LHN GROUP
SPACE OPTIMISED

COMMERCIAL
RESIDENTIAL
INDUSTRIAL
FACILITIES
CAR PARK
ENERGY

SUSTAINABLE GROWTH
EXPANDING HORIZONS

ANNUAL REPORT **2024**

LHN LIMITED - 賢能集團有限公司*
STOCK CODE: Singapore - 410 / Hong Kong - 1730
(incorporated in the Republic of Singapore with limited liability)
(*For identification purpose only)

About LHN Group

With a history dating back to 1991, we are a real estate management services group that provides integrated real estate management services across Asia. At the forefront of property trends, the Group has been highly adaptive to the changing needs of how individuals and businesses live, work, and play.

We focus on creating productive environments for small and medium enterprises (SMEs) and born-global companies. Taking old, unused and under-utilised industrial, commercial and residential properties, we enhance and transform them into thoughtfully designed and highly usable space. In addition, our vast experience at managing a diverse range of properties has shaped us to be well-versed in the art of applying our space optimisation expertise on all kinds of space.

Beyond our core space optimisation expertise, we also actively engage in other property-related businesses, encompassing property development and property investment. We strategically acquire, develop, and/or sell diverse types of properties, while also conducting investments endeavors across the property spectrum. Our focus lies on maximising the value of properties to generate consistent recurring income and cultivating sustainable long-term capital appreciation.

Consisting of comprehensive cleaning, car park management, and building management, our suite of integrated facility management offerings greatly complement one another, and in turn, strengthen the space optimisation business segment, which gives us an edge over the market.

The energy business offers sustainable energy solutions including the electricity retailing business, provision of electric vehicle charging stations and installation of solar power systems for properties we manage and for our customers.

Integral to our expansion strategy, we strive to build an extensive business network across ASEAN to better support our customers and achieve a sustainable growth for the Group.

Content

Corporate Overview

Space Optimisation

Properties under our management:

14 Industrial Properties

SINGAPORE

- 100 Eunos Avenue 7 ★
- 20-25A Depot Lane ★
- 202 Kallang Bahru ★
- 38 Ang Mo Kio Industrial Park 2 ★
- 44 Kallang Place ★
- 71 Lorong 23 Geylang ★
- 72 Eunos Avenue 7 ★
- 18 Penjuru Road
- 18 Tampines Industrial Crescent
- 34 Boon Leat Terrace
- 43 Keppel Road
- 8 Jalan Papan (Lot 449)
- Lot 228,342, 346 MK XIV Woodlands Mandai Estate
- 23 Woodlands Industrial Park E1

Work+Store Occupancy Rate*

99.0%

Industrial Space Occupancy Rate*

98.5%

7 Commercial Properties

SINGAPORE

- 10 Raeburn Park ★
- 1557 Keppel Road
- 200 Pandan Gardens
- 260 Upper Bukit Timah Road
- 300–320 Tanglin Road (Phoenix Park)
- 75 Beach Road (L3, L4)

Commercial Space Occupancy Rate*

96.5%

OVERSEAS

- Casablanca Tower (Indonesia) ★

29 Residential Properties

SINGAPORE

- 141 Middle Road ★
- 1557 Keppel Road ★
- 1A Lutheran Road ★
- 2 Mount Elizabeth Link ★
- 260 Upper Bukit Timah Road ★
- 268 River Valley Road ★
- 288 River Valley Road ★
- 298 River Valley Road ★
- 31 Boon Lay Drive ★
- 320 Balestier Road ★
- 404 Pasir Panjang Road ★
- 450 & 452 Serangoon Road ★
- 48 & 50 Arab Street ★
- 50 Armenian Street ★
- 75 Beach Road(L5, L6) ★
- Lavender Collection ★
- 99 Rangoon Road ▲
- 10 Raeburn Park ▲
- 115 Geylang Road ▲
- 150 Cantonment Road ▲
- 40 & 42 Amber Road ▲
- 471 & 473 Balestier Road ▲
- 60 Boundary Close ✚
- 100 Ulu Pandan Road ✚
- 5 Telok Paku Road 🌿
- 324A & 420 Keramat Road

Coliwoo Occupancy Rate*

97.5%

OVERSEAS

- 137 Upper Pansoadan Road (Myanmar) ★
- Nan An (China) ★
- Block 1A Axis Residences (Cambodia) ★

Legend

Storage Solutions Space Concept

★ work+store

Suited Office Space Concept

★ GREENHUB
SUITED OFFICES FOR BORN GLOBAL FIRMS

Serviced Residences Concept

★ 85 SOHO

Co-living Spaces Concept

coliwoo

★ *Self-operated under Coliwoo*

▲ *Sublease to other operators*

✚ *Healthcare professional accommodation*

🌿 *Eco-conscious hospitality*

**Occupancy rate as defined in the Business Review Section on Page 18.*

Property Development

Property Development

55 Tuas South Avenue 1:

- Completed construction and obtained Temporary Occupation Permit in September 2024.
- All 49 units within the 9-storey multi-user food processing industrial development are now available for sale.

Facilities Management

Cleaning & Related Services

- Provide facilities management services to 113 customers of which 26 are within the Group or its associated companies.

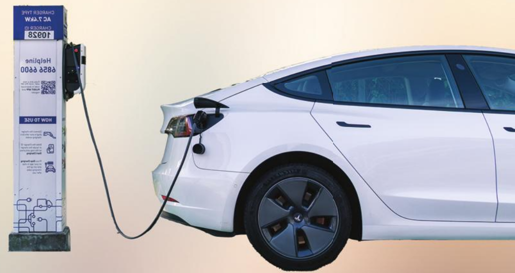
Carpark Management

- Manage 99 carparks in Singapore located at properties owned or leased by the Group or its associated companies.
- Manage 3 carparks in Hong Kong.

Energy Resources

Renewable Energy, Electric Vehicle (EV) Charging System

- Total solar energy system capacity reached approximately 8.8 MW.
- Operate 23 EV charging points across the island through subsidiaries and joint venture projects.



LHN Food Chain

Rodent monitor station

Solar panel system at 44 Kallang Place

Our Presence

SINGAPORE (REGIONAL HQ)

- Operate commercial, industrial and residential properties owned or leased or managed by the Group or its associated companies.
- Provide facilities management services for our properties and third party properties.
- Carpark management.
- Offer sustainable energy solutions.
- Operate EV charging points.

CAMBODIA

- Operate a block of serviced residences.

CHINA

- Operate a block of business hotel in Nan'an, Quanzhou (upcoming).

HONG KONG (CHINA)

- Carpark management.

INDONESIA

- Manage 1 GreenHub Suited Offices in Jakarta.

MYANMAR (YANGON)

- Manage 1 block of serviced residences.

Chairman's Message

Mr. Kelvin Lim
Executive Chairman, Executive Director &
Group Managing Director

Chairman's Message

Dear Shareholders,

On behalf of the Board of Directors of LHN Limited (the "**Board**" or the "**Board of Directors**"), it gives me great pleasure to present our Annual Report for the financial year ended 30 September 2024 ("**FY2024**").

FY2024 has been a challenging year, shaped by macro events that have significantly impacted Singapore's economy, including rising interest rates, inflation and ongoing global geopolitical tensions. Despite this period of uncertainty and testing of the Group's resilience, we are pleased to report positive results. Through a prudent approach to investments and operations, the Group has once again demonstrated its strength, delivering a profitable financial year with robust performance across all key business segments.

RESILIENT GROWTH DRIVEN BY STRONG CORE PERFORMANCE AND STRATEGIC CAPITAL RECYCLING

In FY2024, the Group reported revenue from continuing operations of S$121.0 million, up 29.2% from FY2023 revenue of S$93.6 million. The Group's net profit after tax was S$47.9 million, while earnings per share and net asset value per share were 11.48 Singapore cents and 60.77 Singapore cents, respectively. Following the Group's FY2024 financial results, a final dividend of 1.0 Singapore cent and a special dividend of 1.0 Singapore cent per ordinary share have been recommended by the Board. Including the previously declared interim dividend of 1.0 Singapore cent per share, the total dividend for FY2024 amounted to 3.0 Singapore cents per share.

Meanwhile, LHN remains active in its capital recycling initiatives to ensure a healthy balance sheet while funding the growth of the Group's businesses. On 31 July 2024, the Group's 40% associated company sold the car park at Bukit Timah Shopping Centre, located at 170 Upper Bukit Timah Road (sale price of S$22 million) and the Group invested in a 50% joint venture which purchased Wilmer Place, located at 50 Armenian Street (purchase price of S$26.5 million) which will be operated under the Coliwoo co-living brand.

CORE OPERATIONS CONTINUE TO PERFORM WELL, SUPPORTED BY THRIVING BUSINESS SEGMENTS

The Space Optimisation Business continued to play a pivotal role in the Group's growth strategy. Contributing 68.8% to the Group's total revenue in FY2024, the Space Optimisation Business recorded a remarkable 37.7% year-on-year ("**y-o-y**") increase in revenue in FY2024 compared to FY2023. This growth was mainly attributed to Singapore's strong demand for co-living spaces.

Residential

Coliwoo is our successful residential concept that blends self-sufficient personal living spaces with the benefits of communal living. Launched in Singapore just before the pandemic, Coliwoo quickly became a go-to solution for affordable temporary housing, meeting the surge in demand due to movement restrictions and delays in Build-To-Order projects. Over the past five years, Coliwoo has continued to evolve and expand, now operating in over 20 locations across Singapore with a wide range of accommodation options and flexible stay durations. This growth reaffirms our strategic direction in addressing a gap in Singapore's residential market.

In FY2024, our co-living business in Singapore experienced a significant boost, with revenue increasing by 85.5% y-o-y to S$52.4 million, up from S$28.3 million in FY2023, driven by high occupancy rate of 97.5% as at 30 September 2024 and following the Group's expansion of co-living capacity to meet market demand.

Concurrently, the Group continues to pursue its asset enhancement activities with its properties at 141 Middle Road, 48 and 50 Arab Street, and 260 Upper Bukit Timah Road, aiming to transform them into co-living spaces in the financial year ending 30 September 2025 ("**FY2025**").

As at 30 September 2024, the Group's residential business had 2,895 keys spread across its co-living properties in Singapore and serviced residences projects overseas.

Industrial and Commercial

The Group's industrial and commercial space achieved high occupancy rate of 98.5% and 96.5% respectively across its properties as at 30 September 2024. Work+Store storage solutions under the industrial properties achieved a stellar performance with a high occupancy of 99%. Work+Store also expanded its offering to air-conditioned storage spaces to meet climate-controlled storage demand. Additionally, the business unit is set to launch a dedicated wine storage facility in the new financial year as a new revenue stream for Work+Store business.

Property Development

A notable achievement in FY2024 is the completion of our inaugural development project, a food factory building at 55 Tuas South Avenue, LHN Food Chain, which completed on schedule and obtained Temporary Occupation Permit in September 2024. A total of 49 factory units are now available for sale with revenue contributions anticipated in the next financial year.

Chairman's Message

FACILITIES MANAGEMENT ENJOYS ROBUST YEAR

FY2024 proved to be another robust year for our Facilities Management Business, driven by the addition of new contracts from the cleaning related services business and the expansion of the car park business.

The Group's integrated facilities management services business secured 125 new contracts and renewed over 117 contracts in FY2024. This healthy growth underscores our established market position and reflects customers' confidence in our service quality and standards.

Our carpark business continued to grow in FY2024, adding 24 new car parks, with over 1,000 lots in Singapore and two car parks with over 500 lots in Hong Kong. In total, the Group operates 99 car parks with over 27,000 lots in Singapore and three car parks with over 1,000 lots in Hong Kong. The Group will continue to build up its market share in the car parks segment in Singapore by using cutting-edge technologies and offering smart parking solutions to optimise space.

RENEWABLE ENERGY BUSINESS DRIVES SUSTAINABILITY FOCUS

Despite being a relatively new business segment, the Group's Energy Business has proven its relevance within the Group's business ecosystem by achieving significant growth in FY2024. Revenue in this segment rose 190.1% y-o-y to S$1.6 million from S$0.5 million in FY2023 and achieved S$0.7 million in segmental profit, an 83.0% y-o-y increase from S$0.4 million in FY2023. This encouraging performance reinforces the Group's expansion strategy in the renewable energy sector and demonstrates the effectiveness of its strategy in penetrating this high-potential market.

As demand for sustainable solutions continues to grow, the Group anticipates this business segment will continue to expand and play an increasingly important role in the Group's overall portfolio, contributing to positive environmental impacts and financial performance.

COMMITMENT TO SUSTAINABILITY AND SOCIAL RESPONSIBILITY

At LHN, we understand sustainability's pivotal role in safeguarding the viability of the environment, society, businesses, and individuals. Our Environmental, Social & Governance endeavours revolve around attaining a balance between the environment, humanity, and profitability with a strong focus on embedding sustainable practices into our daily operations and adopting a responsible corporate giving strategy. This approach yields a lasting, cumulative positive impact on our workforce, stakeholders, local community, and the environment. Being honoured as the Champion of Good 2024 by the National Volunteer & Philanthropy Centre is a testament to our correct approach to sustainability.

268 River Valley Road

Solar panel system at Textile Centre

WHAT LIES AHEAD?

Looking ahead, the Group's operations which are mainly in Singapore, being a trading hub, faces an operating environment marked by both geopolitical complexities and economic shifts.

Ongoing conflicts in Eastern Europe and the Middle East region continue to heighten risks of supply chain disruptions and increase commodity prices, potentially prolonging inflation pressure. Meanwhile, the uncertainty over U.S. trade policies under the new administration is expected to pose risks of broad and sweeping tariffs across the region.

On a positive note, the Federal Reserve has begun its rate-cutting cycle in response to the easing inflation pressures in the U.S., reducing interest rates since September, with more cuts expected into 2025.[1][2][3] This could lower financing costs globally, impacting Singapore, where mortgage rates have begun to decrease. Intense competition among banks in a cooling property market is further driving down mortgage rates, which is easing borrowing costs for homebuyers and property investors while potentially stimulating demand and asset prices for residential and commercial properties.

The combination of these local and international developments underscores the need for prudent risk management and strategic flexibility. The Group will remain vigilant and continuously assess external factors that may affect its business.

In FY2025, we will focus on strengthening our Space Optimisation Business by continuing to expand our footprint and enhancing scope of offerings for both Coliwoo co-living and Work+Store storage solutions. As part of our regional growth strategy, we aim to introduce Coliwoo co-living concept to ASEAN countries, addressing the growing demand for flexible living solutions in the region.

Our Facilities Management and Energy businesses have maintained strong momentum in expanding their services portfolio and client base. In addition to increasing our solar energy capacity, we have extended our facilities management offerings to include air-conditioning maintenance and the provision of foreign worker dormitory. Furthermore, following the completion of our first Property Development project, we are actively exploring opportunities to develop a robust pipeline for this new business segment. These efforts align with our overarching strategic goals of future-proofing operations and broadening revenue streams.

By navigating geopolitical and economic shifts with a balanced approach and a commitment to our strategic priorities, we are confident in our ability to create long-term value for our shareholders and strengthen our position in an increasingly complex global landscape.

APPRECIATION

On behalf of the Board of Directors, we would like to express our heartfelt appreciation to our dedicated employees for their perseverance, diligence, and adaptability in the face of multiple challenges, which have enabled LHN to achieve notable milestones and deliver excellent results during the financial year. We would also like to extend our deepest gratitude to our business partners, landlords, tenants, customers, and shareholders for their unwavering support and confidence in our Group despite the uncertain business environment. As the Group looks ahead to the new financial year and prepares to scale new heights, we remain committed to spearheading innovation, meeting the evolving needs of our clients, and maximising long-term value for all our stakeholders.

Kelvin Lim
Executive Chairman,
Executive Director, and Group Managing Director

[1] The Fed's Preferred Inflation Gauge Cooled Overall in September
[2] The Fed just cut interest rates by another 25 basis points-here's what will get cheaper
[3] US rate futures price in more Fed easing in December and 2025

Highlights of FY2024

OCT 2023

- Acquired two properties at 288 River Valley Road and 99 Rangoon Road.
- LHN Group Pte. Ltd. (Industrial and Commercial), Coliwoo Bugis Pte. Ltd. and Coliwoo Orchard Pte. Ltd. (formerly known as Erinite Properties Pte. Ltd.) achieved the LowCarbonSG Recognition.

1557 Keppel Road

JAN 2024

- Obtained our master lease renewal for Phoenix Park and Keramat Road.
- Entered into a lodging facility contract with MOH Holdings Pte. Ltd.

268 River Valley Road

MAR 2024

- Obtained our master lease renewal for 200 Pandan Road.
- Entered into management contract for 268 River Valley Road.

Phoenix Park

APR 2024

- Awarded tender for 260 Upper Bukit Timah.
- Coliwoo won the Singapore Business Review National Business Awards 2024, Property Services Category.

Former Bukit Timah Fire Station at 260 Bukit Timah

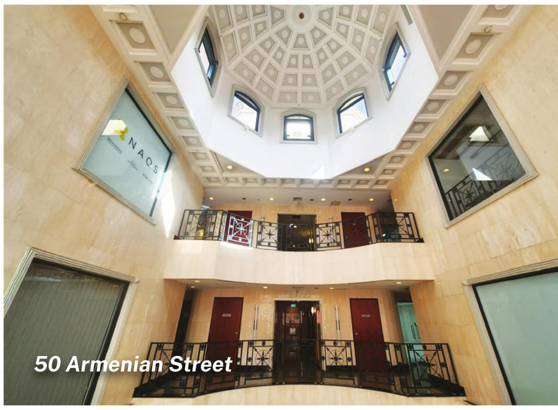
MAY 2024

- Acquired GSM property through our non-wholly owned subsidiary.
- Work Plus Store Pte. Ltd. won the Creative & Effective Marketing Award (Singapore) at the Self Storage Awards Asia 2024.

Artist's impression of 141 Middle Road (GSM Building)

JUL 2024

- Acquired 50 Armenian Street property through our joint venture company.
- Completion of disposal of carpark at Bukit Timah Shopping Centre through our 40% associated company.
- LHN Group Pte. Ltd. was awarded the Champion of Good Recognition.



50 Armenian Street

SEP 2024

- Completed the construction of our first Property Development project at 55 Tuas South Avenue 1 and obtained the Temporary Occupation Permit (TOP) for the property.

55 Tuas South Avenue 1

Board of Directors

1. **Mr. Kelvin Lim**
   Executive Chairman, Executive Director & Group Managing Director

2. **Ms. Jess Lim**
   Executive Director & Group Deputy Managing Director

3. **Ms. Ch'ng Li-Ling**
   Lead Independent Non-Executive Director

4. **Mr. Eddie Yong**
   Independent Non-Executive Director

5. **Mr. Chan Ka Leung Gary**
   Independent Non-Executive Director

MR.
KELVIN LIM

Executive Chairman, Executive Director & Group Managing Director

Mr. Lim Lung Tieng (also known as Lin Longtian) (**林隆田**) ("**Kelvin**"), age 47, is a controlling shareholder of the Company and was first appointed to the Board on 10 July 2014 and was last re-elected on 30 January 2023. He is currently the Executive Chairman, the Executive Director, the Group Managing Director, a member of the Nominating Committee and a member of our Group's Sustainability Innovation Committee. Kelvin is also a director of all of the subsidiaries of the Group.

Kelvin brings over 20 years of experience in the property leasing, logistics services and facilities management business. He is primarily responsible for the Group's business development and overall management, including investment activities, operations and marketing efforts.

Kelvin is a patron in the Bukit Gombak and Taman Jurong Citizen's Consultative Committee, Bukit Batok East Citizen's Consultative Committee, Chairman of Singapore Wushu Dragon & Lion Dance Federation Management Committee, Honorary Chairman of the Singapore Lim See Tai Chong Soo Kiu Leong Tong Family Self-management Association and consultant to the Youth Wing, member of the Lions Club of Singapore Nee Soon Mandarin and vice-president of the National Arthritis Foundation of Singapore. For his contributions to society, Kelvin was awarded the public service medal (Pingat Bakti Masyarakat ("**PBM**")) in 2012.

Kelvin is the brother of Jess, who is also an Executive Director and a controlling shareholder of the Company.

MS.
JESS LIM

Executive Director & Group Deputy Managing Director

Ms. Lim Bee Choo (also known as Lin Meizhu) (**林美珠**) ("**Jess**"), age 50, is a controlling shareholder of the Company and has been appointed to the Board since 10 July 2014 and was last re-elected on 30 January 2024. Jess is currently the Group Deputy Managing Director and a director of all of the subsidiaries of the Group other than LHN Management Services (Nan An) Co., Limited (**南安市賢能商務管理有限公司**), LHN Asset Management (Xiamen) Co. Limited, LHN Parking HK Limited, PT Hean Nerng Group and PT Hub Hijau Serviced Offices.

