFECTS

7.1 The financial effects on the Company and the Group arising from the Share Purchases will depend on, *inter alia*, whether the Share Purchases are made by way of On-Market Share Purchases or Off-Market Share Purchases, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

7.2 **For illustrative purposes only**, the financial effects on the Company and the Group arising from the Share Purchases, based on the audited financial statements of the Company and the Group for FY2022, are set out in this paragraph 7.2 and based on the following assumptions:

(a) pursuant to the Share Purchase Mandate, the Company may purchase or acquire a maximum of 37,668,810 Shares (representing 10% of the 376,688,104 Shares as at the Latest Practicable Date);

(b) in the case of On-Market Share Purchases, assuming the Company purchases or acquires 37,668,810 Shares at a Maximum Price of S$0.402 (being 5% above the Average Closing Price prior to the Latest Practicable Date), the maximum amount of funds (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) required for effecting such On-Market Share Purchases would amount to approximately S$15.143 million;

(c) in the case of Off-Market Share Purchases, assuming the Company purchases or acquires 37,668,810 Shares at a Maximum Price of S$0.460 (being 20% above the Average Closing Price prior to the Latest Practicable Date), the maximum amount of funds (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) required for effecting such Off-Market Share Purchases would amount to approximately S$17.328 million;

(d) the Share Purchases were made out of the Company's capital as the Company has decided that any Share Purchases made under the Share Purchase Mandate for which approval is sought, will be made out of capital;

(e) the Share Purchases took place on 1 July 2021; and

(f) the Share Purchases were financed entirely by internal funds of the Company.

(i) On-Market Share Purchases

	Group			Company		
	Before Share Purchases	After Share Purchases		Before Share Purchases	After Share Purchases	
As at 30 June 2022	S$'000	Share Purchases cancelled S$'000	Share Purchases held as Treasury Shares S$'000	S$'000	Share Purchases cancelled S$'000	Share Purchases held as Treasury Shares S$'000
Share capital	86,572	71,429	86,572	86,572	71,429	86,572
Other reserves	36,255	36,255	36,255	3,182	3,182	3,182
Accumulated profit	87,535	87,169	87,169	21,945	21,579	21,579
Treasury Shares(7)	(2,845)	(2,845)	(17,988)	(2,845)	(2,845)	(17,988)
	207,517	192,008	192,008	108,854	93,345	93,345
Non-controlling Interests	2,188	2,188	2,188	–	–	–
Total Equity	209,705	194,196	194,196	108,854	93,345	93,345
NAV	207,517	192,008	192,008	108,854	93,345	93,345
Current assets	244,195	228,686	228,686	78,034	62,525	62,525
Current liabilities	182,648	182,648	182,648	99,154	99,154	99,154
Non-current assets	216,004	216,004	216,004	171,348	171,348	171,348
Non-current liabilities	67,846	67,846	67,846	41,374	41,374	41,374
Total borrowings	70,787	70,787	70,787	21,339	21,339	21,339
Cash and cash equivalents	78,675	63,166	63,166	28,087	12,578	12,578
Net (cash)/debt(1)	(7,888)	7,621	7,621	(6,748)	8,761	8,761
Net (loss)/profit for FY2022 attributable to equity holders of the Company	(10,828)	(11,194)	(11,194)	30,073	29,707	29,707
Number of Shares as at 30 June 2022	376,688,104	339,019,294	339,019,294	376,688,104	339,019,294	339,019,294
Weighted average number of Shares for FY2022	376,688,104	339,019,294	339,019,294	376,688,104	339,019,294	339,019,294
Financial Ratios						
NAV per Share (cents)(2)	55.09	56.64	56.64	28.90	27.53	27.53
Gross debt gearing (%)(3)	33.76%	36.45%	36.45%	19.60%	22.86%	22.86%
Net (cash)/debt gearing (%)(4)	(3.76%)	3.92%	3.92%	(6.20%)	9.39%	9.39%
Current ratio (times)(5)	1.34	1.25	1.25	0.79	0.63	0.63
EPS – Basic (cents)(6)	(2.87)	(3.30)	(3.30)	7.98	8.76	8.76

Notes:

(1) "**Net (cash)/debt**" represents total borrowings less cash and cash equivalents.