Jess possesses over 25 years of extensive and varied experience across business management and supply chain management comprising of over 20 years' experience in the leasing and facilities management industry; and over 15 years' experience in the logistics services sector. In her current role, Jess spearheads the Group's corporate development and communications, investor relations and overall administration matters. She oversees critical functions including finance, human resources, information systems, legal and contract administration. Additionally, as a member of our Group's Sustainability Innovation Committee, she contributes to the development of the Group's sustainability strategies, policies and initiatives, with a focus on cultivating positive environmental and social impacts.

Jess graduated with a Bachelor of Business Administration degree from the National University of Singapore ("**NUS**"). She also holds an Executive Diploma in Directorship from the Singapore Management University and the Singapore Institute of Directors.

Jess is the sister of Kelvin, who is also an Executive Director and a controlling shareholder of the Company.

Board of Directors

MS. CH'NG LI-LING

Lead Independent Non-Executive Director

Ms. Ch'ng Li-Ling (**莊立林**) ("**Li-Ling**"), age 53, is the Chairwoman of the Remuneration Committee and a member of both the Audit and Nominating Committees. Li-Ling was appointed as the Lead Independent Non-executive Director on 5 June 2017. She was first appointed to the Board as an Independent Non-executive Director on 10 March 2015 and was last re-elected on 30 January 2024.

Li-Ling is one of the founding members of RHTLaw Asia, where she co-led the firm's Corporate and Capital Markets Practice till 2019.

She presently heads the firm's Financial Services (Regulatory) Practice where she advises Fintech firms, financial institutions and capital markets services providers on licensing and regulatory requirements and payment services providers on digital token issuances and the establishment of digital assets exchanges and e-payments platforms. She also advises Fintech companies, investors and entrepreneurs in their M&A and capital-raising exercises.

As co-head of the firm's Environment Social Governance (ESG) Practice, Li-Ling advises financial institutions, businesses and investors on legal, regulatory and governance issues relating to climate change and sustainable development.

Li-Ling is currently an independent director of SGX-ST listed Biolidics Limited (Singapore Stock Code: 8YY), an independent director of SGX-ST listed Shanaya Limited (Singapore Stock Code: SES), a member of the Singapore Academy of Law, Legal Practitioner (non-practising) of New South Wales, Australia and qualified as a solicitor of England and Wales. She was previously an independent director of SGX-ST listed DeClout Limited (Singapore Stock Code: 5UZ) from September 2012 to April 2018 and an independent director of SGX-ST listed Anchor Resources Limited (Singapore Stock Code: 43E) from December 2015 to January 2021.

Li-Ling graduated with a Bachelor of Arts (Honours) degree from NUS in 1994 and obtained her Bachelor of Laws (Honours) and Master of Laws (Merit) from the University of London in 1995 and 2011 respectively.

MR. EDDIE YONG

Independent Non-Executive Director

Mr. Yong Chee Hiong (**楊志雄**) ("**Eddie**"), age 71, is the Chairman of the Nominating Committee and a member of both the Audit and Remuneration Committees. He was first appointed to the Board as an Independent Non-executive Director on 10 March 2015 and was last re-elected on 30 January 2024.

Eddie has over 45 years of experience in the real estate industry ranging from land acquisition, planning and real estate development, marketing and asset management. He is currently a Managing Partner of Equity & Land LLP.

Eddie was previously an Executive Director of SGX-ST listed Far East Orchard Limited (formerly Orchard Parade Holdings Limited) (Singapore Stock Code: O10) from July 2008 to April 2012. He was also the Deputy Chairman of the industry and development committee and board member of the Singapore Corporation of Rehabilitative Enterprises. He also served as the management committee member of Real Estate Developers' Association of Singapore. He was awarded the public service medal PBM in 2010 for his contributions to public service. Eddie has existing professional affiliations with the Singapore Institute of Surveyors & Valuers and the Institute of Real Estate Management (USA).

Eddie holds a Master of Science (Property and Maintenance Management) degree from NUS and a Bachelor of Science (Honours) degree in Urban Estate Management from Liverpool John Moores University (previously known as Liverpool Polytechnic).

MR.
GARY CHAN

Independent Non-Executive Director

Mr. Chan Ka Leung Gary (**陳嘉樑**) ("**Gary**"), age 52, is the Chairman of the Audit Committee and a member of both the Nominating and Remuneration Committees. He was first appointed to the Board as an Independent Non-executive Director on 5 June 2017 and was last re-elected on 30 January 2024. Gary has many years of experience in accounting, corporate finance, private equity and financial consultation while advising companies across multiple disciplines and various industries.

Gary joined CFO (HK) Limited in 2014 and presently serves as the Chief Executive Officer of the Greater China business of the CFO Centre Group. He is the Chairman of the Sustainability and AI Development Committee of Kingkey Financial International (Holdings) Limited (Hong Kong Stock Code: 1468) beginning November 2024. Since 2018, he has been the Chief Strategy Officer of Elizur Inc. – the holding company of one of the largest insurance technology companies in the PRC. He is also an independent non-executive director of True Yoga Holdings Limited.

Gary's previous appointments include Corporate Finance Director of TNG (Asia) Limited and Partner at Creat Capital Company Limited. He was also previously an independent non-executive director of TOMO Holdings Limited (Hong Kong Stock Code: 6928), a company listed on the SEHK, from June 2017 to June 2021, and the Chairman of ESG Chapter – Forbes Global Alliance between 2022 and 2024.

Gary obtained a Bachelor's Degree in Mathematics and a Master's Degree in Accounting from the University of Waterloo (Canada). He also holds a Chartered Accountant certification in Canada since 2000.

Executive Officers

MS.
YEO SWEE CHENG

Chief Financial Officer

Ms. Yeo Swee Cheng (楊瑞清) ("**Swee Cheng**") first joined the Group in May 2011 as Group Finance Manager and was promoted to Group Financial Controller in July 2014 before advancing to her current position in July 2015.

Swee Cheng is primarily responsible for all finance related areas of the Group including treasury, audit and taxation functions. She supports the management on all strategic and financial planning matters in relation to the Group's business to ensure sound management of the Group's funds. As a member of our Group's Sustainability Innovation Committee, Swee Cheng offers guidance on sustainability metrics and methodologies for tracking and assessing environmental and social impacts stemming from our day-to-day operations.

Swee Cheng has over 20 years of extensive experience in financial accounting, corporate finance, treasury and taxation matters.

Swee Cheng has a Bachelor's Degree in Accountancy from NUS and is also a member of the Institute of Singapore Chartered Accountants.

MR.
WONG SZE PENG, DANNY

Chief Executive Officer of Work+Store

Mr. Wong Sze Peng, Danny (王志斌) ("**Danny**") has been with the Group since 2008 and was promoted to Assistant General Manager in July 2010, General Manager in June 2012, before being redesignated to his current position in November 2021.

Danny has over 15 years of experience in the real estate industry. Danny is primarily responsible for the Work Plus Store's business, including but not limited to the business development, sales & marketing and operations function. He plans, directs and is actively involved in promoting and expanding the Work Plus Store's business. Also, in his role as the co-chairman of our Group's Sustainability Innovation Committee, Danny spearheads discussions and explores innovative solutions that not only enhance operational profitability but also cultivate positive environmental and social impacts.

Danny holds a Bachelor of Science (Honours) Degree in Real Estate from NUS.

Company Secretary

MR.
CHONG ENG WEE

Company Secretary

Mr. Chong Eng Wee was appointed as joint company secretary of the Company in Singapore on 1 April 2020, and has been acting as the sole Company Secretary of the Company since 8 October 2021.

Mr. Chong is the Managing Director and heads the Corporate & Capital Markets Practice at Chevalier Law LLC. He is admitted as an Advocate and Solicitor in Singapore, Solicitor of the High Court of Hong Kong, Lawyer of the Supreme Court of New South Wales, Australia, and a Barrister and Solicitor of the High Court of New Zealand.

Prior to founding Chevalier Law LLC, he was a Partner and Head of Corporate at Kennedys Legal Solutions Pte. Ltd., a joint law venture between Kennedys Singapore LLP and Legal Solutions LLC, the Deputy Head of both the Capital Markets and the International China (Southeast Asia) practices at RHTLaw Taylor Wessing LLP and the representative for the Shanghai representative office of another joint law venture firm, Duane Morris & Selvam LLP in Singapore.

Currently, he is a Non-Executive and Independent Chairman at both Heatec Jietong Holdings Ltd. (Stock Code: 5OR) and Polaris Limited (Stock Code: SGX:5BI) and a Non-Executive and Independent Director at AJJ Medtech (Holdings) Limited (Stock Code: 584), all of which are SGX-ST Catalist listed companies, a Non-Executive and Lead Independent Director at both Willas-Array Electronics (Holdings) Limited, listed on both SGX-ST Mainboard (Stock Code: BDR) and the Mainboard of Hong Kong Stock Exchange (Stock Code: 00854) and Accrelist Limited, a SGX-ST Catalist listed company (Stock Code: SGX: QZG) and a Non-Executive and Independent Director at China Yuanbang Property Holdings Limited, listed on SGX-ST Mainboard (Stock Code: BCD).

He is also the Company Secretary of Sincap Group Limited (Stock Code: 5UN) since November 2021, a SGX-ST Catalist listed company, Shanghai Turbo Enterprises Ltd. (Stock Code: AWM), a SGX-ST Mainboard listed company since October 2022, and China Vanadium Titano-Magnetite Mining Company Limited (Stock Code: 893), a company listed on Mainboard of the Hong Kong Stock Exchange since December 2019. He was previously the joint company secretary and company secretary, as the case may be, of 3 SGX-ST Mainboard listed companies: Hanwell Holdings Limited (Singapore Stock Code: DM0), Intraco Limited (Singapore Stock Code: I06), and Tat Seng Packaging Group Ltd (Singapore Stock Code: T12) between March 2012 and October 2012.

Financial Highlights

FY2024 KEY FINANCIAL FIGURES

GROUP REVENUE	PROFIT BEFORE TAX	NET ASSET VALUE PER SHARE
S$121.0M	**S$51.4M**	**60.77** Singapore cents

FY2024 FINANCIAL FIGURES ACROSS CERTAIN SEGMENTS

	SPACE OPTIMISATION	FACILITIES MANAGEMENT	ENERGY RESOURCES
REVENUE	**S$83.2M**	**S$35.5M**	**S$1.6M**
PROFIT BEFORE TAX	**S$46.2M**	**S$4.7M**	**S$0.7M**

Five-year Financial Summary

	FY2020 (S$'000)	FY2021 (S$'000)	FY2022 (S$'000)	FY2023 (S$'000)	FY2024 (S$'000)
FROM CONTINUING & DISCONTINUED OPERATIONS					
– **PROFIT BEFORE INCOME TAX**	29,320	34,258	53,012	44,289	51,421
– **PROFIT ATTRIBUTABLE TO EQUITY HOLDERS**	24,144	28,063	45,838	38,211	47,290
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	121,641	145,726	185,904	216,194	254,181
NON CURRENT ASSETS	234,871	286,269	368,739	416,288	570,098
CURRENT ASSETS	108,877	100,539	100,147	137,785	126,681
CURRENT LIABILITIES	94,183	89,714	90,679	96,880	96,348
NON CURRENT LIABILITIES	125,985	148,811	186,029	239,144	343,395
CASH AND CASH EQUIVALENTS	39,127	36,801	39,743	58,580	43,333

FINANCIAL MEASURE					
NET ASSET VALUE PER SHARE (SINGAPORE CENTS)	30.23[1]	35.63[1]	45.46[1]	52.87[1]	60.77[1]
EARNINGS PER SHARE (SINGAPORE CENTS)	6.00[2]	6.94[2]	11.21[2]	9.34[2]	11.48[2]

(1) The net asset value per ordinary share as at 30 September 2020, 30 September 2021, 30 September 2022, 30 September 2023 and 30 September 2024 was computed based on the number of ordinary shares in issue of 402,445,000; 408,945,000; 408,945,000; 408,945,000 and 418,272,000 respectively.

(2) The earnings per ordinary share for the financial years ended 30 September 2020, 30 September 2021, 30 September 2022, 30 September 2023 and 30 September 2024 was computed based on the weighted average number of ordinary shares in issue of 402,445,000; 404,208,000; 408,945,000; 408,945,000 and 412,105,000 respectively.

Operations & Financial Review

Coliwoo Hotel Pasir Panjang

BUSINESS REVIEW

The **Space Optimisation Business** continued to be the primary revenue driver for the Group in the financial year ended 30 September 2024 (“**FY2024**”), with year-on-year (“**y-o-y**”) growth mainly attributed to Singapore’s strong demand for co-living spaces. The co-living business in Singapore experienced a significant boost driven by high occupancy rates and following the Group’s expansion of co-living capacity to meet market demand.

The Group’s strategic focus on expanding its co-living portfolio has been instrumental in capturing the strong demand for co-living spaces.

Number of Keys by Projects as at 30 September 2024

	Co-living (Singapore Projects)	85 SOHO (Overseas Projects)
Master Lease/ Management Contract	1,864	246
Owned/ Joint Venture	677	108
Total	2,541	354
	2,895	

As at 30 September 2024, the Space Optimisation Business had the following occupancy rates across certain properties (excluding joint venture properties and those under progressive handover):

Industrial Properties	
– Work+Store space:	99.0%
– Industrial space:	98.5%
Commercial Properties	
– Commercial space:	96.5%
Residential Properties	
– Co-living space (Singapore):	97.5%

For the **Property Development Business**, the property at 55 Tuas South Avenue was completed on schedule and received its Temporary Occupation Permit in September 2024. Units are now available for sale with revenue contributions anticipated in the next financial year.

The **Facilities Management Business** revenue grew y-o-y in FY2024, driven by the addition of new contracts from the cleaning related services business and the expansion of the car park business. The Group secured 125 new facilities management contracts and renewed 117 contracts. The car park business added 24 new car parks, with over 1,000 lots in Singapore and two car parks with over 500 lots in Hong Kong. In total, the Group operates 99 car parks with over 27,000 lots in Singapore and three car parks with over 1,000 lots in Hong Kong.

The **Energy Business** saw significant revenue growth y-o-y in FY2024. The Energy Business provides renewable energy solutions to industrial clients, including electricity supply agreements, solar energy system installations and electric vehicle ("**EV**") charging stations. As at 30 September 2024, the Group's total solar energy capacity reached approximately 8.8 MW with 44 main energy contracts, which includes 20 new solar energy contracts with a combined capacity of approximately 4.9 MW secured in FY2024. Currently, the Group operates 23 EV charging points through its subsidiaries and joint venture projects.

In line with the Group's capital recycling strategy, the Group completed key transactions in the fourth quarter of FY2024. On 31 July 2024, the Group's 40% associated company sold the car park at Bukit Timah Shopping Centre, located at 170 Upper Bukit Timah Road (sale price of S$22 million) and invested in a 50% joint venture which purchased Wilmer Place, located at 50 Armenian Street (purchase price of S$26.5 million) which will be operated under the Coliwoo co-living brand.

These transactions reflect the Group's commitment to reallocating capital to expand its Coliwoo co-living brand.

INDUSTRY OVERVIEW

SPACE OPTIMISATION BUSINESS

In FY2024, the Space Optimisation Business continued to play a pivotal role in the Group's growth strategy. According to URA's third quarter 2024 ("**3Q 2024**") report, Singapore's residential rental market demonstrated resilience, with the rental index for private residential properties rising by 0.8% quarter-on-quarter ("**q-o-q**") in 3Q 2024, following a 0.8% q-o-q decline in the previous quarter. This stability reflects sustained demand for rental accommodation, likely bolstered by Singapore's stable economic environment and favourable outlook.

The Group capitalised on this demand through targeted expansion, increasing its co-living capacity to cater to tenants seeking centrally located, high-quality rental options. However, with approximately 52,200 private residential units expected to enter the supply pipeline over the coming years[1], rental prices may face downward pressure as tenants gain more leverage in negotiating favourable terms. Despite this, the Group's focus on flexible, affordable co-living spaces positions it well to appeal to transient tenants and those valuing convenience and community, ensuring continued demand from its target segment.

Meanwhile, the industrial property sector in Singapore remained resilient, with both prices and rents rising in 3Q 2024. Rentals across all industrial property types recorded a modest increase of 0.3% q-o-q and 5% y-o-y, marking the sixteenth consecutive quarter of rental growth in this sector. Demand was particularly robust in the multiple-user factory space, where rentals increased by 0.6% q-o-q and 5.8% y-o-y. However, softer demand from third-party logistics providers and cautious spending patterns, particularly in the e-commerce sector, led to weakened demand for warehouses. Overall, the industrial market's occupancy rate held steady at 89% as of September 2024, marginally higher than a year earlier.

Industry analysts, including Colliers, expect a moderation in overall annual industrial price growth of 1% to 3% and rental growth of 2% to 4% for 2024, while Huttons expects price and rental growth of 3% to 5%[2]. Given these trends, the Group remains well-positioned to capture demand in the industrial property sector.

BUSINESS OUTLOOK

For the **Space Optimisation Business**, the Group remains focused on expanding its co-living portfolio through a robust pipeline of projects to capture the growing demand for flexible and affordable accommodation. In the financial year ending 30 September 2025 ("**FY2025**"), the Group expects to expand its Coliwoo offerings with new developments, including the launch of 48 and 50 Arab Street, the GSM Building at 141 Middle Road and 260 Upper Bukit Timah Road. These properties will add over 250 keys to its current operations.

As part of its capital recycling strategy, the Group's recent acquisitions and reinvestments, such as the purchase of Wilmer Place, enable it to channel resources into high-growth areas like co-living. The ongoing conversion of floors in the GSM Building to residential space aligns with the Group's goal of adding approximately 800 keys annually, supporting its long-term growth objectives in the co-living sector.

For the **Facilities Management Business**, the Group will continue to improve efficiency and service quality through investments in technology while seeking more external facilities management contracts. The Group will also expand its car park business through securing more vehicle parking management contracts in Singapore.

The **Energy Business** is well-positioned to support Singapore's green initiatives, with solar energy capacity reaching approximately 8.8 MW as at 30 September 2024. Additional solar contracts and electric vehicle charging projects are expected to continue driving growth for the segment.

The Group is well-positioned to capture robust market demand for co-living spaces with its growing number of keys under management. Coupled with its balanced approach to capital recycling, the Group is poised to deliver long-term sustainable value to shareholders.

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[1] https://www.ura.gov.sg/Corporate/Media-Room/Media-Releases/pr24-50

[2] https://www.businesstimes.com.sg/property/prices-rents-industrial-spaces-rise-slightly-q3-jtc

Operations & Financial Review

FINANCIAL REVIEW

REVENUE

	FY2024 S$'000	FY2023 S$'000	VARIANCE S$'000	%
Industrial Properties	25,321	25,192	129	0.5
Commercial Properties	4,314	5,911	(1,597)	(27.0)
Residential Properties				
– Co-living (Singapore)	52,425	28,257	24,168	85.5
– 85 SOHO (Overseas)	1,147	1,074	73	6.8
	53,572	29,331	24,241	82.6
Space Optimisation Business	83,207	60,434	22,773	37.7
Facilities Management Business	35,548	31,340	4,208	13.4
Energy Business	1,581	545	1,036	>100
Corporate	685	1,325	(640)	(48.3)
Total	121,021	93,644	27,377	29.2

The Group's revenue increased by approximately S$27.4 million or 29.2% from approximately S$93.6 million in FY2023 to approximately S$121.0 million in FY2024 primarily due to increase in revenue from the Space Optimisation Business and the Facilities Management Business.

(a) Space Optimisation Business

Industrial Properties

Revenue derived from Industrial Properties increased slightly by approximately S$0.1 million or 0.5% from approximately S$25.2 million in FY2023 to approximately S$25.3 million in FY2024.

Commercial Properties

Revenue derived from Commercial Properties decreased by approximately S$1.6 million or 27.0% from approximately S$5.9 million in FY2023 to approximately S$4.3 million in FY2024 mainly due to expiry of three master leases during FY2023 and more derecognition of properties from new subleases.

Residential Properties

Revenue derived from Residential Properties increased by approximately S$24.2 million or 82.6% from approximately S$29.3 million in FY2023 to approximately S$53.6 million in FY2024 mainly due to the (i) increase in revenue of approximately S$24.2 million from our co-living business in Singapore; and (ii) a slight increase in revenue of approximately S$0.1 million from our overseas properties.

The increase in revenue from our co-living business in Singapore arose mainly from (i) new co-living spaces at 298 River Valley Road, 99 Rangoon Road and 404 Pasir Panjang Road which started generating revenue between the fourth quarter of FY2023 and first quarter of FY2024; (ii) full period revenue contribution from co-living spaces at 2 Mount Elizabeth Link and Lavender Collection in FY2024; (iii) services provided under Coliwoo's management; and (iv) higher rental rates from our other co-living properties.

(b) Facilities Management Business

Revenue derived from our Facilities Management Business increased by approximately S$4.2 million or 13.4% from approximately S$31.3 million in FY2023 to approximately S$35.5 million in FY2024 mainly due to increase in facilities management services and revenue from the car park business due to increase in number of car parks secured in Singapore mainly in the fourth quarter of FY2023 and third quarter of FY2024.

(c) Energy Business

Revenue derived from our Energy Business increased by approximately S$1.0 million or 190.1% from approximately S$0.5 million in FY2023 to approximately S$1.6 million in FY2024 mainly due to increase in revenue from the solar energy business and electricity business.

(d) Corporate

Revenue derived from our Corporate decreased by approximately S$0.6 million or 48.3% from approximately S$1.3 million in FY2023 to approximately S$0.7 million in FY2024 mainly due to decrease in management fees.

COST OF SALES

Cost of sales increased by approximately S$17.0 million or 40.8% from approximately S$41.8 million in FY2023 to approximately S$58.8 million in FY2024. The increase was mainly due to the increase in site maintenance and preparation cost, staff cost, rental and depreciation of right-of-use assets from the Space Optimisation Business and Facilities Management Business which is in line with the increase in revenue.

GROSS PROFIT

In view of the above mentioned, gross profit increased by approximately S$10.3 million from approximately S$53.8 million in FY2023 to approximately S$62.2 million in FY2024 mainly from the increase under the co-living business of the Residential Properties.

OTHER GAINS/(LOSSES) – NET AND OTHER INCOME

Other gains/(losses) – net and other income decreased by approximately S$10.3 million or 60.7% from approximately S$17.0 million in FY2023 to approximately S$6.7 million in FY2024 mainly due to (i) a non-recurring gain on disposal of an associate under our Facilities Management Business in FY2023; (ii) decrease in gains from subleases classified as finance leases which were derived based on differences between the right-of-use asset derecognised and the net investment in sublease; and (iii) decrease in Governments' rental rebates and staff cost related grants.

The decrease was partially offset by (i) increase in interest income from fixed deposits placed with banks; (ii) smaller foreign exchange losses due to revaluation of United States dollar denominated balances; and (iii) decrease in impairment loss on property, plant and equipment under the Space Optimisation Business.

OTHER OPERATING EXPENSES

Other operating expenses decreased slightly by approximately S$0.1 million or 16.8% from approximately S$0.4 million in FY2023 to approximately S$0.3 million in FY2024 mainly due to a decrease in impairment loss on receivables under the Space Optimisation Business.

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses decreased by approximately S$0.8 million or 21.8% from approximately S$3.7 million in FY2023 to approximately S$2.9 million in FY2024 mainly due to lower commission expenses incurred for renewal of tenancy with our tenants under the Space Optimisation Business.

ADMINISTRATIVE EXPENSES

Administrative expenses decreased by approximately S$6.8 million or 23.8% from approximately S$28.5 million in FY2023 to approximately S$21.8 million in FY2024 mainly due to lower bonus provision in FY2024 to be paid to key management personnel due to absence of one-off realised gains from disposal of the Logistics Group, GetGo Technologies Pte. Ltd. and Amber 4042 Hotel Pte. Ltd..

FINANCE COST – NET

Finance cost increased by approximately S$2.9 million or 32.8% from approximately S$8.9 million in FY2023 to approximately S$11.8 million in FY2024 mainly due to an increase in interest expenses as a result of increase in bank borrowings, commercial paper and higher interest rates.

SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

Share of results of associates and joint ventures increased by approximately S$7.2 million from approximately S$1.7 million in FY2023 to approximately S$8.9 million in FY2024 mainly due to (i) share of net fair value gain on investment properties in FY2024 as compared to net fair value loss on investment properties in FY2023; and (ii) share of gain on disposal of a property in FY2024. This was partially offset by a decrease in operating profit from our joint ventures.

Operations & Financial Review

Coliwoo Hotel Pasir Panjang

FAIR VALUE GAIN/(LOSS) ON INVESTMENT PROPERTIES

Fair value gain on investment properties was approximately S$10.4 million in FY2024 as compared to fair value loss on investment properties of approximately S$6.0 million in FY2023.

PROFIT BEFORE TAXATION

As a result of the aforementioned, the Group's profit before taxation increased by approximately S$28.4 million or 123.7% from approximately S$23.0 million in FY2023 to approximately S$51.4 million in FY2024.

TAXATION

Income tax expenses decreased by approximately S$0.5 million from approximately S$4.0 million in FY2023 to approximately S$3.5 million in FY2024 due to higher taxable profit, partially offset by over provision of tax in prior year due to utilisation of group relief.

PROFIT FROM CONTINUING OPERATIONS

As a result of the above, the Group's net profit from continuing operations increased by approximately S$29.0 million or 153.1% from approximately S$18.9 million in FY2023 to approximately S$47.9 million in FY2024.

DISCONTINUED OPERATIONS

In FY2023, net profit from discontinued operations consisted of gain from the Group's disposal of the Logistics Group in August 2023 of approximately S$18.2 million and contribution from Logistics Group's profit after tax prior to disposal of approximately S$3.1 million.

NET PROFIT

As a result of the above, the Group's total profit for the year increased by approximately S$7.7 million or 19.0% from approximately S$40.2 million in FY2023 to approximately S$47.9 million in FY2024.

REVIEW OF STATEMENT OF FINANCIAL POSITION

Non-current Assets

Non-current assets increased by approximately S$153.8 million from approximately S$416.3 million as at 30 September 2023 to approximately S$570.1 million as at 30 September 2024 mainly due to the factors set out below.

Property, plant and equipment ("**PPE**") decreased by approximately S$3.2 million mainly due to depreciation of PPE, partially offset by the additions to PPE incurred by the Group.

Right-of-use assets remained at approximately S$13.7 million mainly due to additions to right-of-use assets for new leases entered into for the car park business, partially offset by depreciation charged in FY2024.

288 River Valley Road


LHN Food Chain

Investment properties increased by approximately S$154.2 million mainly due to (i) additions to investment properties from the purchase of properties at 288 River Valley Road, 99 Rangoon Road and 141 Middle Road; (ii) net additions to investment properties (right-of-use) from master leases under the Space Optimisation Business; and (iii) fair value gains. These were partially offset by (i) net derecognition of investment properties (right-of-use) due to recognition of net investment in sublease; and (ii) currency translation differences.

Investment in associates and joint ventures increased by approximately S$6.5 million mainly due to share of profits and other comprehensive income of associates and joint ventures recognised in FY2024, partially offset by dividends received.

Trade and other receivables decreased by approximately S$4.2 million mainly due to capitalisation of deposits paid to investment properties upon the completion of acquisition in FY2024. These were partially offset by increase in unbilled receivables as at 30 September 2024.

Loans to associates and joint ventures increased by approximately S$16.1 million mainly due to additional working capital provided in FY2024 and reclassification from current assets to non-current assets.

Prepayments remained at approximately S$0.3 million in FY2024.

Finance lease receivables decreased by approximately S$15.8 million mainly due to receipts in FY2024.

Long term fixed deposits remained at S$0.5 million in FY2024.

Current assets

Current assets decreased by approximately S$11.1 million from approximately S$137.8 million as at 30 September 2023 to approximately S$126.7 million as at 30 September 2024 mainly due to the factors set out below.

Development properties increased by approximately S$14.9 million due to construction for the redevelopment of property at 55 Tuas South Avenue 1 into a 9-storey multi-user food processing industrial development. The construction of the property was completed and Temporary Occupation Permit was received in September 2024 and the units are now available for sale.

Trade and other receivables increased slightly by approximately S$0.2 million mainly arising from the increase in unbilled receivables. This was partially offset by the decrease in trade receivables due to receipt of payments.

Operations & Financial Review

Loans to associates and joint ventures decreased by approximately S$12.6 million mainly due to reclassification from current assets to non-current assets.

Prepayments remained at approximately S$1.7 million in FY2024.

Finance lease receivables decreased by approximately S$2.0 million mainly due to receipts in FY2024.

Fixed deposits with banks and cash and bank balances decreased by approximately S$11.7 million, variance as detailed in the movement in cashflow below.

Non-current liabilities

Non-current liabilities increased by approximately S$104.3 million from approximately S$239.1 million as at 30 September 2023 to approximately S$343.4 million as at 30 September 2024 mainly due to the factors set out below.

Deferred tax liabilities decreased by approximately S$0.3 million.

Other payables increased by approximately S$14.1 million mainly arising from (i) reclassification of rental deposits received from tenants for the Space Optimisation Business from current liabilities due to renewal of subleases; and (ii) loans from non-controlling interests for additional working capital and purchase of property and reclassification from current liabilities to non-current liabilities.

Bank borrowings increased by approximately S$106.4 million, mainly for the purchase of properties and working capital loan for the Group.

Lease liabilities decreased by approximately S$15.6 million mainly due to repayments in FY2024, partially offset by the recognition of liabilities for master leases under the Space Optimisation Business.

Provisions decreased by approximately S$0.3 million mainly due to writeback of cost in FY2024.

Current liabilities

Current liabilities decreased by approximately S$0.5 million from approximately S$96.8 million as at 30 September 2023 to approximately S$96.3 million as at 30 September 2024 mainly due to the factors set out below.

Trade and other payables decreased by approximately S$9.3 million largely due to (i) reclassification of loans from non-controlling interests to non-current liabilities; (ii) payment of trade payables; (iii) decrease in accruals; and (iv) decrease in rental deposits received from tenants for the Space Optimisation Business due to reclassification to non-current liabilities as mentioned above.

Provisions decreased by approximately S$0.4 million mainly due to utilisation in FY2024.

Bank borrowings increased by approximately S$6.9 million, mainly for the purchase of properties and working capital loan for the Group.

Lease liabilities increased by approximately S$1.4 million mainly due to recognition of liabilities for master leases under the Space Optimisation Business.

Current tax payable increased by approximately S$0.9 million mainly due to provision of tax for FY2024.

REVIEW OF STATEMENT OF CASH FLOWS

In FY2024, the Group recorded net cash generated from operating activities of approximately S$28.4 million, which was a result of positive operating profit before changes in working capital, expenditure for development properties, increase in trade and other receivables and decrease in trade and other payables. This was partially offset by net income tax paid.

Net cash used in investing activities amounted to approximately S$99.8 million, which was mainly due to (i) additions to PPE incurred for the Group in FY2024; (ii) additions to investment properties mainly for the purchase of properties; and (iii) additional loans to joint ventures. These were partially offset by (i) receipts from finance lease receivables for principal and interest; and (ii) dividends received from associate and joint ventures.

Net cash generated from financing activities amounted to approximately S$56.3 million, which was mainly due to (i) proceeds from bank borrowings and commercial paper for the purchase of properties and working capital loan for the Group; and (ii) increase in loans from non-controlling interests. These were partially offset by (i) repayment of bank borrowings, commercial paper and lease liabilities; (ii) interest expenses on bank borrowings, commercial paper and lease liabilities paid; (iii) dividends paid to shareholders; and (iv) increase in restricted bank deposits and pledged fixed deposits.

As a result of the above, cash and cash equivalents decreased by approximately S$15.1 million, amounting to approximately S$43.3 million as at 30 September 2024.

LIQUIDITY AND FINANCIAL RESOURCES

During FY2024, the Group financed its operations primarily through a combination of cash flows generated from its operations, bank borrowings, commercial paper and lease liabilities.

The Group primarily obtained bank borrowings to finance its acquisition and renovation of properties. The Group also had commercial paper and revolving loans for its short-term finance needs. The Group's borrowings as at 30 September 2024 were denominated in Singapore dollars. Interest charged on these borrowings ranged from 1.38% to 6.33% per annum during the year. As at 30 September 2024, the Group had outstanding bank borrowings of S$276.6 million. These borrowings were secured by (i) legal mortgage of certain investment properties, leasehold properties and development properties in Singapore and Cambodia; (ii) corporate guarantees provided by the Group; (iii) assignment of rental proceeds of the mortgaged properties; and (iv) personal guarantees provided by non-controlling shareholders of certain non-wholly owned subsidiaries, where applicable.

As at 30 September 2024, cash and cash equivalents held by the Group were mainly cash in the banks and on hand denominated in Singapore dollars, Hong Kong dollars, United States dollars, Indonesian rupiah and Renminbi and deposits denominated in Singapore dollars that are readily convertible into cash.

GEARING RATIO

Gearing ratio is equal to interest-bearing debt divided by total capital and multiplied by 100%. Interest-bearing debt is calculated as the sum of bank borrowings and lease liabilities. Total capital is calculated as interest-bearing debt plus total equity. Gearing ratio as at 30 September 2024 was 59.6%, increased from 56.2% as at 30 September 2023.

Net gearing ratio is equal to net interest-bearing debt divided by total capital and multiplied by 100%. Net interest-bearing debt is calculated as the sum of bank borrowings and lease liabilities minus cash and bank balances and fixed deposits with banks. Total capital is calculated as interest-bearing debt plus total equity. Net gearing ratio as at 30 September 2024 was 51.6%, increased from 43.6% as at 30 September 2023.

The increase in gearing ratio and net gearing ratio were primarily due to increase in bank borrowings mainly from the purchase of properties at 288 River Valley Road, 99 Rangoon Road and 141 Middle Road, renovation costs for our Space Optimisation Business and working capital.

LEASE LIABILITIES

As at 30 September 2024, the Group had lease liabilities of S$97.8 million in respect of the Group's leased properties, plant and machinery and motor vehicles. Certain lease liabilities of the Group are secured by the underlying assets of certain plant and machinery and corporate guarantees provided by the Group.

CAPITAL COMMITMENT

The Group's capital commitments mainly relate to additions to investment properties amounting to S$7.4 million as at 30 September 2024.

CAPITAL EXPENDITURE

During FY2024, the Group's capital expenditure consists of additions to property, plant and equipment and investment properties amounting to approximately S$138.0 million for the purchase of properties at 288 River Valley Road, 99 Rangoon Road and 141 Middle Road and renovation costs for the Space Optimisation Business (FY2023: approximately S$53.0 million).

CONTINGENT LIABILITIES

As at 30 September 2024, the Group did not have any material contingent liabilities.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in this report, there were no material acquisitions and disposals of subsidiaries, associates and joint ventures for FY2024.

GUARANTEE PERFORMANCE IN RELATION TO THE ACQUISITIONS

The Group did not enter into any acquisition, which is required to be disclosed under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**HK Listing Rules**"), that the party(ies) in the contract was/were required to commit or guarantee on the financial performance of any kind for FY2024.

Operations & Financial Review

SIGNIFICANT INVESTMENT

Except for investments in subsidiaries, associates and joint ventures, the Group did not hold any significant investment in equity interest in any other company with a value of 5% or more of the total assets of the Group as at 30 September 2024, which is required to be disclosed under the HK Listing Rules.

OFF-BALANCE SHEET ARRANGEMENTS

For FY2024, the Group did not have any off-balance sheet arrangements.

FUTURE PLANS FOR MATERIAL INVESTMENT AND CAPITAL ASSETS

Save as disclosed in this report, the Group did not have any plans for material investment and capital assets as at 30 September 2024. The Company will make further announcements in accordance with HK Listing Rules and the Listing Manual (the "**SGX Listing Manual**") of the SGX-ST, where applicable, if any investments and acquisition opportunities materialise.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group mainly operates in Singapore, Indonesia, Myanmar, Malaysia, Hong Kong and Cambodia during FY2024. Currency exposure arises within entities of the Group when transactions are mainly denominated in foreign currencies such as USD, IDR and HK$. In addition, the Group is exposed to currency translation risk upon translation of the net assets in foreign operations into the Group's reporting currency in SGD. During FY2024, the Group recorded net exchange loss of approximately S$1.1 million.

The Group has not carried out any hedging activities against foreign exchange fluctuations.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2024, there were 478 (as at 30 September 2023: 459) employees in the Group. The remuneration to its employees includes salaries and allowances, which is determined based on their performance, experience and prevailing industry practices. The compensation policies and packages are reviewed on a regular basis.

SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

Saved as disclosed in this report, there was no significant event relevant to the business or financial performance of the Group that has come to the attention of the Directors after FY2024.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During FY2024, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

Environmental, Social & Governance

LHN employees volunteered to plant trees, in support of the OneMillionTrees Movement.

Our sustainability approach involves integrating eco-friendly practices into the Group's daily operations and striking a balance between environmental, social, and business aspects. Throughout the years, the Group has remained committed to conducting ethical and responsible business operations. Our ESG focus centres on three key pillars: (i) protecting the environment, (ii) creating positive social impacts for our employees, stakeholders, and communities, and (iii) maintaining strong corporate governance practices.

PROTECTING OUR ENVIRONMENT

Working towards achieving net-zero emissions is a pivotal element of the Group's sustainability strategy. We have implemented various initiatives to reduce our carbon footprint, including responsible resource consumption, adoption of renewable energy and participation in urban greening initiatives.

We adopt technologies and embrace responsible consumption practices to improve energy and water efficiency across our business segments. In our Space Optimisation Business, energy conservation is prioritised through light bulbs, air-conditioners and appliances equipped with energy-saving technologies, such as motion sensors and timer switches. These devices not only enable us to actively monitor energy usage but also facilitate the reduction of electricity wastage. Additionally, we take a proactive approach on water conservation by installing water-saving devices on all taps in our properties, effectively preventing unnecessary water wastage.

Providing integrated facilities management services for properties managed by the Group and external clients, our facilities management business mitigates health and environmental risks by using environmentally friendly chemicals and cleaning agents. In addition, the adoption of cutting-edge technologies such as cleaning robots and data-driven resource management empowers the business sector to proactively optimise resources and enhance overall productivity.

The Group is also proud to share that our renewable energy portfolio has been expanding steadily. As at 30 September 2024, our photovoltaic ("**PV**") systems generated over 8,000 kWp of renewable energy. A notable achievement is that LHN Energy Resources Pte. Ltd., our wholly-owned subsidiary and energy arm, extended its solar panel installation services to strata-titled buildings, making renewable energy accessible to more property types. The PV system installed on the rooftop of Textile Centre is expected to generate approximately 0.4 MWh of energy annually, supplying the energy needs for communal areas and reducing the building's carbon footprint. This solution provides strata building owners with an opportunity to lower energy costs while supporting environmental sustainability.

Environmental, Social & Governance

Beyond solar panels, we also provide EV charging stations across the island. Our EV charging stations are equipped with AC 7.4 kW/22kW chargers, which are future-proofed in the event that they need to upgrade to DC chargers. Through this initiative, the Group contributes to Singapore's burgeoning infrastructure for EVs, with the hopes of encouraging vehicles that run on renewable energy and the phasing out of internal combustion engine vehicles, as outlined by the Singapore Green Plan 2030.

In support of Singapore's national greening efforts, the Group participated in the National Parks Board's Plant-A-Tree programme. The trees we sponsored and planted contribute to the OneMillionTrees movement, a nationwide effort to plant one million additional trees across Singapore by 2030. To-date, our employees have planted 40 trees, and we remain committed to continuing this initiative in the years ahead.

Recognising the important role academia plays in accelerating innovation in sustainability, the Group partnered with an academic institution as one of the early donors to support the establishment of its new Sustainability Centre. The Centre aims to advance sustainability across various sectors, foster a holistic approach to sustainable design and development, and nurture talent in the field of sustainability. As part of this collaboration, our company has worked closely with its research team, providing funding, data and industry insights to support a sustainability-related research project.

CREATING POSITIVE SOCIAL IMPACTS FOR OUR EMPLOYEES, STAKEHOLDERS, AND COMMUNITIES

Fostering A Positive Workplace with Opportunities for Growth

Our commitment to employees is to create a fair, safe, and healthy workplace for them to achieve career goals and generate values to achieve business optimisation. With this common goal, we work hand in hand with our employees to strive for excellence in business performance.

Staff Training

LHN places significant emphasis on investing in the learning and development of our workforce, recognising its pivotal role in maintaining a competitive edge within our industry. This commitment is underscored by our comprehensive **Training Policy**. Customised training programmes are designed to address specific developmental needs and required skill sets across various business segments. Employees are encouraged to pursue relevant courses and sponsorships are offered for programmes not available in-house. This comprehensive approach to training and development reinforces our commitment to fostering a skilled and competitive workforce.

Additionally, we provide quality training on sustainability-related topics to relevant personnel within the organisation, ensuring they are well-versed in ESG and up-to-date with changing regulations.

Occupational Safety and Health

Safeguarding the health and safety of our employees remains our topmost priority, reflecting an unwavering commitment to our business. We are dedicated to establishing a secure and supportive work environment that empowers our team to deliver exceptional services to our customers. This commitment surpasses mere regulatory compliance as we proactively implement comprehensive measures, provide ongoing training and cultivate a culture of heightened awareness to ensure the well-being of our valued team members.

Aligned with this commitment, LHN Group operates in strict accordance with its **Health and Safety, and Environment Policy**, demonstrating a resolute pledge to preserve the health and well-being of all individuals, including our employees. Additionally, we require our contractors to uphold the highest standards of health and safety while conducting services on our premises. We rigorously monitor their performance in this aspect, conducting continuous evaluations to ensure the consistent maintenance of optimal health and safety standards.

Employee Welfare

With the employees' interest in mind, we are constantly seeking ways to maintain their positive physical and mental health.