(2) "**NAV per Share**" represents NAV divided by the number of Shares (excluding Treasury Shares) as at 30 June 2022.

(3) "**Gross debt gearing**" represents total borrowings divided by Total Equity.

(4) "**Net (cash)/debt gearing**" represents net debt divided by Total Equity.

(5) "**Current ratio**" represents current assets divided by current liabilities.

(6) "**EPS – Basic**" represents net profit after tax for FY2022 attributable to equity holders of the Company divided by the weighted average number of Shares for FY2022.

(7) "**Treasury Shares**" represents Shares purchased pursuant to the Share Purchase Mandate which were not cancelled.

(ii) Off-Market Share Purchases

	Group			Company		
	Before Share Purchases	After Share Purchases		Before Share Purchases	After Share Purchases	
As at 30 June 2022	S$'000	Share Purchases cancelled S$'000	Share Purchases held as Treasury Shares S$'000	S$'000	Share Purchases cancelled S$'000	Share Purchases held as Treasury Shares S$'000
Share capital	86,572	69,244	86,572	86,572	69,244	86,572
Other reserves	36,255	36,255	36,255	3,182	3,182	3,182
Accumulated profit	87,535	87,116	87,116	21,945	21,526	21,526
Treasury Shares[7]	(2,845)	(2,845)	(20,173)	(2,845)	(2,845)	(20,173)
	207,517	189,770	189,770	108,854	91,107	91,107
Non-controlling Interests	2,188	2,188	2,188	–	–	–
Total Equity	209,705	191,958	191,958	108,854	91,107	91,107
NAV	207,517	189,770	189,770	108,854	91,107	91,107
Current assets	244,195	226,448	226,448	78,034	60,287	60,287
Current liabilities	182,648	182,648	182,648	99,154	99,154	99,154
Non-current assets	216,004	216,004	216,004	171,348	171,348	171,348
Non-current liabilities	67,846	67,846	67,846	41,374	41,374	41,374
Total borrowings	70,787	70,787	70,787	21,339	21,339	21,339
Cash and cash equivalents	78,675	60,928	60,928	28,087	10,340	10,340
Net (cash)/debt[1]	(7,888)	9,859	9,859	(6,748)	10,999	10,999
Net (loss)/profit for FY2022 attributable to equity holders of the Company	(10,828)	(11,247)	(11,247)	30,073	29,654	29,654
Number of Shares as at 30 June 2022	376,688,104	339,019,294	339,019,294	376,688,104	339,019,294	339,019,294
Weighted average number of Shares for FY2022	376,688,104	339,019,294	339,019,294	376,688,104	339,019,294	339,019,294
Financial Ratios						
NAV per Share (cents)[2]	55.09	55.98	55.98	28.90	26.87	26.87
Gross debt gearing (%)[3]	33.76%	36.88%	36.88%	19.60%	23.42%	23.42%
Net (cash)/debt gearing (%)[4]	(3.76%)	5.14%	5.14%	(6.20%)	12.07%	12.07%
Current ratio (times)[5]	1.34	1.24	1.24	0.79	0.61	0.61
EPS – Basic (cents)[6]	(2.87)	(3.32)	(3.32)	7.98	8.75	8.75

Notes:

(1) "**Net (cash)/debt**" represents total borrowings less cash and cash equivalents.

(2) "**NAV per Share**" represents NAV divided by the number of Shares (excluding Treasury Shares) as at 30 June 2022.

(3) "**Gross debt gearing**" represents total borrowings divided by Total Equity.

(4) "**Net (cash)/debt gearing**" represents net debt divided by Total Equity.

(5) "**Current ratio**" represents current assets divided by current liabilities.

(6) "**EPS – Basic**" represents net profit after tax for FY2022 attributable to equity holders of the Company divided by the weighted average number of Shares for FY2022.