The annual on-site health screening conducted at our headquarters is widely embraced and consistently garners enthusiastic participation from our workforce. Designed to provide employees with an overview of their health and wellness, the programme provides valuable information to our staff for monitoring both their physical and mental well-being and making informed adjustments towards healthier lifestyles.

Additionally, we organise monthly engagement events, including festival celebrations, team bonding and dinner and dance. These initiatives create opportunities for social interactions, foster collaboration and reinforce our dedication to employee well-being.

LHN employees celebrated Mid Autumn Festival with senior citizens at TOUCH Active Aging Centre.

Commitment to our customers, tenants and landlords

Our business flourishes through the cultivation of mutually beneficial and robust relationships with the stakeholders in our business ecosystem.

Committed to our vision of "Creating Productive Environments" and "real-estate as a service" business model, we provide value-added integrated space solutions, continuously developing innovative space concepts to cater to evolving business needs while supporting government initiatives. We seek to enhance the value of the properties we own and manage, not only by increasing the net lettable area, but also by constantly introducing new thematic space concepts that benefit our landlords and align with market demand. In addition, our tenants also get to enjoy the conduciveness, comfort, and efficiency of the environment that we have created for them.

To evaluate the quality of our services, we conduct an annual customer satisfaction survey for our Space Optimisation and Facilities Management Business clients. Additionally, we actively monitor reviews on public platforms like Google Reviews and social media, and we take prompt action to address any issues that arise.

Uplifting the Community through Impactful Social Contributions

We firmly believe that a stable and prosperous society is crucial for the viability of individuals and businesses. Therefore, ensuring access to necessities and development opportunities for communities in need is a responsibility we hold in high regard.

The Group's corporate social responsibility ("**CSR**") initiatives are centred around empowering beneficiaries to achieve self-sufficiency and, ultimately, become contributors to society, creating a ripple effect where kindness spreads and impacts more lives. We are committed to long-term partnerships with charity organisations that align with the Group's values and enjoy strong support from our employees. This strategy has not only increased employee volunteer participation and optimised CSR expenses but, more importantly, created meaningful and lasting change for beneficiaries.

In line with our commitment to inclusive and responsible practices, the Group integrates social service agencies into our supply chain. For example, in FY2024, our corporate gifts were sourced from social enterprises that provide vocational training for individuals with special needs, such as JOURNEY by TOUCH Community Services and APSN Centre for Adults. This initiative not only supports the career aspirations of beneficiaries but also promotes an inclusive society where everyone can contribute meaningfully.

Environmental, Social & Governance

TOUCH Young Arrows's weekly academic coaching at Coliwoo Boon Lay

LHN's corporate gift procured from JOURNEY, a brand under TOUCH Community Services

Additionally, we dedicate time at our corporate events, where possible, to communicate our CSR approaches and encourage our subsidiaries, business associates and clients to follow suit. This approach amplifies the impact of our efforts by helping charity organisations we partner with to secure more sustainable support.

A notable initiative in FY2024 was our provision of communal spaces at Coliwoo Boon Lay to TOUCH Young Arrows, a programme by TOUCH Community Services, for conducting weekly Saturday morning enrichment sessions for children from low-income and single-parent families. Previously underutilised during early weekend mornings, the space is now meaningfully put to good use to serve and benefit the community.

In FY2024, we were awarded the Champion of Good 2024 recognition by the National Volunteer and Philanthropy Centre. This prestigious national recognition is a testament to our collective commitment to excellence and making a positive impact across People, Society, Governance, Environment and Economic dimensions.

COMMITTED TO GOOD CORPORATE GOVERNANCE

LHN is committed to maintaining the highest standards of corporate governance, exemplified by rigorous board oversight and the implementation of a comprehensive Code of Corporate Governance, with specific reference to the principles and provisions of the SG Corporate Governance Code and the principles of good corporate governance and code provisions of the Corporate Governance Code in Appendix C1 to the HKEX Listing Rules. Our dedication to transparency, accountability and ethical business practices underscores our continuous efforts to comply with the principles that guide our organisational conduct.

Adopting a 360-degree communication approach, we provide timely updates on operations and financial performance through various channels, including print publications, direct communication, SGX, SEHK, analyst briefing sessions and social media platforms. Aimed at updating and educating investors about our businesses, our investor relations content on social media is crafted in a creative, engaging, and visually appealing manner.

We will continue to keep shareholders informed of the Group's financial performance and latest corporate developments through timely and accurate announcements to the investment community and media. Public access to information about our Group is available via the following platforms:

- SGX-ST's SGXNET, SEHK's HKEXnews and our website (www.lhngroup.com). All our corporate communications such as announcements, press releases, presentation slides and annual reports are available simultaneously via these channels;
- A dedicated investor relations ("**IR**") section within our corporate website;
- Staying connected with our investors and the media through our IR email: enquiry@lhngroup.com.sg; and
- Our IR website also allows the public to subscribe and receive alerts whenever an announcement is posted on the website.

Our Achievements

Mr. Kelvin Lim received the SBR National Business Awards 2024 on behalf of Coliwoo Property Management Pte. Ltd., which was honored in the Property Services Category.

LOW CARBON SG
Awarded to:
- Coliwoo Bugis Pte. Ltd.
- Coliwoo Orchard Pte. Ltd. (formerly known as Erinite Properties Pte. Ltd.)
- LHN Group Pte. Ltd. (Industrial and Commercial)

by Carbon Pricing Leadership Coalition Singapore

COMPANY OF GOOD – CHAMPION OF GOOD RECOGNITION
Awarded to:
- LHN Group Pte. Ltd. ("**LHN Group**")

by National Volunteer and Philanthropy Centre

BIZSAFE LEVEL 3 CERTIFICATION
Awarded to:
- LHN Group
- Industrial and Commercial Facilities Management Pte. Ltd. ("**ICFM**")
- LHN Energy Resources Pte. Ltd.
- Work Plus Store Pte. Ltd.

by Workplace Safety and Health Council

CLEAN MARK GOLD AWARD UNDER THE CLEAN MARK ACCREDITATION SCHEME
(for cleaning services in the conservancy/public areas, commercial premises and food & beverage establishments sectors)
Awarded to:
- ICFM

by National Environment Agency

PROGRESSIVE WAGE MARK ACCREDITATION
Awarded to:
- ICFM

by Singapore Business Federation

ISO 9001:2015 QUALITY MANAGEMENT SYSTEM CERTIFICATE FOR FACILITIES MANAGEMENT SERVICES
Awarded to:
- ICFM

by SOCOTEC Certification International

SBR NATIONAL BUSINESS AWARDS 2024 PROPERTY SERVICES CATEGORY
Awarded to:
- Coliwoo Property Management Pte. Ltd.

by Singapore Business Review

SELF STORAGE AWARDS ASIA 2024 CREATIVE & EFFECTIVE MARKETING AWARD (SINGAPORE) CATEGORY
Awarded to:
- Work Plus Store Pte. Ltd.

By Self Storage Association Asia

Corporate Information

BOARD OF DIRECTORS
Lim Lung Tieng
Executive Chairman
Executive Director
Group Managing Director

Lim Bee Choo
Executive Director
Group Deputy Managing Director

Ch'ng Li-Ling
Lead Independent Non-executive Director

Yong Chee Hiong
Independent Non-executive Director

Chan Ka Leung Gary
Independent Non-executive Director

AUDIT COMMITTEE
Chan Ka Leung Gary (Chairman)
Ch'ng Li-Ling
Yong Chee Hiong

REMUNERATION COMMITTEE
Ch'ng Li-Ling (Chairwoman)
Yong Chee Hiong
Chan Ka Leung Gary

NOMINATING COMMITTEE
Yong Chee Hiong (Chairman)
Ch'ng Li-Ling
Chan Ka Leung Gary
Lim Lung Tieng

COMPANY SECRETARY
Chong Eng Wee

REGISTERED OFFICE
75 Beach Road
#04-01
Singapore 189689
Tel: (65) 6368 8328
Fax: (65) 6367 2163

PRINCIPAL PLACE OF BUSINESS IN HONG KONG
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Hong Kong

HONG KONG LEGAL ADVISER
Morgan, Lewis & Bockius
19th Floor
Edinburgh Tower, The Landmark
15 Queen's Road Central
Hong Kong

SINGAPORE PRINCIPAL SHARE REGISTRAR
Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
Keppel Bay Tower #14-07
Singapore 098632

HONG KONG BRANCH SHARE REGISTRAR
Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

AUDITORS
PricewaterhouseCoopers LLP
Registered Public Interest Entity Auditor in Hong Kong
7 Straits View
Marina One East Tower
Singapore 018936
Partner-in-charge: Lee Zhen Jian
(since financial year 2022)

PRINCIPAL BANKERS
DBS Bank Ltd.
12 Marina Boulevard
Marina Bay Financial Centre
Tower 3
Singapore 018982

Oversea-Chinese Banking Corporation Limited
65 Chulia Street
#09-00 OCBC Centre
Singapore 049513

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

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LHN Limited
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WEBSITE
www.lhngroup.com

STOCK CODES
Singapore: 41O
Hong Kong: 1730

Content

FINANCIALS

Report on Corporate Governance

DISCLOSURE TABLE FOR ANNUAL REPORT IN COMPLIANCE TO THE CODE OF CORPORATE GOVERNANCE 2018, MAINBOARD RULES, HK CORPORATE GOVERNANCE CODE AND THE HK LISTING RULES

The Board of Directors (the "**Board**" or "**Directors**") and the management (the "**Management**") of LHN Limited (the "**Company**" and together with its subsidiaries, the "**Group**") are committed to maintaining a high degree of corporate governance and transparency for the benefit of all the stakeholders of the Company. For the financial year ended 30 September 2024 ("**FY2024**"), the Board and the Management are pleased to confirm that the Company has adhered to the principles and provisions of the Code of Corporate Governance 2018 (the "**SG Corporate Governance Code**") where applicable, pursuant to Rule 710 of the Listing Manual Section A: Rules of Mainboard (the "**Mainboard Rules**") issued by the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Shareholders of the Company (the "**Shareholders**") should note that the Company has completed the transfer of its listing from Catalist to the Mainboard of the SGX-ST on 13 December 2023.

This report outlines the Company's corporate governance processes and structure that were in place during FY2024, with specific reference to the principles and provisions of the SG Corporate Governance Code. Where there is a deviation from the SG Corporate Governance Code, appropriate explanation has been provided.

The dual primary listing of the shares of the Company (the "**Shares**") on the Main Board of The Stock Exchange of Hong Kong Limited ("**SEHK**") was completed on 29 December 2017 (the "**HK Listing Date**"). We have applied and adopted the principles of good corporate governance and code provisions of the Corporate Governance Code (the "**HK Corporate Governance Code**") in Appendix C1 to the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited (the "**HK Listing Rules**") as part of the Company's corporate governance policy in addition to the SG Corporate Governance Code that the Company has to comply with, and the Company will comply with the more stringent requirements in the event of any conflict between the SG Corporate Governance Code and HK Corporate Governance Code. During FY2024, we complied with all code provisions of the HK Corporate Governance Code except the deviation from code provision C.2.1 of the HK Corporate Governance Code. The Board is responsible for determining the policy for the corporate governance of the Company and performing the corporate governance duties and functions (together with various committees established by the Board) set forth in code provision A.2.1 of the HK Corporate Governance Code.

Please refer to "Report on Corporate Governance – Principle 3 – Chairman and Chief Executive Officer ("**CEO**")" for details of code provision C.2.1 of the HK Corporate Governance Code.

Provisions/ Principles/ Rules	**Code and/or Guideline Description**	**Company's Compliance or Explanation/Compliance with HK Corporate Governance Code**
BOARD MATTERS		
The Board's Conduct of 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 Company is headed by an effective Board, which is collectively responsible and works with the Management for the long-term success of the Company. Please refer to Provisions 1.1 to 1.7 below for more details and instances of the Company's compliance with this principle.

Provision 1.1	Directors are fiduciaries who act objectively in the best interests of the company and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.	The Board works with the Management and is collectively responsible for the long-term success of the Company, oversees the corporate policy and overall strategy for the Group. The principal roles and responsibilities of the Board, amongst others, include: • Oversees the overall strategic plans including sustainability and environmental issues as part of its strategic formulation, strategic human resources framework, and financial objectives of the Group; • Oversees and safeguards shareholders' interest and the Company's assets through a robust system of effective internal controls, risk management, financial reporting and compliance; and • Oversees the processes for evaluating the adequacy and effectiveness of internal controls (including financial, operational, compliance and information technology controls) and risk management systems. The day-to-day management, administration and operation of the Group are delegated to the Group Managing Director, Group Deputy Managing Director and the senior management of the Company. The delegated functions and work tasks are periodically reviewed. Approvals have to be obtained from the Board prior to any significant transactions entered into by these officers. All Directors exercise due diligence and independent judgement in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interests of the Group. To ensure that independent views and input are readily available to the Board, the Board has implemented certain mechanisms, including: (a) actively encouraging independent non-executive Directors to participate in Board and Board committee meetings; (b) ensuring that such independent non-executive Directors have adequate time to fulfil their duties as a Director of the Company; (c) setting clear terms of reference for the nominating committee to identify suitable candidates for appointment of Directors, including assessing independence of any independent non-executive Directors to be appointed to the Board; and (d) providing access to external independent professional advice as required at the Company's expense. Such mechanisms are reviewed on an annual basis to ensure their continued relevance and effectiveness. All Directors are required to disclose their business interests and any potential or actual conflicts of interest that they are aware of, or as soon as such conflicts become apparent. In any situation that involves a conflict of interest with the Company, the Directors recuse themselves from participating in any discussion and decision on the matter.

Report on Corporate Governance

Provision 1.2	Directors understand the company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the company's expense. The induction, training and development provided to new and existing directors are disclosed in the company's annual report.	Newly appointed Directors will be given briefings and orientation regarding business-related matters by the executive Directors and the Management to familiarise them with the businesses and operations of the Group. Upon appointment, the Director will receive a formal letter of appointment setting out his/her duties and responsibilities and would receive an orientation kit which includes the codes of corporate governance, model code for securities transactions by directors, terms of reference(s) of the Board committee(s) that he/she is appointed to and other relevant materials to enable them to discharge their duties as a Director. All newly appointed Directors are also required to attend and undergo relevant induction and orientation programs, courses required under the Mainboard Rules and HK Listing Rules, as well as other relevant training courses conducted by the legal advisor and the Company when appropriate. The Directors may join institutes and group associations of specific interests and attend relevant training seminars or informative talks from time to time to enable them to better discharge their duties. The Company encourages the Directors to attend courses and trainings in areas of directors' duties and responsibilities, corporate governance, changes in the financial reporting standards, the Mainboard Rules and the HK Listing Rules, insider trading, changes in the Companies Act 1967 of Singapore (the "**Companies Act**") and industry-related matters, to develop themselves professionally, at the Company's expense. For FY2024, in accordance with code provision C.1.4 of the HK Corporate Governance Code, trainings, briefings and updates were provided to all the Directors, namely Mr. Lim Lung Tieng ("**Mr. Kelvin Lim**"), Ms. Lim Bee Choo ("**Ms. Jess Lim**"), Ms. Ch'ng Li-Ling, Mr. Yong Chee Hiong ("**Mr. Eddie Yong**") and Mr. Chan Ka Leung Gary ("**Mr. Gary Chan**"), which included: • briefings by the external auditor on changes of or amendments to accounting standards applicable to the Company at the Audit Committee (the "**AC**") meetings; • updates by the secretary of the Company (the "**Company Secretary**") on amendments to the Companies Act and the Mainboard Rules from time to time; and • directors' training provided by the Hong Kong legal counsel of the Company on, among others, the amendments to the HK Listing Rules and updates on the regulatory requirements for listed companies in Hong Kong. The Company will from time to time arrange for relevant and appropriate continuous professional training to all the Directors to develop and refresh their knowledge and skills in relation to the HK Listing Rules and the Mainboard Rules to enable them to better discharge their duties as a Director.

Provision 1.3	The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are disclosed in the company's annual report.	The Board has in place an authority matrix to provide guidelines on the approval for material transactions. Matters that require the Board's approval include, amongst others, the following: • Board authorisation limits; • Appointment and re-election of the Directors with reference to the adopted nomination policy, diversity policy, the Mainboard Rules, the HK Listing Rules and the constitution of the Company (the "**Constitution**"), and on the recommendation of the Nominating Committee (the "**NC**"); • Salaries and benefits/allowances of the members of the Board, executive officer and key management personnel as recommended by the Remuneration Committee (the "**RC**"); • Evaluation and approval of investments including acquisition of any property or properties above a certain amount, mergers and acquisitions transactions, divestments and any corporate actions; • Significant capital expenditure; • Public announcements and responses to the SGX-ST/SEHK/ regulators, if any; • Dividend pay-out decisions with reference to the adopted dividend policy; • Assessing the risk of the Group and reviewing and implementing appropriate measures to manage such risks; • Assuming overall responsibility of corporate governance of the Group; and • Auditor's reports if deemed satisfactory and free of material errors after review.

Report on Corporate Governance

<table>
<tr><td>Provision 1.4</td><td>Board committees, including Executive Committees (if any), are formed with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each committee's activities, are disclosed in the company's annual report.</td><td><u>Board Committees</u>

The Board is the highest authority of approval and specific functions of the Board are either carried out by the Board or through various committees established by the Board, namely, the AC, NC and RC (collectively, the "Board Committees"). Each committee has the authority to examine issues relevant to their respective terms of reference and to make fair, proper and appropriate recommendations to the Board when required. The ultimate responsibility for the final decision on all matters, however, lies with the entire Board. The chairperson of each Board Committee will report to the Board on the outcome of the respective Board Committee meetings.

The composition of the Board Committees is as follows:

<table><tr><th></th><th>AC</th><th>NC</th><th>RC</th></tr><tr><td>Chairperson</td><td>Mr. Gary Chan</td><td>Mr. Eddie Yong</td><td>Ms. Ch'ng Li-Ling</td></tr><tr><td>Member</td><td>Ms. Ch'ng Li-Ling</td><td>Ms. Ch'ng Li-Ling</td><td>Mr. Eddie Yong</td></tr><tr><td>Member</td><td>Mr. Eddie Yong</td><td>Mr. Gary Chan</td><td>Mr. Gary Chan</td></tr><tr><td>Member</td><td>–</td><td>Mr. Kelvin Lim</td><td>–</td></tr></table>
Information on the AC, RC and NC, their respective terms of reference, summaries of their activities and any delegation to them by the Board of its decision-making authority can be found in the subsequent sections of this Annual Report.</td></tr>
<tr><td>Provision 1.5</td><td>Directors attend and actively participate in Board and board committee meetings. The number of such meetings and each individual director's attendances at such meetings are disclosed in the company's annual report. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.</td><td>The Board conducts scheduled meetings on a quarterly basis with active participation from majority of the Directors to consider and approve the announcements, circulars, annual and interim reports (including financial statements) and other publications of the Group, discuss business, financial and corporate governance update and interim and annual results. Additional meetings are convened as and when circumstances warrant. The Constitution allows Board meetings to be conducted via any means of which all persons participating in the meetings can hear each other, including but not limited to, video-conference or audio-visual communication. The Directors are free to discuss any information or views presented by any member of the Board and the Management.

When necessary or appropriate, members of the Board exchange views outside the formal environment of Board meetings. Each Board member is expected to objectively discharge his or her duties and fiduciary responsibilities at all times in the best interests of the Company.</td></tr>
</table>

<table>
<tr><td></td><td></td><td>The attendance record of each Director at meetings of the Board and Board Committees during FY2024 is disclosed below:

<table>
<tr><th></th><th>Board</th><th>AC</th><th>NC</th><th>RC</th><th>Annual General Meeting</th><th>Extraordinary General Meeting</th></tr>
<tr><td>Total number of meetings held in FY2024</td><td>5</td><td>3</td><td>1</td><td>1</td><td>1</td><td>1</td></tr>
<tr><td>Name of Director</td><td colspan="6">Number of meetings attended in FY2024</td></tr>
<tr><td>Mr. Kelvin Lim</td><td>5</td><td>3(1)</td><td>1</td><td>1(1)</td><td>1</td><td>1</td></tr>
<tr><td>Ms. Jess Lim</td><td>5</td><td>3(1)</td><td>1(1)</td><td>1(1)</td><td>1</td><td>1</td></tr>
<tr><td>Ms. Ch'ng Li-Ling</td><td>5</td><td>3</td><td>1</td><td>1</td><td>1</td><td>1</td></tr>
<tr><td>Mr. Eddie Yong</td><td>5</td><td>3</td><td>1</td><td>1</td><td>1</td><td>1</td></tr>
<tr><td>Mr. Gary Chan</td><td>5</td><td>3</td><td>1</td><td>1</td><td>1</td><td>1</td></tr>
</table>

Note:
(1) Attended as an invitee.

Please refer to Provision 4.5 below for more information on the NC's assessment of time spent and attention given by each of the Directors to the Company's affairs.</td></tr>
<tr><td>Provision 1.6</td><td>Management provides directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.</td><td><u>Provision of information on an on-going basis</u>

The Board is responsible for providing a balanced and understandable assessment of the Group's performance, position and prospects, including interim and other price-sensitive public information and reports to regulators (if required). The Management provides the Board and Board Committees with sufficient relevant information on the Group's financial performance and commentary of the competitive conditions of the industry in which the Group operates on a timely basis so that it may effectively discharge its duties. The Company adopts a policy which welcomes Directors to request for further explanations, briefings or informal discussions on any aspect of the Group's operations or business from Management.

In addition, the Management keeps the Board apprised of the Group's operations and performance through quarterly updates and reports as well as through informal discussions. Key management personnel who can provide additional insight into the matters at hand would be invited to Board meetings.</td></tr>
</table>

		Provision of information prior to meetings Prior to any meetings of the Board or Board Committees, Directors are provided, where appropriate, with sufficient relevant information at least three days prior to the meetings to enable them to be prepared for making informed decisions at the meetings. On an on-going basis, all Board members have separate and independent access to the Management should they have any queries or require additional information on the affairs of the Group. Before each meeting, the Management would provide the Board members with the required explanatory documents relating to matters to be brought before the Board. The Management also provides the Board with quarterly updates on financial results, operational performance, business developments and other important and relevant information.
Provision 1.7	Directors have separate and independent access to Management, the company secretary, and external advisers (where necessary) at the company's expense. The appointment and removal of the company secretary is a decision of the Board as a whole.	The Directors also have access to the Company Secretary who attends all Board and Board Committees' meetings. The Company Secretary assists the chairman of the Board (the "**Chairman**") and the Board in implementing and strengthening corporate governance practices and processes. The Company Secretary also assists the Directors with the preparation of Directors' resolutions in writing, recording of minutes of meetings, the facilitation of the general meeting proceedings, the preparation and release of all SGX-ST and SEHK announcements as well as updates on the relevant changes to the Companies Act, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the HK Listing Rules, the Mainboard Rules, the HK Corporate Governance Code and the SG Corporate Governance Code. The Board is given the names and contact details of the Management, the Company Secretary and external advisers, where necessary, to facilitate direct, separate and independent access to the foregoing parties. The appointment and removal of the Company Secretary is a decision subject to the approval of the Board as a whole at a physical, electronic and/or hybrid meeting. Where the Directors either individually or as a group (including the AC, NC and RC), in the furtherance of their duties, require independent professional advice, assistance is available to assist them in obtaining such advice at the Company's expense.
Board Composition and Guidance		
Principle 2	The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.	The Board considers that it 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. Please refer to Provisions 2.1 to 2.5 below for more details and instances of the Company's compliance with the principle.

Provision 2.1

An "independent" director is 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.

Provision 2.2

Independent directors make up a majority of the Board where the Chairman is not independent.

Provision 2.3

Non-executive directors make up a majority of the Board.

During FY2024 and up to the date of this report, the Board comprises five Directors, three of whom are independent non-executive Directors, as set out below.

Director	Designation	Date of Initial Appointment as a Director	Date of Last Re-election	AC	NC	RC
Mr. Kelvin Lim[(1)(2)]	Executive Chairman, Executive Director and Group Managing Director	10 July 2014	30 January 2023	–	Member	–
Ms. Jess Lim[(1)]	Executive Director and Group Deputy Managing Director	10 July 2014	30 January 2024	–	–	–
Ms. Ch'ng Li-Ling[(3)]	Lead Independent Non-Executive Director	10 March 2015	30 January 2024	Member	Member	Chairwoman
Mr. Eddie Yong[(3)]	Independent Non-Executive Director ("**INED**")	10 March 2015	30 January 2024	Member	Chairman	Member
Mr. Gary Chan	INED	5 June 2017	30 January 2024	Chairman	Member	Member

Notes:

(1) Mr. Kelvin Lim is the brother of Ms. Jess Lim. Save for the foregoing, there is no other relationship (including financial, business, family or other material/relevant relationship(s)) between the Board members.

(2) Mr. Kelvin Lim will retire pursuant to Regulation 99 of the Constitution and will be subject to re-election as Directors at the forthcoming annual general meeting of the Company ("**AGM**").

(3) Ms. Ch'ng Li-Ling and Mr. Eddie Yong will retire and will not be seeking re-election as Directors at the forthcoming AGM.

As shown above, majority of the Board consists of INEDs. Accordingly, the requirement of the SG Corporate Governance Code that majority of the Board comprises independent Directors where the Chairman is not independent, is satisfied. During the financial year under review, the Board has complied with the requirements of Rule 3.10A of the HK Listing Rules as well as Rule 210(5)(c) of the Mainboard Rules that at least one-third of the Board comprises INEDs. The Company has also met the requirements of Rule 3.10 of the HK Listing Rules relating to the appointment of at least three INEDs with at least one of them possessing appropriate professional qualifications, accounting or related financial management expertise. Mr. Gary Chan, the chairman of AC, possesses the appropriate professional qualification as required under Rule 3.10(2) of the HK Listing Rules. Please refer to "Board of Directors" for details of Mr. Gary Chan's biography.

During FY2024, there was no change in the composition of the Board. Details of the Directors' qualifications, experiences, and relationship among members of the Board are set out on pages 11 to 13 of this Annual Report.

<table>
<tr><td></td><td></td><td>Pursuant to Rule 210(5)(d)(iv) of the Mainboard Rules read with Paragraph 2.1 of SGX-ST Transitional Practice Note 4 on Transitional Arrangements regarding the Tenure Limit for Independent Directors, Ms. Ch'ng Li-Ling and Mr. Eddie Yong (both of them who have served on the Board for more than nine years) will not be considered independent following the conclusion of the forthcoming AGM. Accordingly, Ms. Ch'ng Li-Ling and Mr. Eddie Yong will retire as INEDs, and neither Ms. Ch'ng Li-Ling nor Mr. Eddie Yong will be seeking re-election at the forthcoming AGM.

In view of the above, the NC, having sourced for suitable candidates who fulfil the independence criteria, has recommended Mr. Ang Poh Seong ("Mr. Wilson Ang") and Mr. Lim Kian Thong ("Mr. Jimmy Lim") for election as INEDs of the Company. The Board has accepted these recommendations and proposed their appointments for Shareholders' approval at the forthcoming AGM.

Please refer to Provision 4.4 below for more information on the NC's determination of the independence for the INEDs.</td></tr>
<tr><td>Provision 2.4</td><td>The Board and board committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The board diversity policy and progress made towards implementing the board diversity policy, including objectives, are disclosed in the company's annual report.</td><td>For FY2024, the NC had reviewed the size and composition of the Board for effective decision-making, taking into account factors such as the scope and nature of the operations of the Group and the core competencies of Board members in the fields of the relevant industry knowledge, accounting and finance, as well as professional legal services. The INEDs are able to constructively challenge and assist in the development of the business strategies and in reviewing and monitoring of the Management's performance against set targets.

The Board's policy in identifying Director's nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group. The current Board composition provides a diversity of skills, gender, experience, and knowledge to the Company as follows: –

<table>
<tr><td colspan="3">Balance and Diversity of the Board</td></tr>
<tr><td></td><td>Number of Directors</td><td>Proportion of the Board</td></tr>
<tr><td colspan="3">Core Competencies</td></tr>
<tr><td>Accounting or finance related</td><td>5</td><td>100%</td></tr>
<tr><td>Business and management experience</td><td>5</td><td>100%</td></tr>
<tr><td>Legal or corporate governance</td><td>5</td><td>100%</td></tr>
<tr><td>Relevant industry knowledge</td><td>3</td><td>60%</td></tr>
<tr><td>Strategic planning experience</td><td>5</td><td>100%</td></tr>
<tr><td colspan="3">Gender Diversity</td></tr>
<tr><td>Male</td><td>3</td><td>60%</td></tr>
<tr><td>Female</td><td>2</td><td>40%</td></tr>
</table>
</td></tr>
</table>

		The Board has taken the following steps to maintain or enhance its balance and diversity: • Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and will enhance the efficacy of the Board; and • Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board. The Board currently comprises two female Directors and three male Directors. The Board is of the view that the existing gender diversity in respect of the Board is sufficient, and that the nomination policy of the Company can ensure that there will be a pipeline of potential successors to the Board which continues the existing gender diversity in the Board. The NC has considered the results of the evaluation exercises among others, in its recommendation for the appointment of new Directors and/or the re-appointment of incumbent Directors. For FY2024, no additional INED has been recommended and invited by the NC to join the Board, considering that the existing diversity (including but not limited to gender diversity) is sufficient for the Board to function effectively, having regard to the nomination policy of the Company for the time being. The Board will review its size, structure and composition together with the NC at least annually to ensure that an effective decision-making process is in place. Please refer to Principle 4 for more details on the NC and its duties, and in particular, please refer to Provision 4.3 for more details on the Board's nomination policy. With respect to gender diversity, following the retirement of Ms. Ch'ng Li-Ling and Mr. Eddie Yong at the conclusion of the forthcoming AGM, the Board will comprise one female Director and two male Directors. The Company wishes to highlight that, prior to the recommendations by the NC and the proposed appointments of Mr. Wilson Ang and Mr. Jimmy Lim as INEDs for Shareholders' approval by the Board, the NC, in line with the Board's nomination policy, sought to identify suitable female candidates for appointment to the Board. However, after careful deliberation and discussion, the NC and the Board have determined that Mr. Wilson Ang with his professional experience in real estate sector including real estate investment trust management, industrial property investment and management as well as consultancy services and Mr. Jimmy Lim with his professional accounting qualifications coupled with his in-depth investment banking and corporate finance experience, were best suited to contribute to the Company at this time.

		The Board remains committed to promoting gender diversity. As at 30 September 2024, the gender ratio of the Group's workforce (including senior management) was approximately 60% male to 40% female. The Group has adopted the Tripartite Standards on fair employment practices and abide to the guidelines to achieving gender diversity across the workforce. The Board is confident that the current composition, including the appointments of Mr. Wilson Ang with his professional experience in real estate sector including real estate investment trust management, industrial property investment and management as well as consultancy services and Mr. Jimmy Lim with his professional accounting qualifications coupled with his in-depth investment banking and corporate finance experience, provides an appropriate mix of members with complementary skills, core competencies, and experience for the Group.
Provision 2.5	Non-executive directors and/or independent directors, led by the independent Chairman or other independent director as appropriate, meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.	The INEDs will meet separately without the presence of the Management. Led by the Lead INED, the INEDs met the internal and external auditors in FY2024 without the presence of any executive Directors and the 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.	The Board is of the view that there is a clear division of responsibilities between the leadership of the Board and the Management, and no one individual has unfettered powers of decision-making. Please refer to Provisions 3.1 to 3.3 below for more details and instances of the Company's compliance with such principle.
Provision 3.1	The Chairman and the CEO are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.	Under code provision C.2.1 of the HK Corporate Governance Code and Provision 3.1 of the SG Corporate Governance Code, the roles of Chairman and CEO should be separated and should not be performed by the same individual. The Company does not have a CEO. However, this position is carried out by the Group Managing Director (the "**GMD**"), who is responsible for the day-to-day management of business. Mr. Kelvin Lim is an executive Director, the Chairman and the GMD. Throughout the Group's business history, Mr. Kelvin Lim has held the key leadership position of the Group since 1998 and has been deeply involved in the formulation of corporate strategies and management of business and operations of the Group. Taking into account the consistent leadership within the Group and in order to enable more effective and efficient overall strategic planning and continuation of the implementation of such plans, the Board (including our INEDs) is of the opinion that it is not necessary for the role of the GMD and Chairman to be separate after taking into account the size, scope and operations of the Group, and that Mr. Kelvin Lim is the best candidate for both positions. Accordingly, the Board considers that the present arrangements are beneficial and in the interests of the Group and the Shareholders as a whole.

Provision 3.2	The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO.	The Chairman provides overall leadership to the Board. The Chairman, with the help of the Company Secretary, ensures that Board meetings are held as and when necessary and sets the meeting agenda in consultation with fellow Directors and other key management personnel, and if required, the professional advisors. The Chairman also ensures the quality, quantity and timeliness of the flow of information between the Management, the Board and the Shareholders. He promotes high standards of corporate governance as well as a culture of openness and debate at Board meetings. He also encourages constructive relationship within the Board and between the Board and the Management while facilitating the effective contributions of INEDs during the Board meetings. The GMD is responsible for the overall operations, market development, strategic management and business expansion of the Group.
Provision 3.3	The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The lead independent director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.	The Board has appointed Ms. Ch'ng Li-Ling as the Lead INED to provide leadership in situations where the Chairman is conflicted and not independent. As the Lead INED, she shall be available to the Shareholders, where they have concerns relating to matters which contact through normal channels of the Chairman, GMD or the Management has failed to resolve or for which such contact is inappropriate, as well as at the Company's general meetings. Following the retirement of Ms. Ch'ng Li-Ling as a INED of the Company at the conclusion of the forthcoming AGM, Ms. Ch'ng Li-Ling will contemporaneously relinquish her position as the Lead INED. The Company intends to redesignate Mr. Gary Chan as the Lead INED after the conclusion of the forthcoming AGM of the Company to ensure that it is in compliance with the SG Corporate Governance Code.
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 Board is of the view that it 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. Please refer to Provisions 4.1 to 4.5 below for more details and instances of the Company's compliance with such principle.

Provision 4.1	The Board establishes a NC to make recommendations to the Board on relevant matters relating to: (a) the review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel; (b) the process and criteria for evaluation of the performance of the Board, its board committees and directors; (c) the review of training and professional development programmes for the Board and its directors; and (d) the appointment and re-appointment of directors (including alternate directors, if any).	The Company has established the NC in compliance with Rule 3.27A of the HK Listing Rules, and the terms of reference of the NC, which are available on the websites of the Company, the SGX-ST and the SEHK, include: (a) making recommendations to the Board on relevant matters relating to: (i) the review of board succession plans for Directors, in particular, the Chairman and the GMD; (ii) the reviewing of training and professional development programs for the Board; (iii) the reviewing of the existing diversity policy; (iv) the reviewing of the nomination policy; and (v) the appointment and re-appointment of Directors (including alternate Directors, if applicable); (b) reviewing and determining annually, and as and when circumstances require, if a Director is independent, in accordance with the Mainboard Rules, the SG Corporate Governance Code and Rule 3.13 of the HK Listing Rules and any other salient factors; (c) reviewing the structure, size and composition of the Board annually to ensure that the Board and its committees comprise Directors who as a group provide an appropriate balance and diversity of skills, expertise, gender and knowledge of the Group and provide core competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge; (d) where a Director has multiple board representations, deciding whether the Director is able to and has been adequately carrying out his or her duties as a Director, taking into consideration the Director's number of listed company board representation and other principal commitments; and (e) reviewing, assessing and recommending suitably qualified nominee(s) or candidate(s) for appointment or election to the Board considering his/her competencies, commitment, contribution, performance and whether or not he/she is independent, and to select or make recommendations to the Board on the selection of individuals nominated for directorships of the Board.

		In addition, the NC will make recommendations to the Board on the development of a process for the evaluation and performance of the Board, its Board Committees and individual Directors. In this regard, the NC will decide how the Board's performance is to be evaluated and propose objective performance criteria which addresses how the Board will enhance long-term shareholder value. Please refer to Principle 5 for more details on the process for evaluating the performance of the Board, the Board Committees and individual Directors.
Provision 4.2	The NC comprises at least three directors, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC.	The NC comprises Mr. Eddie Yong (Chairman), Ms. Ch'ng Li-Ling, Mr. Gary Chan and Mr. Kelvin Lim. Three of the foregoing NC members, including the NC chairman, are INEDs, and one of them is an executive Director. The Lead INED is also a member of the NC. Following the retirement of Mr. Eddie Yong and Ms. Ch'ng Li-Ling at the conclusion of the forthcoming AGM, the Board intends to appoint Mr. Wilson Ang and Mr. Jimmy Lim as chairman and member of the NC respectively, after the forthcoming AGM of the Company (subject to Mr. Wilson Ang and Mr. Jimmy Lim's appointment as INEDs being approved by Shareholders at the forthcoming AGM) to ensure compliance with the SG Corporate Governance Code and the HK Corporate Governance Code.
Provision 4.3	The company discloses the process for the selection, appointment and re-appointment of directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates in the company's annual report.	<u>Board Nomination Policy</u> The Company has adopted a nomination policy on 1 January 2019 in compliance with the HK Corporate Governance Code, which establishes written guidelines to the NC to identify individuals suitably qualified to become Directors and make recommendations to the Board on the selection of individuals nominated for directorships with reference to the formulated criteria. The Board is ultimately responsible for selection and appointment of new Directors, taking into account the need for the progressive renewal of the Board and adopted diversity policy. The Company shall review and reassess the nomination policy and its effectiveness on a regular basis or as required. <u>Appointment of New Candidates</u> In assessing and recommending a candidate for appointment to the Board, the process of selection and appointment of new Directors by the NC are as follows: 1. the current needs of the Board to complement and strengthen the Board is taken into consideration. The independence of a Director, where applicable, is determined in accordance with the recommendations of the SG Corporate Governance Code, Mainboard Rules and Rule 3.13 of the HK Listing Rules; 2. the candidates proposed by the Directors, key management personnel or substantial shareholders, are considered and may engage external search consultants where necessary; 3. the NC would meet and interview the shortlisted candidates to assess their suitability; and 4. the selected candidate is recommended to the Board for consideration and approval.

Report on Corporate Governance

		The NC may also engage external search consultants to search for new Directors at the Company's expense. There were no external search consultants engaged in FY2024, as the Board was not in the process of identifying any new appointment to the Board. New Directors are appointed by way of a Board resolution after the NC recommends the appointment for consideration and subsequently approved by the Board. <u>Selection Criteria</u> The NC will take into account whether a candidate has the qualifications, skills, experience and gender diversity that add to and complement the range of skills, experience and background of existing Directors by considering the highest personal and professional ethics and integrity of the Director candidates, proven achievement and competence in the nominee's field and the ability to exercise sound business judgment, skills that are complementary to those of the existing Board members, the ability to assist and support management and make significant contributions to the Company's success and such other factors as it may deem are in the best interests of the Company and its Shareholders. <u>Re-election of Incumbents</u> The process of re-electing incumbent Directors by the NC is as follows: 1. the NC would assess the performance of the Director in accordance with the performance criteria set by the Board further elaborated below and consider the current needs of the Board; and 2. subject to the NC's satisfactory assessment, the NC would recommend the proposed re-appointment of the Director to the Board for its consideration and approval. Criteria to be considered as part of the process for the re-appointment of Directors include the composition and progressive renewal of the Board and each Director's competencies, commitment, contribution and performance (e.g. attendance, preparedness, participation and candour). As a broad-based nomination policy, the Board's nomination process for evaluating an executive Director vis-à-vis an INED is different. For an executive Director, the nomination process would in general be tied to his or her ability to contribute through his or her business acumen and strategic thinking process for the business. As for an INED, his or her nominations are hinged on a myriad of criteria whereby he or she should possess the independence of mind despite confirmation via in writing, as evaluated by the NC. The NC and the Management have assessed and are satisfied that the existing INEDs was able to give an independent view to take the Group's business to a higher level.

Provision 4.4	The NC determines annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1. Directors disclose their relationships with the company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. If the Board, having taken into account the views of the NC, determines that such directors are independent notwithstanding the existence of such relationships, the company discloses the relationships and its reasons in its annual report.	The NC evaluates on an annual basis whether an INED (including their respective immediate family members) is independent in accordance with the SG Corporate Governance Code, the Mainboard Rules and the relevant requirements under Rule 3.13 of the HK Listing Rules. The NC has reviewed and confirmed the independence of the INEDs namely, Ms. Ch'ng Li-Ling, Mr. Eddie Yong and Mr. Gary Chan (including their respective immediate family members), in accordance with the SG Corporate Governance Code, the Mainboard Rules and Rule 3.13 of the HK Listing Rules during FY2024. The INEDs have also confirmed their independence (including their respective immediate family members) in accordance with the SG Corporate Governance Code, the Mainboard Rules and Rule 3.13 of the HK Listing Rules, and the Company has received from each of the INEDs an annual confirmation on his/her independence (including their respective immediate family members) as required under Rule 3.13 of the HK Listing Rules. There are no Directors who are deemed independent by the Board notwithstanding the existence of a relationship as stated in the SG Corporate Governance Code and the Mainboard Rules that would otherwise deem him/her not to be independent. Each member of the NC has abstained from deliberations in respect of the assessment of his or her independence. In FY2024, Ms. Ch'ng Li-Ling and Mr. Eddie Yong have exceeded the nine-year tenure limit prescribed under Rule 210(5)(d)(iv) of the Mainboard Rules. Accordingly, Ms. Ch'ng Li-Ling and Mr. Eddie Yong will not be considered independent for the purposes of the Mainboard Rules and will retire as INEDs following the conclusion of the forthcoming AGM. Neither Ms. Ch'ng Li-Ling nor Mr. Eddie Yong will be seeking re-election at the forthcoming AGM. Please refer to Provision 4.5 for further information in this regard.