(7) "**Treasury Shares**" represents Shares purchased pursuant to the Share Purchase Mandate which were not cancelled.

The financial effects set out above are purely for illustrative purposes only. Although the proposed Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings), the Company may not necessarily purchase or acquire, or be in a position to purchase or acquire, 10% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings) in full. In particular, the Directors do not intend to exercise the Share Purchase Mandate up to the maximum limit or to such an extent where such exercise would materially and adversely affect the financial position of the Group. In addition, the Company may (i) cancel all or part of the Shares repurchased; or (ii) hold all or part of the Shares repurchased in treasury.

8 TAX IMPLICATIONS ARISING FROM SHARE PURCHASES

Shareholders who are in doubt as to their respective tax positions or any tax implications of Share Purchases by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

9 LISTING MANUAL RELATING TO SHARE PURCHASES

9.1 Listing Rules

The Listing Manual specifies that a listed company shall notify the SGX-ST of any Share Purchase:

(a) in the case of an On-Market Share Purchase, not later than 9.00 a.m. on the Market Day following the day on which the On-Market Share Purchase was made; and

(b) in the case of an Off-Market Share Purchase, not later than 9.00 a.m. on the second Market Day after the close of acceptance of the offer for the Off-Market Share Purchase.

The notification of such Share Purchases to the SGX-ST shall be in such form and shall include such details as the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

While the Listing Manual does not expressly prohibit purchase of shares by a listed company during any particular time or times, the Company will not purchase or acquire any Shares pursuant to the Share Purchase Mandate after a price sensitive development has occurred or has been the subject of a consideration and/or a decision of the Board until such time as the price sensitive information has been publicly announced. In particular, the Company will not buy any Shares during the period commencing 1 month before the announcement of the Company's half year and full year results, and ending on the date of announcement of the relevant results.

9.2 Listing Status of the Shares

The Listing Manual requires a listed company to ensure that at least 10% of the total number of issued Shares (excluding Treasury Shares, preference shares and convertible equity securities) in a class that is listed is at all times held by the public. The "public", as defined under the Listing Manual, are persons other than the directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company or its subsidiaries, as well as the associates of such persons.

Based on the Registers of Directors' Shareholdings maintained by the Group and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, there are 78,017,717 issued Shares representing approximately 20.71% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings) in the hands of public Shareholders. Assuming the Company exercises the Share Purchase Mandate in full and purchases 10% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings) through On-Market Share Purchases from the public, the number of issued Shares in the hands of the public would be reduced to 40,348,907 issued Shares representing approximately 11.90% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings). Accordingly, the Company is of the view that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the Share Purchase Mandate without affecting the orderly status and/or listing status of the Shares on the SGX-ST.

In undertaking any Share Purchases, the Board will use its best efforts to ensure that, notwithstanding such Share Purchases, a sufficient float in the hands of the public will be maintained so that the Share Purchases will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

10 TAKE-OVER CODE IMPLICATIONS ARISING FROM SHARE PURCHASES

10.1 Obligation to make a Take-over Offer

The resultant increase in the percentage of voting rights held by a Shareholder and persons acting in concert with him, following any Share Purchases, will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code ("**Rule 14**"). Consequently, depending on the number of Shares purchased by the Company and the Company's total number of issued Shares at that time, a Shareholder or group of Shareholders acting in concert with each other could obtain or consolidate effective control of the Company and could become obliged to make an offer under Rule 14.

10.2 Persons Acting in Concert

Under the Take-over Code, "persons acting in concert" or "concert parties" comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert with one another:

(a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts); and

(b) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with one another, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders (including directors of the Company) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2 of the Take-over Code ("**Appendix 2**").

10.3 Effect of Rule 14 and Appendix 2

In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, directors of a company and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the company purchasing or acquiring its shares, the voting rights of such directors and their concert parties would increase to 30% or more, or, in the event that such directors and their concert parties hold between 30% and 50% of the voting rights in the company, the voting rights of such directors and their concert parties would increase by more than 1% in any period of 6 months. In calculating the percentages of voting rights of such directors and their concert parties, Treasury Shares shall be excluded.