<table>
<tr>
<td>Provision 4.5</td>
<td>The NC ensures that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the company. The company discloses in its annual report the listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, it provides the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties.</td>
<td>
The NC has also implemented a process for assessing the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution of the Chairman and each individual Director to the effectiveness of the Board. The NC Chairman will act on the results of the evaluation, and in consultation with the NC to propose, where appropriate, any new member to be appointed to the Board or seek the resignation of an existing Director.
At each AGM, the Constitution requires one-third of the Directors (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, being one-third of those who have been longest in office since their last re-election. Newly appointed Directors will have to retire at the next general meeting of the Company following their appointment. The retiring Directors are eligible to offer themselves for re-election.
The NC has noted that the following Directors will retire by rotation at the forthcoming AGM pursuant to Article 99 of the Constitution:
<table>
<tr><th>Director</th><th>Designation</th></tr>
<tr><td>Mr. Kelvin Lim</td><td>Executive Director and Group Managing Director</td></tr>
</table>
Pursuant to Article 99 of the Constitution, Mr. Kelvin Lim will retire at the forthcoming AGM. The NC, with Mr. Kelvin Lim having abstained from the deliberations in the interests of good corporate governance, had reviewed and recommended Mr. Kelvin Lim for re-election at the forthcoming AGM. Upon re-election, Mr. Kelvin Lim will remain as an executive Director, the Chairman and the Group Managing Director. Key information details on Mr. Kelvin Lim are set out on page 11 of this Annual Report. For the detailed biography of Mr. Kelvin Lim, please refer to the circular of the AGM of the Company dated 31 December 2024 (the "Circular") as published. Mr. Kelvin Lim is the brother of Ms. Jess Lim, an executive Director and the Group Deputy Managing Director of the Company. Mr. Kelvin Lim and Ms. Jess Lim are also the controlling shareholders of the Company. Save as disclosed above, Mr. Kelvin Lim does not have any relationships, including immediate family relationships, between himself and each of the other Directors, the Company or its substantial Shareholders.
The NC has noted that the following Directors will retire at the forthcoming AGM:
<table>
<tr><th>Director</th><th>Designation</th></tr>
<tr><td>Ms. Ch'ng Li-Ling</td><td>Lead INED</td></tr>
<tr><td>Mr. Eddie Yong</td><td>INED</td></tr>
</table>
</td>
</tr>
</table>

		Pursuant to Rule 210(5)(d)(iv) of the Mainboard Rules read with Paragraph 2.1 of SGX-ST Transitional Practice Note 4 on Transitional Arrangements regarding the Tenure Limit for Independent Directors, as of the date of an issuer's annual general meeting for the financial year ending on or after 31 December 2023, a director (whether independent, executive or non-executive) who has served on the board of an issuer for an aggregate period of nine years will no longer be eligible to be designated as an independent director of the issuer. Ms. Ch'ng Li-Ling and Mr. Eddie Yong were appointed as INEDs on 10 March 2015 and have served as INEDs for more than nine years. As a result, both Ms. Ch'ng Li-Ling and Mr. Eddie Yong will no longer be considered independent and will retire at the AGM without seeking re-election. Accordingly, at the conclusion of the forthcoming AGM, Ms. Ch'ng Li-Ling will step down as the chairwoman of the RC and as a member of the AC and NC, while Mr. Eddie Yong will step down as the chairman of the NC and as a member of the AC and RC, respectively. In view of the above, and to ensure compliance with the Mainboard Rules, the HK Listing Rules, the SG Corporate Governance Code and the HK Corporate Governance Code, the NC, has recommended Mr. Wilson Ang and Mr. Jimmy Lim for election as INEDs of the Company. The Board has accepted these recommendations and proposed their appointments for Shareholders' approval at the forthcoming AGM. For the detailed biographies of Mr. Wilson Ang and Mr. Jimmy Lim, please refer to the Circular which accompanies this Annual Report. The Board did not set any cap on the number of listed company directorships given that the NC has assessed and was satisfied that all INEDs were able to dedicate their time to the Group for FY2024. Nevertheless, if the Board finds that time commitment is lacking from any particular Director, they may consider imposing a cap in the future. The Board will also take into consideration the number of directorships and principal commitments of each Director in assessing whether a Director is able to adequately carry out his or her duties and the guideline on time devotion by the proposed Directors as set out in the HK Corporate Governance Code, the Guidance for Boards and Directors published by SEHK in July 2018 and relevant guidance in the Practice Guidance in respect of the SG Corporate Governance Code. There is no alternate Director being appointed by any Director in FY2024.

		The NC has reviewed the time spent and attention given by each of the Directors to the Company's affairs, taking into account the other directorships and other principal commitments of each of the Directors, and is satisfied that all Directors have discharged their duties adequately for FY2024. The considerations in assessing the capacity of Directors include the following: (a) expected and/or competing time/principal commitments of each Director; (b) number of board representations held by each Director (in particular, none of the Directors should have seven or more listed company directorships); (c) size and composition of the Board; and (d) nature and scope of the Group's operations and size. The following key information regarding the Directors is set out on the following pages of this Annual Report and the Circular which accompanies this Annual Report: (a) Pages 11 to 13 of this Annual Report as well as Section 2 of the Circular – Academic and professional qualifications, date of first appointment as a Director, date of last re-election as a Director, if any, directorships or chairmanships both present and those held over the preceding three years in other listed companies and other principal commitments, whether appointment is executive or non-executive, or considered by the NC to be independent; and (b) Pages 90 and 91 of this Annual Report as well as Section 2 of the Circular – Shareholdings, if any, in the Company and its subsidiaries.
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 Board has undertaken a formal annual assessment of its effectiveness as a whole and that of each of its Board Committees and individual Directors. Please refer to Provisions 5.1 to 5.2 below for more details and instances of the Company's compliance with such principle.

Provision 5.1 Provision 5.2	The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual director to the Board. The company discloses in its annual report how the assessments of the Board, its board committees and each director have been conducted, including the identity of any external facilitator and its connection, if any, with the company or any of its directors.	The NC has in place an annual performance evaluation process to assess the performance of the Board as a whole, its Board Committees and each individual Director to the effectiveness of the Board. The Company Secretary will collate the Board and Directors' evaluations and provide the summarised results to the NC chairman. The NC would then discuss the evaluation and conclude the performance results during the NC meeting. In respect of FY2024: (a) The assessment of the Board and each of the Board Committees was done via a confidential questionnaire, covering areas such as Board composition, Board processes managing the Group's performance and the effectiveness of the Board in its monitoring role and the effectiveness of the respective Board Committees. (b) The assessment of the individual Directors was done by peer assessments through a confidential questionnaire completed by each Director. The assessment parameters for such individual evaluation include qualitative and quantitative factors such as performance of principal functions and fiduciary duties, Director's attendance at meetings and his or her contribution and performance at such meetings. The NC and the Board strive to ensure that each Director, with his or her contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made. The NC, having reviewed the performance of its roles and responsibilities and the conduct of its affairs as a whole, is of the view that the Board has met its performance objectives in FY2024. No external facilitator was used to conduct the evaluations. All NC members have abstained from the voting or review process of any matters in connection with the assessment of his/her performance.
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 Board is of the view that it has a formal and transparent procedure for developing policies on Director's and executive's 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. Please refer to Provisions 6.1 to 6.4 below for more details and instances of the Company's compliance with such principle.

Provision 6.1	The Board establishes a Remuneration Committee to review and make recommendations to the Board on: (a) a framework of remuneration for the Board and key management personnel; and (b) the specific remuneration packages for each director as well as for the key management personnel.	The Company has established the RC in compliance with Rule 3.25 of the HK Listing Rules, with its terms of reference available on the websites of the Company, the SGX-ST and the SEHK. The key terms in the terms of reference of the RC include but are not limited to the following: (a) To review and submit its recommendations for endorsement by the entire Board, on the policy and general framework of remuneration for the Board and the senior management, on the establishment of a formal and transparent procedure for developing remuneration policy, and the specific remuneration packages (which include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment) and terms of employment (where applicable) for each Director, the Managing Director or the CEO (if CEO is not a Director) and key management personnel including but not limited to senior executives/divisional directors/those reporting directly to the Managing Director/Chairman/CEO; (b) To review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives, any bonuses, pay increments and/or promotions for employees related to the directors, controlling shareholders and/or substantial shareholders of the Group, any compensation payable to any executive Director or senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive, and any compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure they are consistent with contractual terms and are otherwise reasonable and appropriate; (c) To review and submit its recommendations for endorsement by the entire Board, share-based incentives or awards or any long-term incentive schemes which may be set up from time to time, in particular to review whether Directors and key management personnel should be eligible for such schemes and also to evaluate the costs and benefits of such schemes and to do all acts necessary in connection therewith; (d) To carry out its duties in the manner that it deems expedient, subject always to any regulations or restrictions that may be imposed upon the RC by the Board from time to time; and (e) To ensure that all aspects of remuneration including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind are covered. The Company has adopted the model of RC set forth in code provision E.1.2(c)(ii) of the HK Corporate Governance Code.

Provision 6.2	The RC comprises at least three directors. All members of the RC are non-executive directors, the majority of whom, including the RC Chairman, are independent.	The RC meets at least once a year, and as warranted by circumstances, to discharge its functions. The current composition of the RC comprises Ms. Ch'ng Li-Ling (Chairwoman), Mr. Eddie Yong and Mr. Gary Chan, who are all INEDs. Following the retirement of Ms. Ch'ng Li-Ling and Mr. Eddie Yong at the conclusion of the forthcoming AGM, the Board intends to appoint Mr. Jimmy Lim and Mr. Wilson Ang as chairman and member of the RC respectively, after the forthcoming AGM of the Company (subject to Mr. Wilson Ang and Mr. Jimmy Lim's appointment as INEDs being approved by Shareholders at the forthcoming AGM) to ensure compliance with the SG Corporate Governance Code and the HK Corporate Governance Code.
Provision 6.3	The RC considers all aspects of remuneration, including termination terms, to ensure they are fair.	The RC considers all aspects of remuneration, including termination terms, to ensure they are fair. All recommendations made by the RC on remuneration of Directors and key management personnel's will be submitted for endorsement by the Board. No member of the RC is involved in setting his or her remuneration package. As and when deemed appropriate by the RC, independent expert advice will be sought at the Company's expense. The RC shall 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.
Provision 6.4	The company discloses the engagement of any remuneration consultants and their independence in the company's annual report.	In FY2024, the Company engaged an independent remuneration consultant firm, Aon Hewitt Singapore Pte Ltd, to assist the RC in reviewing the executive Directors and key management personnel remuneration against comparable benchmarks having due regard to prevailing market practices and conditions as well as the financial, commercial health and business needs of the Group. The Company does not have any relationship with Aon Hewitt Singapore Pte Ltd that could affect Aon Hewitt Singapore Pte Ltd's independence and objectivity.
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 Board is of the view that 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. Please refer to Provisions 7.1 to 7.3 below for more details and instances of the Company's compliance with such principle.

Provision 7.1 Provision 7.2 Provision 7.3	A significant and appropriate proportion of executive directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the company. The remuneration of non-executive directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities. Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the company for the long term.	The RC recommends to the Board the quantum of Directors' fees and the Board in turn endorses the recommendation for Shareholders' approval at each AGM. The remuneration packages of the INEDs take into consideration the performance of the Group and individual assessment of each INED, the level of contribution to the Company and the Board, taking into account various factors including but not limited to efforts and time spent, responsibilities and duties of the non-executive Directors. For the executive Directors and key management personnel, each of their service agreements and/or compensation packages is reviewed by the RC. These service agreements cover the terms of employment and specifically, the salaries and bonuses of the executive Directors and key management personnel. The Company may terminate a service agreement if, inter alia, the relevant executive Director or key management personnel is guilty of dishonesty or serious or persistent misconduct, becomes bankrupt or otherwise acts to the Company's prejudice. Executive Directors are not entitled to any Directors' fees. The Company has entered into separate service agreements (the "**Service Agreements**") with the executive Directors, namely, Mr. Kelvin Lim and Ms. Jess Lim, which state their terms of employment, and which may be terminated by not less than six months' notice in writing served by either party on the other. Under the Service Agreements, the executive Directors are entitled to an incentive bonus based on the Group's consolidated profit before tax subject to a minimum fixed annual bonus of four months. The Service Agreements are valid for a period of three years from 16 March 2015 (the "**Initial Term**"). After the Initial Term, the agreement shall be automatically renewed until terminated by either party on the other. There was no termination by either party as at the date of this Annual Report. The RC will ensure that the INEDs are not overcompensated to the extent that their independence may be compromised. INEDs are able to participate in the Scheme (terms as defined herein) and hold Shares so as to better align their interests with the interests of Shareholders. For FY2024, the RC reviewed the performance of the executive Directors in accordance with the performance objectives set forth in the Service Agreements, as well as the evaluation of the performance of key management personnel and was satisfied that the performance objectives had been met. During FY2024, the RC had reviewed the compensation and remuneration packages and believes that the remuneration of Directors and key management personnel commensurate with their respective roles and responsibilities. There are no termination and post-employment benefits that may be granted to the Directors, the Chairman and the GMD, and top two key management personnel.

		Each of Ms. Ch'ng Li-Ling and Mr. Eddie Yong, the INEDs, had entered into a letter of appointment with the Company on 10 March 2015 (as amended by an addendum dated 25 September 2017) for an initial term of three years commencing on 10 March 2015 and was extended for a period of three years with effect from 10 March 2018. The appointment was extended for another three years with effect from 10 March 2021 and shall be automatically renewed, which may be terminated by no less than three months' notice in writing served by either party on the other. In view of the retirement of Ms. Ch'ng Li-Ling and Mr. Eddie Yong at the conclusion of the forthcoming AGM, both Ms. Ch'ng Li-Ling and Mr. Eddie Yong have agreed with the Company to terminate their respective appointments effective upon the conclusion of the forthcoming AGM. Mr. Gary Chan, an INED, had entered into a letter of appointment with the Company on 5 June 2017 (as amended by an addendum dated 25 September 2017) for an initial term of three years commencing on 5 June 2017, which was subsequently extended for a period of three years with effect from 5 June 2020. The appointment was extended for another three years with effect from 5 June 2023 and shall be automatically renewed, which may be terminated by no less than three months' notice in writing served by either party on the other. All the Directors are subject to retirement by rotation and re-election at the AGM in accordance with the Constitution, the Mainboard Rules and the HK Listing Rules, and will continue thereafter until terminated in accordance with the terms of the service agreement/letter of appointment. In addition, to enhance its remuneration so as to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel, the Company has adopted the Scheme (as defined herein). Please refer to Provision 8.3 for more details on the Scheme.
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 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. Please refer to Provisions 8.1 to 8.3 below for more details and instances of the Company's compliance with such principle.

Provision 8.1

The company discloses in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:

(a) each individual director and the CEO; and

(b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel.

The Group links its remuneration policy to the achievement of key performance indicators. Key performance indicators of the Group are aimed towards retention of customers and financial performance; these could include project management capabilities and profitability of various business units across the Group's business segments. The remuneration of executive Directors is also in accordance with the Service Agreements and a portion of their remunerations (in dollar terms) is in the form of variable or performance related bonuses calculated based on the Group's profitability. For the key management personnel and other senior executives, their variable or performance related bonuses, beside individual performance, are also based on the Group's profitability.

The breakdown (in percentage terms) of the remuneration of the Directors (including the GMD) for FY2024 is set out as below:

Directors	Salary, benefits in kind and/or allowance[1],[2] (%)	Variable Bonus[2] (%)	Director's Fees (%)	Total (%)	Total[3] (S$'000)
Mr. Kelvin Lim	63	37	–	100	1,954
Ms. Jess Lim	66	34	–	100	786
Ms. Ch'ng Li-Ling	5	–	95	100	81
Mr. Eddie Yong	5	–	95	100	76
Mr. Gary Chan	5	–	95	100	85

Notes:

(1) Includes fixed bonus.

(2) The amounts for salary, allowance and variable bonus shown are inclusive of Singapore's Central Provident Funds.

(3) Rounded to the nearest one thousand Singapore dollars.

There are no termination and post-employment benefits that may be granted to the Directors, the Chairman and the GMD.

The Group only has two top key management personnel in FY2024. The breakdown (in percentage terms) of the remuneration of two top key management personnel of the Group for FY2024 is set out as below:

Remuneration Band and Name of Key Management Personnel	Designation	Salary, benefits in kind and/or allowance(1),(2) (%)	Variable Bonus(2) (%)	Total(3) (100%)
From S$250,001 to S$500,000				
Ms. Yeo Swee Cheng	Chief Financial Officer	83	17	100
Mr. Wong Sze Peng, Danny	Chief Executive Officer of Work+Store	69	31	100

Notes:

(1) Includes fixed bonus.

(2) The amounts for salary, allowance and variable bonus shown are inclusive of Singapore's Central Provident Funds.

(3) Rounded to the nearest one thousand Singapore dollars.

There are no termination and post-employment benefits that may be granted to the key management personnel.

In aggregate, the total remuneration paid to the two top key management personnel was approximately S$899,000 in FY2024.

The remuneration received by the executive Directors and key management personnel takes into consideration his or her individual performance and contribution toward the overall performance of the Group for FY2024. Their remuneration is made up of fixed and variable compensations. Details of the remuneration of the Directors and the five highest paid employees as required to be disclosed pursuant to Appendix D2 to the HK Listing Rules are set out in Note 9 to the consolidated financial statements for FY2024 and Note 15 to the Directors' Statement (for directors' remuneration only). For the key management personnel, the variable compensation is determined based on the level of achievement of corporate and individual performance objectives.

Provision 8.2	The company discloses the names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.	There was no employee who is an immediate family member of a Director, the Chairman and the GMD whose remuneration exceeded S$100,000 during FY2024, save as disclosed in this Annual Report.
Provision 8.3	The company discloses in its annual report all forms of remuneration and other payments and benefits, paid by the company and its subsidiaries to directors and key management personnel of the company. It also discloses details of employee share schemes.	Share Option Scheme On 25 September 2017 (the "**Adoption Date**"), the Shareholders adopted the "LHN Employee Share Option Scheme" (the "**Scheme**"), effective upon the HK Listing Date. The Scheme has been assigned by the Board to be administered by a committee comprising members of the RC (the "**Committee**"). In connection with the transfer of the listing of the Company from Catalist to the Mainboard of the SGX-ST, the terms of the Scheme had been amended for, among others, compliance with the Mainboard Rules and the latest amendments to the HK Listing Rules. Such amendments had been duly approved by Shareholders at the extraordinary general meeting of the Company held on 23 November 2023. Shareholders may refer to the circular of the Company dated 1 November 2023 for more details on the aforesaid amendments to the Scheme. The primary objective of establishing the Scheme is to provide eligible persons (the "**Eligible Persons**") with an opportunity to have a personal stake in the Company and help motivate Eligible Persons to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain such Eligible Persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group. The Scheme gives the Company greater flexibility to align the interests of employees, especially executive directors, managers, and other employees holding an executive, managerial, supervisory or similar position in any member of the Group, with that of shareholders. The Scheme uses methods common among major local and multinational companies to incentivise and motivate employees to achieve pre-determined targets which create and enhance economic value for Shareholders. The Company believes that the Scheme will be an effective tool in motivating employees to strive to deliver long-term Shareholder's value.

		The Scheme allows for participation by full-time employees of the Group (who may be controlling shareholders) and Directors (including non-executive Directors). The Company acknowledges that the services and contributions of employees who are controlling Shareholders or associates of controlling Shareholders are important to the development and success of the Group. The extension of the Scheme to confirmed full-time employees who are controlling Shareholders or associates of controlling Shareholders allows the Group to have a fair and equitable system to reward employees who have actively contributed to the progress and success of the Group. The participation of controlling Shareholders or the associates of the controlling Shareholders in the Scheme will serve both as a reward to them for their dedicated services to the Group and a motivation for them to take a long-term view of the Group. Although Eligible Persons who are controlling Shareholders or the associates of controlling Shareholders may already have shareholding interests in the Company, the extension of the Scheme to include them ensures that they are equally entitled, with the other employees of the Group who are not controlling Shareholders or the associates of the controlling Shareholders, to take part and benefit from this system of remuneration. The Company is of the view that a person who would otherwise be eligible should not be excluded from participating in the Scheme solely by reason that he/she is a controlling Shareholder or the associate of the controlling Shareholder(s). Currently, Mr. Kelvin Lim and Ms. Jess Lim, who are our executive Directors and also our controlling Shareholders, are Eligible Persons. Granting of Options to Connected Persons under the HK Listing Rules Subject to the terms of the Scheme, but only insofar as and for so long as the HK Listing Rules require, where any offer of an option to subscribe for ordinary Shares granted pursuant to the Scheme ("**Option**") is proposed to be made to a Director, chief executive or a substantial Shareholder (as defined in the HK Listing Rules) of the Company or any of their respective associates (as defined in the HK Listing Rules), such offer must first be approved by the INEDs (excluding the INED who or whose associates is the grantee of an Option).