Under Appendix 2, a shareholder not acting in concert with the directors of the company will not be required to make a take-over offer under Rule 14 if, as a result of the company purchasing or acquiring its shares, the voting rights of such shareholder would increase to 30% or more, or, if such shareholder holds between 30% and 50% of the voting rights in the company, the voting rights of such shareholder would increase by more than 1% in any period of 6 months. Such shareholder need not abstain from voting in respect of the resolution authorising the share purchase mandate.

Shareholders and their concert parties will be subject to the provisions of Rule 14 if they acquire any Shares after the Company's Share Purchases. For the purpose of the Take-over Code, an increase in the percentage of voting rights as a result of the Share Purchases will be taken into account in determining whether a Shareholder and persons acting in concert with him have increased their voting rights by more than 1% in any period of 6 months.

If the Company decides to cease the purchase of Shares before it has purchased in full such number of Shares authorised by the Shareholders at the latest annual general meeting, the Company will promptly inform the Shareholders of such cessation. This will assist Shareholders to determine if they can buy any more Shares without incurring an obligation under Rule 14.

10.4 Directors' and Substantial Shareholders' Interests

Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders as at the Latest Practicable Date, the shareholdings of the Directors and the Substantial Shareholders before and after the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, assuming (i) the Company purchases the maximum 10% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings), and (ii) there is no change in the number of Shares held by the Directors and the Substantial Shareholders or which they are deemed interested in, will be as follows:

	← Before Share Purchases (Number of Shares) →			Before Share Purchases	After Share Purchases
	Direct Interest	Deemed Interest	Total Interest	%[1]	%[2]
Directors					
Raymond Lum Kwan Sung	15,528,397	185,776,232[4]	201,304,629	53.44	59.38
David Lum Kok Seng	10,938,436	209,770,612[5]	220,709,048	58.59	65.10
Kelvin Lum Wen Sum	–	–	–	–	–
Adrian Lum Wen Hong (Alternate Director to David Lum Kok Seng)	125,000	–	125,000	0.03	0.04
Tony Fong	300,000	17,000[3]	317,000	0.08	0.09
Peter Sim Swee Yam	–	10,000[3]	10,000	n/m[7]	n/m[7]
Dr Willie Lee Leng Ghee	–	–	–	–	–
Clement Leow Wee Kia	–	–	–	–	–
Constance Lee Sok Koon	8,000	–	8,000	n/m[7]	n/m[7]
Kenneth Ho Siew Keong	–	–	–	–	–
Substantial Shareholders					
Raymond Lum Kwan Sung	15,528,397	185,776,232[4]	201,304,629	53.44	59.38
David Lum Kok Seng	10,938,436	209,770,612[5]	220,709,048	58.59	65.10
RMDV	3,459,159	120,344,131[3]	123,803,290	32.87	36.52
LCI	2,963,674	59,009,268[3]	61,972,942	16.45	18.28
Beverian	202,131	72,009,269[3]	72,211,400	19.17	21.30
Edlyn Lum Wen Ee	–	61,972,942[6]	61,972,942	16.45	18.28
Emlyn Lum Wen Yan	–	61,972,942[6]	61,972,942	16.45	18.28

Notes:

(1) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 376,688,104 Shares (excluding 8,341,500 Treasury Shares and subsidiary holdings).

(2) As a percentage of the total number of issued Shares, comprising 339,019,294 issued Shares (assuming that the Company purchases the maximum number of 37,668,810 Shares under the Share Purchase Mandate excluding Treasury Shares and subsidiary holdings).

(3) The Shares are held with nominee accounts.

(4) Includes 61,972,942 Shares beneficially owned by LCI and 123,803,290 Shares beneficially owned by RMDV. Mr. Raymond Lum Kwan Sung is deemed interested in all of the Shares held by LCI and RMDV by virtue of his substantial interests in both companies.