		Where any grant of Options to a substantial Shareholder (as defined in the HK Listing Rules) or an INED, or any of their respective associates (as defined in the HK Listing Rules), would result in the securities issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant: (a) representing in aggregate over 0.1% of the relevant class of securities in issue; and (b) (where the securities are listed on the SEHK), having an aggregate value, based on the closing price of the securities on the SEHK at the date of each grant, in excess of HK$5 million, such further grant of Options must be approved by Shareholders. The Company shall send a circular to the Shareholders. The grantee, his associates (as defined in the HK Listing Rules) and all core connected persons of the Company must abstain from voting in favour at such general meeting. Approval from the Shareholders is required for any change in the terms of Options granted to a participant who is a substantial Shareholder (as defined in the HK Listing Rules) or an INED of the Company, or any of their respective associates (as defined in the HK Listing Rules). The grantee, his associates (as defined in the HK Listing Rules) and all core connected persons of the Company must abstain from voting in favour at such general meeting. <u>Maximum Entitlement of Each Participant</u> No Option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of the Options granted to any one Eligible Person (including exercised and outstanding Options) in any 12-month period shall exceed 1 per cent of the Shares in issue from time to time. Where any further grant of Options to such an Eligible Person would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such Eligible Person (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1 per cent of the Shares in issue, such further grant shall be separately approved by Shareholders in general meeting with such Eligible Person and his close associates (or his associates (as defined in the HK Listing Rules) if such Eligible Person is a connected person) abstaining from voting.

		Maximum Number of Shares The maximum number of Shares which may be issued upon exercise of all Options to be granted under the Scheme and any other schemes of the Group shall not in aggregate exceed 10 per cent of the Shares (excluding treasury Shares and subsidiary holdings) in issue as at 30 January 2024 as approved by the Shareholders at the AGM held on 30 January 2024 (the "**Scheme Mandate Limit**"), i.e. 40,894,540 Shares, provided that: (a) the Company may at any time as the Board may think fit seek approval from Shareholders to refresh the Scheme Mandate Limit, save that the maximum number of Shares which may be issued upon exercise of all Options to be granted under the Scheme and any other schemes of the Company shall not exceed 10 per cent of the Shares (excluding treasury shares and subsidiary holdings) in issue as at the date of approval by the Shareholders in general meeting where the Scheme Mandate Limit is refreshed. Options previously granted under the Scheme and any other schemes of the Company (including those outstanding, cancelled, lapsed or exercised in accordance with the terms of the Scheme or any other schemes of the Company) shall not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed. For such a situation, the Company shall send a circular to its Shareholders containing the details and information required under the HK Listing Rules and/or the Mainboard Rules; (b) the Company may seek separate approval from its Shareholders at general meeting for granting Options beyond the Scheme Mandate Limit, provided that the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Persons specified by the Company before such approval is obtained. For such a situation, the Company shall send a circular to its Shareholders containing the details and information required under the HK Listing Rules and/or the Mainboard Rules; (c) notwithstanding paragraph (a) above, the maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Scheme and any other schemes of the Group shall not exceed 30 per cent of the Shares in issue from time to time. No Options may be granted under the Scheme and any other share option scheme of the Company if this will result in such limit being exceeded; and (d) as at the date of this Annual Report, the total number of Shares available for issue under the Scheme is 40,894,540 Shares, which represented approximately 9.78% of the issued Shares.

		<u>Minimum Holding Period, Vesting and Performance Target</u> Subject to the provisions of the HK Listing Rules and the Mainboard Rules, the Committee may in its absolute discretion when offering the grant of an Option impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the Scheme as the Committee may think fit (to be stated in the letter containing the offer of the grant of the Option) including (without prejudice to the generality of the foregoing) qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Company and/or the Eligible Person, the satisfactory performance or maintenance by the Eligible Person of certain conditions or obligations or the time or period when the right to exercise the Option in respect of all or some of the Shares shall vest provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the Scheme. For the avoidance of doubt, subject to such terms and conditions as the Committee may determine as aforesaid (including such terms and conditions in relation to their vesting, exercise or otherwise), there is no performance target which needs to be achieved by the Eligible Person before the Option can be exercised. <u>Subscription Price</u> The subscription price per Share on the exercise of an Option (the "**Subscription Price**") in respect of any particular Option shall be such price as the Committee may in its absolute discretion determine at the time of offer of the grant of the relevant Option (and shall be stated in the letter containing the offer of the grant of the Option) but the Subscription Price shall not be less than whichever is the highest of: (a) the closing price of the Share as stated in the SEHK's daily quotations sheet or as published by the SGX-ST on the Option Offer Date (whichever is higher); and (b) the average closing price of the Share as stated in the SEHK's daily quotations sheets or as published by the SGX-ST for the five business days (being any day on which the SEHK and/or the SGX-ST are open for the business of dealing in securities, as the context may require) ("**Business Day**") immediately preceding the Option Offer Date (being the date of the Committee's resolution approving the grant of Options, which must be a Business Day) (whichever is higher). Accordingly, the Subscription Price will not be at a discount.

		Subject as provided in the Scheme and any other conditions as may be introduced by the Committee from time to time, an Option, shall be exercisable, in whole or in part, but if in part only, in respect of a board lot for dealing in the Shares on the SEHK or the SGX-ST, as the case may be, or any integral multiple thereof) commencing after the first anniversary of the date of grant and acceptance of the Option, in the manner as out in the Scheme. Life of the Scheme Subject to the terms of the Scheme, the Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, provided always that the Scheme may continue for a further period of 10 years with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. The remaining life of the Scheme is around 2 years and 9 months. Upon the expiry of the Scheme as aforesaid, no further Options will be offered but the provisions of the Scheme shall remain in force and effect in all other respects. All Options granted prior to such expiry and not then exercised shall continue to be valid and exercisable subject to and in accordance with the Scheme. Option granted No Option has been granted, cancelled, outstanding, exercised or lapsed under the Scheme since the Adoption Date and up to the date of this Annual Report. As at 1 October 2023, options representing 40,894,540 Shares were available for grant under the Scheme, representing approximately 10% of the issued share capital of the Company. As at 30 September 2024, options representing 40,894,540 Shares were available for grant under the Scheme, representing approximately 9.78% of the issued share capital of the Company. The number of shares that may be issued in respect of options granted under the Scheme during FY2024 being 40,894,540 Shares divided by the weighted average number of shares of the relevant class in issue for FY2024 being 412,105,216 Shares is approximately 9.92%. Save as disclosed in Provision 8.1 above, there are no material matters relating to the share schemes reviewed by the RC during FY2024 and no other forms of remuneration and other payments and benefits, paid by the Group to Directors and/or key management personnel of the Company.

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 is responsible for the governance of risk (including environmental, social and governance ("**ESG**") risks) and ensures that the Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its Shareholders. In particular, the Board is responsible for providing a balanced and understandable assessment of the Group's performance, position and prospects, including interim and other price sensitive public information and reports to regulators (if required). The Management provides the Board and Board Committees on a timely basis, with sufficient relevant information on the Group's financial performance and commentary of the competitive conditions of the industry in which the Group operates, in order that it may effectively discharge its duties. The Company adopts a policy which welcomes Directors to request for further explanations, briefings or informal discussions on any aspect of the Group's operations or business from the Management. The Board acknowledges its responsibility for the preparation of the consolidated financial statements for FY2024 which give a true and fair view of the state of affairs of the Group in accordance with the statutory requirements and accounting standards and other financial disclosure requirement under the Mainboard Rules and the HK Listing Rules. The financial results of the Group are announced in a timely manner in accordance with statutory and/or regulatory requirements. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. For further accountability, the announcements containing the half-year and full-year financial statements are signed by the Chairman and the GMD, Mr. Kelvin Lim, for and on behalf of the Board, to confirm that it is to the best of the Board's knowledge, nothing has come to the attention of the Board which may render the unaudited interim financial results contained in the announcement to be false or misleading in any material aspects. The Board approves the financial results after review and authorises the release of the results on the website of the Company, the SGX-ST and the SEHK (www.hkexnews.hk) to the public. The Company also uploads latest announcement(s) which has been disseminated via the website of the SGX-ST (www.sgx.com) and the SEHK (www.hkexnews.hk) on the Company's website (www.lhngroup.com). Please refer to Provisions 9.1 to 9.2 below for more details and instances of the Company's compliance with this principle.

Provision 9.1	The Board determines the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives and value creation. The Board sets up a Board Risk Committee to specifically address this, if appropriate.	The Board has not set up a specific Board Risk Committee, but the oversight of risk management and internal controls is undertaken by the AC and the Board in general. The Board has the overall responsibility for the Group's risk management and internal controls in safeguarding Shareholders' interests and the Group's assets. The Group's internal controls and systems are designed to provide reasonable assurance as to the integrity and reliability of the financial information, and to safeguard and maintain accountability of assets and for reviewing the effectiveness of the Group's risk management and internal controls. However, such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. Procedures are in place to identify major risks (including ESG risks) and evaluate potential financial implications, as well as for the authorisation of capital expenditure and investments. The AC, on behalf of the Board, reviews the adequacy and effectiveness of the Group's system of internal controls, including financial, operational, compliance (including handling and dissemination of inside information) and information technology controls, and risk management policies and systems established by the Management on an annual basis covering the period of FY2024 (i.e. beginning 1 October 2023 and ending 30 September 2024). They are: • Code of Ethics • Risk Appetite and Risk Tolerance Guidance • Authority and Risk Control Matrix • Key Control Activities • Key Reporting and Monitoring Activities In the event any material internal control defect is discovered during the course of the annual review of the internal controls and risk management systems by the Board, the Board would require reports from the internal auditors in respect of the cause of and proposed solution for remedying the defect. Management is responsible for the implementation of the follow up actions to resolve such material internal control defects and to update the Board on the remedial actions taken and progress of such rectification until the relevant defect is resolved. The Management also regularly reviews the Group's business and operations to identify areas of significant business risks and controls to mitigate the risks. The Management will highlight all significant matters to the Board and the AC.

Provision 9.2	The Board requires and discloses in the company's annual report that it has received assurance from: (a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.	In respect of FY2024, the Board had received assurance from the Chairman and the GMD as well as the chief financial officer of the Company (the "**CFO**") that: • the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and • the Company's risk management and internal control systems are adequate and effective.
General	The Board's annual review of the internal controls and risk management systems.	The design, implementation and operation of the accounting and internal control systems are intended to prevent and detect fraud and errors. The Board notes that the system of internal controls provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Board also notes that no system of internal controls can provide absolute assurance against the occurrence of material misstatement or loss, poor judgment in decision-making, human error, losses, fraud or other irregularities. Based on the framework of risk management and internal controls established and maintained by the Management, reviews carried out by the AC, the report on the enterprise risk management of the Group, work performed by the internal auditors and external auditors, and assurance from the Management, the Board, with the concurrence of the AC, is of the opinion that the Group's risk management systems (including those relating to ESG risks) and system of internal controls (including financial, operational, compliance and information technology controls) were adequate and effective for FY2024. The Company is gradually placing emphasis on sustainability and sustainability risks and would implement appropriate policies and programmes when the opportunities arise.

		Inside Information The Group has adopted and implemented its own disclosure policy aiming to provide a general guide to the Directors and senior management of the Company in handling of confidential information and/or monitoring of information disclosure pursuant to applicable laws and regulations in compliance with the HK Listing Rules and the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**"). The disclosure policy provides the procedures and internal controls for the handling and dissemination of inside information by publication of the announcement to the websites of the SGX-ST, the SEHK and the Company on a timely basis to enable the public, namely Shareholders, institutional investors, potential investors and other stakeholders of the Company to access the latest information of the Group, unless such information falls within the safe harbours pursuant to the SFO. The Management has notified all employees to comply with the disclosure policy. Briefing and training on the implementation of the policy have been provided to the directors, officers and senior management of the Group.
Audit Committee		
Principle 10	The Board has an Audit Committee which discharges its duties objectively.	The Board has established the AC in compliance with Rule 210(5)(e) of the Mainboard Rules and Rule 3.21 of the HK Listing Rules. Please refer to Provisions 10.1 to 10.5 below for more details and instances of the Company's compliance with such principle.
Provision 10.1	The duties of the AC include: (a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance; (b) reviewing at least annually the adequacy and effectiveness of the company's internal controls and risk management systems;	The terms of reference of the AC, which are available on the websites of the Company, the SGX-ST and the SEHK, include the following: (a) review the relevance and consistency of the accounting standards, the significant financial reporting issues, recommendations and judgments made by the external auditors so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance; (b) review and report to the Board and the Management at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risks management systems (such review can be carried out internally or with the assistance of any competent third parties); (c) review the effectiveness and adequacy of the Group's internal audit function at least annually, including the determination whether the internal auditor has direct and unrestricted access to the Chairman and AC, and is able to meet separately to discuss matters/concerns;

	(c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements; (d) making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors; (e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function; and (f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.	(d) review and ensure the internal audit function is adequately resourced and has appropriate standing within the Group and to review and monitor its effectiveness; (e) review the scope and results of the external audit, and the independence and objectivity of the external auditors; (f) make recommendations to the Board on the proposals to the Shareholders on the appointment, re-appointment and removal of the external auditors, and approve the remuneration and terms of engagement of the external auditors; (g) review the system of internal controls, financial controls and risk management with the internal and external auditors; (h) review the co-operation given by the Management to the external auditors and the internal auditors, where applicable; (i) keep abreast of changes in accounting standards and issues which have a direct impact on financial statements; (j) review the assurance provided by the CEO (GMD being the equivalent position of CEO in the Company) and the CFO regarding the financial records being properly maintained and the financial statements giving a true and fair view of the Company's operations and financial performance; (k) participate in the appointment, replacement or dismissal of the head of internal audit or, if an external party, the internal auditors; (l) review the Group's compliance with such functions and duties as may be required under the relevant statutes, the Mainboard Rules or the HK Listing Rules, including such amendments made thereto from time to time; (m) review and approve interested person transactions ("**IPT**") and connected person transactions, and review procedures thereof; (n) review potential conflicts of interest (if any) and to set out a framework to resolve or mitigate any potential conflicts of interests; (o) review the risk management framework with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where the findings are material, announced immediately via the websites of the SGX-ST and the SEHK; (p) investigate any matters within its terms of reference;

		(q) review the policy and arrangements, by which the staff or any third-party may, in confidence, raise concerns about possible improprieties including matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; (r) where the AC deems necessary or as delegated by the Board, to commission and review the findings of any internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or suspected infringement of any applicable law, rule or regulation and to consider the Management's response to these findings; (s) make recommendations to the Board on establishing an adequate, effective and independent internal audit function; (t) report to the Board its findings from time to time on matters arising and requiring the attention of the AC or to undertake such other reviews and projects as may be requested by the Board; and (u) undertake such other functions and duties as may be required by the laws of Hong Kong, the laws of Singapore, the HK Listing Rules or the Mainboard Rules, and by such amendments made thereto from time to time. Whistle-blowing Policy The Company's whistle-blowing policy serves to encourage and to provide a channel for staff of the Group and any external parties to report and raise, in good faith and in confidence, their concerns about possible misconduct, improprieties and irregularities in matters of financial reporting or other matters relating to the Group. A main objective of the whistle-blowing policy is to offer whistle-blowers the reassurance that they will be protected from reprisals or victimisation for whistle-blowing in good faith. To facilitate independent investigation of such matters and appropriate follow up actions, all whistle-blowing reports are directed to the chairman and members of the AC via a dedicated email address (auditcommittee@lhngroup.com.sg). All concerns reported via the whistle-blowing channel are treated with strict confidentiality. Any concern raised or information provided pursuant to the whistle-blowing policy will be investigated, having regard to, among others, the severity of the issues raised, credibility of the concern or information, and likelihood of confirming the concern or information from attributable sources. The AC may direct for an investigation panel to be set up, which may comprise, among others, the AC, external auditor or internal auditor, depending on the type of concern or issue. The investigation panel will communicate its findings to the AC.

		The whistle-blowing policy has been communicated to all the staff and it has also been posted on the Company's website at www.lhngroup.com. In FY2024, there was no whistle-blowing report received by the Company. Anti-corruption Policy The Company's anti-corruption policy serves to uphold the Group's "zero tolerance" towards all forms of corruption, bribery and extortion and to provide guidance to employees on how to avoid corruption, bribery and extortion which may arise in the course of their work. All potential corruption will be investigated by the management and reported to the Audit Committee, where applicable. The anti-corruption policy has been communicated to all employees and a copy has been saved in the Company's shared drive. The AC has explicit authority to investigate any matter within its terms of reference. It has full access to the Management and full discretion to invite any Director or key management personnel to attend its meetings, and to be provided with reasonable resources to enable it to discharge its functions properly. The executive Directors and key management personnel, as and when required, were invited to be present at the AC meetings to report and brief the AC members on the financial and operating performance of the Group and to answer any queries from the AC members on any aspect of the operations of the Group. During FY2024, the AC reviewed the Group's unaudited interim results for the six months ended 31 March 2024 and the unaudited full year results announcement and audited annual results for the year ended 30 September 2024.
Provision 10.2	The AC comprises at least three directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent. At least two members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.	The AC currently comprises Mr. Gary Chan (Chairman), Ms. Ch'ng Li-Ling and Mr. Eddie Yong, all of whom are INEDs. The Board is of the view that the AC members have adequate accounting or related financial management expertise and experience to discharge the AC's functions. In this regard, in compliance with Provision 10.2 of the SG Corporate Governance Code, at least two members, including the AC chairman, have recent relevant accounting or related financial management expertise or experience. In particular, Mr. Gary Chan has more than 20 years of experience in accounting, corporate finance, private equity and financial consultations and holds a Chartered Account certification in Canada since 2000. Mr. Eddie Yong has over 45 years of experience in various aspects of real estate businesses, including (among others) asset management, and the Board considers that Mr. Eddie Yong has had sufficient experience in relation to financial management in this regard. Ms. Ch'ng Li-Ling is the head of financial services (regulatory) practice in her law firm, and provides advice to financial institutions, FinTech firms on capital-raising and acquisitions, among others, and the Board considers Ms. Ch'ng Li-Ling to have a good understanding of the accounting/financial management aspects of a business.

		Furthermore, Mr. Gary Chan also possesses the appropriate professional qualification and accounting expertise as required under Rule 3.10(2) of the HK Listing Rules. Following the retirement of Ms. Ch'ng Li-Ling and Mr. Eddie Yong at the conclusion of the forthcoming AGM, the Board intends to appoint Mr. Wilson Ang and Mr. Jimmy Lim, both of whom have recent and relevant accounting or related financial management expertise or investment banking and corporate finance experience, as members of the AC, after the forthcoming AGM of the Company (subject to Mr. Wilson Ang and Mr. Jimmy Lim's appointment as INEDs being approved by Shareholders at the forthcoming AGM) to ensure compliance with the SG Corporate Governance Code and the HK Corporate Governance Code.
Provision 10.3	The AC does not comprise former partners or directors of the company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.	None of the AC members including their respective immediate family members were previous partners or directors of the Company's external audit firm within the last two (2) years and none of the AC members hold any financial interest in the existing external audit firm engaged by the Company.

Provision 10.4	The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the company's documents, records, properties and personnel, including the AC, and has appropriate standing within the company.	The AC relies on reports from the Management and internal auditors on any material non-compliance and internal control weaknesses. Thereafter, the AC oversees and monitors the implementations thereto. Currently, the Group has outsourced its internal audit function to Ernst & Young Advisory Pte. Ltd. (the "**IA**") which reports directly to the AC. The IA has an administrative reporting function to the Management where planning, co-ordinating, managing and implementing internal audit work cycle are concerned. The work undertaken by the IA is carried out in accordance with the standards set by internationally recognised professional bodies including Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The IA will report their audit findings and recommendations directly to the AC. The IA has unfettered access to all the Group's documents, records, properties and personnel, including access to the AC. In FY2024, the AC had reviewed and approved the internal audit plan to ensure the adequacy of the scope of audit, the IA's reports, and proposed follow-up actions implemented by the Management and noted that the necessary co-operation required from the Management was provided to enable the IA to perform its function effectively. In addition, the experience of the IA has been reviewed, including the assigned engagement personnel's experience and is satisfied that the IA is adequately qualified (given, inter alia, its adherence to standards set by internationally recognised professional bodies) and resourced, and has the appropriate standing in the Company to discharge its duties effectively. As such, the AC is of the view that the internal audit function of the Company is independent, effective and adequately resourced for FY2024.
Provision 10.5	The AC meets with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually.	The AC met up with the internal and the external auditors without the presence of the Management in November 2024 to discuss, among others, matters relating to FY2024, including among others, to review the announcement of the unaudited results for the FY2024, to review the independence of the internal control function, adequacy of internal controls addressing financial, operational and compliance risks, to review and approve IPT and connected transactions for the relevant financial period. The internal and external auditors were also invited to be present at AC meetings, as and when required, held during FY2024 to, inter alia, answer or clarify any matter on accounting and auditing or internal controls (as the case may be). The Board considers the regular annual board meeting sufficient to monitor integrity of the Company's financial statements, annual reports and accounts, and to review any significant financial reporting judgments contained in them. The external auditors were present at all three AC meetings held in FY2024.