(5) Includes 72,211,400 Shares beneficially owned by Beverian, 123,803,290 Shares beneficially owned by RMDV and 13,755,922 Shares beneficially owned by Ellipsiz Ltd. Mr. David Lum Kok Seng is deemed interested in the Shares held by Beverian, RMDV and Ellipsiz Ltd by virtue of his substantial interests in these companies.

(6) Ms. Edlyn Lum Wen Ee and Ms. Emlyn Lum Wen Yan are deemed interested in the Shares held by LCI by virtue of their substantial interests in the company.

(7) "**n/m**" denotes not meaningful.

As at the Latest Practicable Date, Raymond Lum Kwan Sung, the Executive Chairman of the Company, directly holds approximately 4.12% of the issued Shares. LCI, a company in which he has a direct interest of approximately 53.33% and in which his spouse and children, Edlyn Lum Wen Ee and Emlyn Lum Wen Yan, have an aggregate direct interest of approximately 46.67%, holds approximately 16.45% of the issued Shares. Emlyn Lum Wen Yan holds the position of Vice President, Finance, in the Company. David Lum Kok Seng, the Managing Director and the brother of Raymond Lum Kwan Sung, directly holds approximately 2.90% of the issued Shares and Beverian, a company in which he has a direct interest of 99.00%, and in which his son, Kelvin Lum Wen Sum, has a direct interest of 1.00%, holds approximately 19.17% of the issued Shares. In addition, Adrian Lum Wen Hong, who is a son of David Lum Kok Seng and nephew of Raymond Lum Kwan Sung, directly holds approximately 0.03% of the issued Shares. Adrian Lum Wen Hong holds the position of alternate director to David Lum Kok Seng and Director, Property Development of the Company. As at the Latest Practicable Date, Raymond Lum Kwan Sung and David Lum Kok Seng each holds 50% of the issued shares of RMDV. David Lum Kok Seng indirectly holds 60.28% of the issued shares of Ellipsiz Ltd, a company in which his sons, Kelvin Lum Wen Sum and Adrian Lum Wen Hong, are directors.

Raymond Lum Kwan Sung, David Lum Kok Seng, RMDV, LCI, Beverian, Ellipsiz Ltd, Edlyn Lum Wen Ee, Emlyn Lum Wen Yan and Adrian Lum Wen Hong (collectively, "**Lum and company**") are presumed to be parties acting in concert in relation to the Company in respect of their combined direct and deemed holdings of approximately 79.20% of the issued Shares.

As at the Latest Practicable Date, the aggregate holdings of Lum and company in the issued Shares exceed 50% of the total number of issued Shares. Accordingly, in the event that the Company purchases up to 10% of its issued Shares (excluding Treasury Shares and subsidiary holdings) pursuant to the Share Purchase Mandate, Lum and company would not incur a mandatory take-over obligation for the Shares under the Take-over Code.

The Directors are not aware of any Shareholder who may become obligated to make a mandatory take-over offer in the event that the Company purchases or acquires its Shares up to the full 10% limit pursuant to the Share Purchase Mandate.

Shareholders are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity as to whether an obligation on their part, if any, to make a mandatory take-over offer under the Take-over Code would arise by reason of any Share Purchases by the Company.

11 DETAILS OF SHARE PURCHASES DURING THE PREVIOUS 12 MONTHS

The Company did not purchase any Shares within the 12 months preceding the Latest Practicable Date.

12 DIRECTORS' RECOMMENDATION

Having considered the rationale for the renewal of the Share Purchase Mandate, the Directors are of the opinion that the Share Purchase Mandate is in the interests of the Company and accordingly recommend that Shareholders vote in favour of Ordinary Resolution 9 relating to the proposed renewal of the Share Purchase Mandate as set out in the notice of AGM in the Company's Annual Report for FY2022.

13 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Share Purchase Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

Yours faithfully
For and on behalf of the Board of Directors of
Lum Chang Holdings Limited

Raymond Lum Kwan Sung
Executive Chairman