<table>
<tr><td>General</td><td>AC’s annual review of the independence/ re-appointment of the EA.</td><td>The aggregate amount of fees paid or payable to PricewaterhouseCoopers LLP (“PwC”) for FY2024 is as follows:

<table><tr><th>Description of Services</th><th>Amount</th><th>Percentage</th></tr><tr><td>Audit fees</td><td>S$576,000</td><td>97%</td></tr><tr><td>Non-audit fees</td><td>S$19,000</td><td>3%</td></tr><tr><td>Total</td><td>S$595,000</td><td>100%</td></tr></table>
The AC has reviewed the non-audit services provided by PwC to the Group. As the non-audit services rendered by PwC are related to tax compliance work, the Board, with the concurrence of the AC, is of the opinion that the independence and objectivity of the external auditors have not been affected due to the following reasons:

• The non-audit services are within the permitted scope of services under section 290.219A of the Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities in the Fourth Schedule of the Accountants (Public Accountants) (Amendment) Rules 2015 of Singapore; and

• The audit engagement team of PwC was not involved in any management decision making and its role was limited to provide advisory and review services based on the objective assessment of the facts.

The AC and the Board are of the view that PwC is adequately resourced and registered with the Accounting and Corporate Regulatory Authority or registered with and/or regulated by an independent audit oversight body acceptable to the SGX-ST. The Accounting and Financial Reporting Council of Hong Kong and the SEHK have accepted PwC as the registered public interest auditor to act as the Company’s auditors to audit annual accounts of the Company pursuant to Rule 19.20 of the HK Listing Rules. The AC has recommended to the Board the re-appointment of PwC as external auditors of the Company at the forthcoming AGM.</td></tr>
<tr><td>General</td><td>What are the AC’s activities or the measures it has taken to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements?</td><td>During FY2024, the AC was provided with information such as updates on the changes to the financial reporting standards by the external auditors in the course of their report to the AC.</td></tr>
</table>

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 Company has complied with Principle 11. Please refer to Provisions 11.1 to 11.6 below for more details and instances of the Company's compliance with such principle.
Provision 11.1	The company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.	The Company's corporate governance practices promote the fair and equitable treatment to all Shareholders. Participation in/Information in respect of General Meetings At the general meetings of the Company, Shareholders will be given the opportunity to air their views and ask the Board or the Management questions regarding the Company and the Group. The Circular containing the notice of AGM sent together with this Annual Report, are released on the websites of the SGX-ST, the SEHK and the Company, as well as published in the newspapers in Singapore and Hong Kong to inform Shareholders of the upcoming meeting. The Board, the Management and the external auditors will also be present to address any queries relating to resolutions to be considered at such meeting from the Shareholders, if any. The Company will prepare the minutes of the general meetings which would include substantial or relevant comments from the Shareholders, if any, and these minutes of the general meetings will be made available to Shareholders. Please refer to Provision 11.5 for more information on how the minutes are made available. The Company also invites Shareholders to submit their questions in advance in relation to the resolutions to be tabled for approval at the general meetings. The Company will ensure that all substantial and relevant questions from the Shareholders will be addressed by the Directors and/or the Management prior to, or at, the general meetings. The Company and Directors will also address any subsequent clarifications sought, or follow-up questions, prior to, or at, general meetings in respect of substantial and relevant matters.

		Voting at General Meetings The Constitution does not allow absentia voting at general meetings of Shareholders as authentication of Shareholder's identity information and other related security issues remain a concern. However, the Constitution does allow a Shareholder (who is not a relevant intermediary, as defined in Section 181(6) of the Companies Act) to either vote in person or appoint not more than two proxies to attend and vote in his/her stead. Such proxy to be appointed need not be a Shareholder. Pursuant to the Companies (Amendment) Act 2014, a shareholder of the Company who is a relevant intermediary (as defined in Section 181(6) of the Companies Act), may appoint more than two proxies to attend, speak and vote at the AGM. Pursuant to Mainboard Rule 730A(2) and Rule 13.39(4) of the HK Listing Rules, all resolutions will be put to vote by way of a poll at the forthcoming AGM, and their detailed results will be announced by way of announcement on the websites of the SGX-ST, the SEHK and the Company after conclusion of the AGM. How Shareholders can convene an EGM Under the Constitution, Directors may in general, whenever they think fit, convene EGMs. Under Section 176(1) of the Companies Act, however, Directors must notwithstanding anything in the Constitution, on the requisition made by Shareholders holding not less than 10% of the total paid-up capital of the Company at the date of deposit of the requisition, immediately proceed to convene an EGM as soon as practicable but, in any case, no later than two months after receipt by the Company of the requisition. Pursuant to the Companies Act, the Board shall convene an EGM on requisition on the following terms: (a) The Directors, notwithstanding anything in the Constitution, shall, on the requisition of members holding at the date of deposit of the requisition no less than 10% of such of the paid-up capital of the Company as at the date of the deposit carrying the right of voting at general meetings immediately proceed to duly convene an EGM as soon as practicable but in any case, no later than 2 months after the receipt by the Company of the requisition deposited at the registered office of the Company. (b) The requisition shall state the objects of the meeting and proposed resolution(s) to be added to the EGM (if any), and shall be signed by the requisitionists and deposited at the registered office of the Company and may consist of several documents in like form each signed by one or more requisitionists.

		(c) If the Directors do not within 21 days after the date of receipt of the requisition proceed to convene an EGM, the requisitionists, or any of them representing more than 50% of the total voting rights of all of them, may themselves, in the same manner as nearly as possible as that in which EGMs are to be convened by the Directors convene an EGM, but any EGM so convened shall not be held after the expiration of 3 months from the date of receipt of the requisition. (d) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors to convene an EGM shall be paid to the requisitionists by the Company, and any sum so paid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such of the Directors as were in default. (e) An EGM at which a special resolution to be proposed shall be deemed not to be duly convened by the Directors if they do not give such notice thereof as is required by the Statutes in the case of special resolutions. Procedures for raising enquiries For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company via email to enquiry@lhngroup.com.sg. Shareholders are reminded to submit their questions together with their detailed contact information. Putting forward proposals at Shareholders' meetings For putting forward proposals at the general meeting, Shareholders should submit a written notice with detailed contact information to the Company's registered office which is set out in the section headed "Corporate Information" of this Annual Report to request an EGM to be called by the Board for the transaction of any business specified in such requisition/Shareholders may follow the procedures set out above to convene an EGM for any business specified in such written requisition.
Provision 11.2	The company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the company explains the reasons and material implications in the notice of meeting.	Resolutions submitted at the Shareholders' meetings are separate and not bundled or made inter-conditional on each other unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are bundled, the Company will explain the reasons and material implications. The tabling of separate resolutions gives Shareholders the right to express their views and exercise their voting rights on each resolution separately. Information is also provided on each resolution to enable Shareholders to exercise their vote on an informed basis.

Provision 11.3	All directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the company's annual report.	As set out in Provision 11.1, the Board and the Management will also be present (with the auditors in attendance) at the AGM to address any queries relating to resolutions to be considered at such meeting from the Shareholders. Where necessary, the Company will also seek the external auditors' response to queries from the Shareholders in respect of matters pertaining to the audit in the event that such queries were received prior to the AGM. All the Directors and external auditors attended the AGM held in FY2024 and all the Directors attended the EGM held in FY2024.
Provision 11.4	The company's Constitution (or other constitutive documents) allow for absentia voting at general meetings of shareholders.	As set out in Provision 11.1, the Constitution does not allow absentia voting at general meetings of Shareholders as authentication of Shareholder's identity information and other related security issues remains a concern. However, the Constitution does allow a Shareholder (who is not a relevant intermediary, as defined in Section 181(6) of the Companies Act) to either vote in person or appoint not more than two proxies to attend and vote in his stead. Such proxy to be appointed need not be a Shareholder. Pursuant to the Companies (Amendment) Act 2014, a shareholder of the Company who is a relevant intermediary (as defined in Section 181(6) of the Companies Act), may appoint more than two proxies to attend, speak and vote at the AGM.
Provision 11.5	The company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.	The proceedings of the general meetings are properly recorded, including all comments and/or queries from Shareholders relating to the agenda of the meeting and responses from the Board, the Management or the external auditors of the Company to such comments and/or queries. All minutes of general meetings will be posted on the websites of the SGX-ST, the SEHK and the Company within one (1) month from the date of the general meetings. The Company also ensures that all material information relating to the Group is disclosed in an accurate and timely manner through publication on the websites of the SGX-ST, the SEHK and the Company.

Provision 11.6	The company has a dividend policy and communicates it to shareholders.	The Company has adopted a policy on payment of dividends on 1 January 2019 ("**Dividend Policy**") in compliance with code provision F.1.1 of the HK Corporate Governance Code and the SG Corporate Governance Code as revised in 2018, which establishes an appropriate procedure on declaring and recommending the dividend payment of the Company. The Company will declare and/or recommend the payment of dividends to the Shareholders for approval after considering the Company's ability to pay dividends, which will depend upon, among other things, its cash flow, general business conditions and strategies, current and future operations, statutory, contractual and regulatory restrictions and so on. The Board has absolute discretion on whether to pay a dividend, subject to Shareholders' approval, where applicable. Even if the Board decides to recommend and pay dividends, the form, frequency and amount will depend upon the operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors of and affecting the Group. The Board may also consider declaring special dividends from time to time, in addition to the interim and/or final dividends. The Company shall review and reassess the Dividend Policy and its effectiveness on a regular basis or as required. The Board has recommended a final dividend and special dividend of 1.0 Singapore cent (S$0.01) (equivalent to approximately 5.78 Hong Kong cents (HK$0.0578)) per ordinary share and 1.0 Singapore cent (S$0.01) (equivalent to approximately 5.78 Hong Kong cents (HK$0.0578)) per ordinary share respectively for the financial year ended 30 September 2024. The Board recommended that the final dividend is to be satisfied wholly in the form of cash. For the special dividend, the Board recommended that Shareholders be given the option to receive the special dividend wholly or partly in the form of new shares in lieu of cash (the "**Scrip Dividend Scheme**"). The Scrip Dividend Scheme is subject to: (1) the approval of the proposed special dividend at the forthcoming AGM of the Company; and (2) the SGX-ST and SEHK granting the listing of and permission to deal in the scrip shares to be issued. In the event that the said approvals are not obtained for the Scrip Dividend Scheme, the special dividend will be satisfied and paid to the Shareholders in the form of cash only.
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 is of the view that it has communicated regularly with the Shareholders and facilitated the participation of Shareholders during general meetings and other dialogues to allow Shareholders to express their views on various matters pertaining to the Company, in accordance with Principle 12. Please refer to Provisions 12.1 to 12.3 below for more details and instances of the Company's compliance with such principle.

<table>
<tr>
<td>Provision 12.1</td>
<td>The company provides avenues for communication between the Board and all shareholders and discloses in its annual report the steps taken to solicit and understand the views of shareholders.</td>
<td>The Company strives to disclose significant information on a timely basis to the Shareholders and ensure that any disclosure of price sensitive information is not made to a selective group. The significant information is communicated to the Shareholders via:

• annual reports – the Board strives to include all significant information about the Group, including future developments and disclosures as required by the Companies Act, Financial Reporting Standards, the Mainboard Rules and the HK Listing Rules;

• corporate communication made on the websites of the SGX-ST and the SEHK and press releases on major developments of the Group. Corporate communications made on the websites of the SGX-ST (www.sgx.com) and the SEHK (www.hkexnews.hk) and press releases of the Group are also available on the website of the Company at www.lhngroup.com.

A copy of this Annual Report for FY2024 is made available on the websites of the SGX-ST, the SEHK and the Company, together with the Circular containing the notice of AGM for FY2024.</td>
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<td>Provision 12.2</td>
<td>The company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.</td>
<td rowspan="2">The Company has in place an Investor Relations Policy to ensure the dissemination of material information in a timely and useful manner to the Shareholders, analysts, the media, and other investors and aims to raise awareness and understanding of the Company's business amongst the investing public.

In accordance with the investor relations policy (the "Investor Relations Policy"), the Company ensures that, among others:

• Circulars and notices in respect of AGMs and EGMs are released on the websites of the SGX-ST and the SEHK, as well as on the Company's website, and newspaper in Singapore and Hong Kong.

• Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at the meetings for and on their behalf if they are unable to attend the meetings.

• The Chairman and other Board members, chairpersons of Board Committees or their delegates, the Company's senior management and external auditors shall attend the AGMs to answer Shareholders' questions (if any).

• The Company engages its Shareholders and the investment community via Company's reports and announcements, such as timely financial reporting, sustainability reporting and other announcements in accordance with the relevant rules of SGX-ST and SEHK.</td>
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<tr>
<td>Provision 12.3</td>
<td>The company's investor relations policy sets out the mechanism through which shareholders may contact the company with questions and through which the company may respond to such questions.</td>
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		• Any information or documents of the Company posted on the websites of the SGX-ST (www.sgx.com) and the SEHK (www.hkexnews.hk) will also be published on the website of the Company (www.lhngroup.com) under the "Investor Relations" section. Such information includes financial statements, results announcements, circulars and notices of general meetings, etc.. In this regard, the Company wishes to inform that it also has a dedicated investor relations section on its corporate website, which allows the public to subscribe and receive alerts whenever an announcement is posted on the website. • The Company meets with investors, the media and analysts at appropriate times, where the Company also ensures strict adherence with our continuous disclosure obligations. • The Company stays connected with its investors/Shareholders by soliciting feedback from and addressing the concerns of investors/Shareholders (including institutional and retail investors) via a dedicated investor relations email: enquiry@lhngroup.com.sg. Alternatively, investors/Shareholders may also send their enquiries and concerns in writing to the Board/Company Secretary by addressing them to the Company at our registered office in Singapore or principal place of business in Hong Kong or by email through the Company's website. The Company addresses such enquiries and concerns as soon as practicable. The Investor Relations Policy will be reviewed on a regular basis to ensure its effectiveness and compliance with the prevailing regulatory and other requirements. With the above measures in place, the policy is considered to have been effectively implemented.
MANAGING STAKEHOLDER 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 Board is of the view that it has adopted an inclusive approach by considering and balancing the needs and interests of material stakeholders, so as to ensure that the best interests of the Company are served. Please refer to Provisions 13.1 to 13.3 below for more details and instances of the Company's compliance with such principle.
Provision 13.1	The company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.	The Company takes a strategic and pragmatic approach in managing stakeholders' expectations to support its long-term strategy. Please refer to the section headed "Relationship with Stakeholders" on pages 95 and 96 of this Annual Report for details. As set out earlier, the Company is gradually placing emphasis on sustainability risks and would implement appropriate policies and programmes when the opportunities arise. Further details on our ESG policies will be disclosed in the sustainability report for FY2024 to be published at the same time as the publication of this Annual Report.

Provision 13.2	The company discloses in its annual report its strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.	More information on the Group's material stakeholders, sustainability efforts (including its strategy and key areas of focus), and performance in this regard will be set out in the sustainability report for FY2024 to be published on the websites of the SGX-ST, the SEHK and the Company at the same time as the publication of this Annual Report.
Provision 13.3	The company maintains a current corporate website to communicate and engage with stakeholders.	The Company maintains its corporate website at www.lhngroup.com to communicate and engage with stakeholders.
COMPLIANCE WITH APPLICABLE MAINBOARD RULES AT THE END OF THE FINANCIAL YEAR IN REVIEW		
Mainboard Rule	**Rule Description**	**Company's Compliance or Explanation**
711A and 711B	Sustainability Reporting	The sustainability report for FY2024 will be published as a separate report at the same time as the publication of this Annual Report.
712, 715 or 716	Appointment of auditors	The Group has not appointed different auditors for its Singapore-incorporated subsidiaries and significant associated or joint venture companies during FY2024. As such, the Company confirms its compliance to the Mainboard Rules 712 and 715.
1207(8)	Material contracts	Save for the service agreements entered into between the Company and each of the executive Directors, there was no other material contract involving the interests of any Director or controlling shareholders of the Company entered into by the Group, which are either still subsisting at the end of FY2024 or if not then subsisting, entered into since the end of the previous financial year.
1207(10)	Confirmation of adequacy of internal controls	As set out earlier, based on the framework of risk management and internal controls established and maintained by the Management, reviews carried out by the AC, the report on the enterprise risk management of the Group, work performed by the IA and external auditor, and assurance from the Management, the Board, with the concurrence of the AC, is of the opinion that the Group's risk management systems and system of internal controls (including financial, operational, compliance and information technology controls) were adequate and effective for FY2024.
1207(10C)	AC's comment on Internal Audit Function	As set out earlier, the AC has reviewed and approved the internal audit plan to ensure the adequacy of the scope of audit, the IA's reports, proposed follow-up actions implemented by the Management and has noted that the necessary co-operation required from the Management has been provided to enable the IA to perform its function effectively. In addition, the experience of the IA has been reviewed, including the assigned engagement personnel's experience and is satisfied that the IA is adequately qualified (given, inter alia, its adherence to standards set by internationally recognised professional bodies) and resourced, and has the appropriate standing in the Company to discharge its duties effectively. As such, the AC is of the view that the internal audit function of the Company is independent, effective and adequately resourced for FY2024.

<table>
<tr>
<td>1207(17)</td>
<td>IPT</td>
<td>
The Company has established procedures to ensure that all transactions with interested persons complies with Chapter 9 of the Mainboard Rules and Chapter 14A of the HK Listing Rules and are reported on a timely manner to the AC and that the transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.
The Group has not obtained a general mandate from Shareholders for IPTs.
<table>
<tr><th>Name of Interested Person</th><th>Nature of Relationship</th><th>Aggregate Value of all Interested Person Transactions during the Financial Year under Review (excluding Transactions less than S$100,000 and Transactions conducted under Shareholders' Mandate pursuant to Rule 920)</th><th>Aggregate Value of all Interested Person Transactions Conducted during the Financial Year under the Shareholders' Mandate pursuant to Rule 920 (excluding Transactions less than S$100,000)</th></tr>
<tr><td></td><td></td><td>S$'000</td><td>S$'000</td></tr>
<tr><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
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<tr>
<td>1207(19)</td>
<td>Dealing in securities</td>
<td>
The Company has adopted an internal code on dealings in securities, which has been disseminated to all the directors and officers within the Group. The Company will also send a notification via email to notify all the Directors and officers at least a day prior to the close of window for trading of the Company's securities.
Commencing on the HK Listing Date, the Company has also updated its policy according to the requirements as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the HK Listing Rules which is also applicable to the employees of the Group who are likely to be in possession of unpublished inside information (the "Relevant Employees"), and the terms of such policy are no less exacting than the required standard set out in the Model Code. The Company confirms that specific enquiry was made to all the Directors and the Relevant Employees, and they all confirmed that they had complied with the Model Code for FY2024 and up to the date of this Annual Report.
</td>
</tr>
</table>

		The Company, the Directors, officers and employees have been informed not to deal in the Company's securities at all times whilst in possession of unpublished price sensitive information and during the periods of: (a) 30 days immediately preceding the publication date of the announcement of the half-year results of the Company or, if shorter, the period from the end of the relevant half-year period up to the publication date of the results; and (b) 60 days immediately preceding the publication date of the announcement of the full-year results of the Company or, if shorter, the period from the end of relevant financial year up to the publication date of the results. The Directors, officers and employees have also been directed to refrain from dealing in the Company's securities on short-term considerations.
1207(20)	Use of proceeds	There were no fund raising activities during FY2024.
–	Non-competition undertaking from controlling shareholders	The controlling shareholders of the Company gave a non-competition undertaking in favour of the Company and confirmed that they and their close associates had not breached the terms of the undertaking contained in the deed of non-competition during FY2024. Particulars of the deed of non-competition are set out in the section headed "RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS – INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS – DEED OF NON-COMPETITION" of the prospectus of the Company dated 15 December 2017. The Board comprising all the INEDs, based on the written confirmation provided by the controlling shareholders, is of the view that the controlling shareholders had been in compliance with the non-competition undertaking in favour of the Company during FY2024.
–	Company Secretary	The Company has engaged Chevalier Law LLC, an external service provider, and Mr. Chong Eng Wee ("**Mr. Chong**") has been appointed as the Company Secretary. Ms. Yeo Swee Cheng, the CFO, is the primary contact person to Mr. Chong at the Company in respect of any compliance and company secretarial matters of the Company in Singapore and Hong Kong, respectively. During FY2024, Mr. Chong had undertaken no less than 15 hours of relevant professional training in compliance with Rule 3.29 of the HK Listing Rules.
–	Changes to the Constitution	During FY2024, there were no changes to the Constitution.

Directors' Statement

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

The directors (the "**Directors**") of LHN Limited (the "**Company**", together with its subsidiaries, the "**Group**") are pleased to present their statement to the members together with the audited consolidated financial statements of the Group for the financial year ended 30 September 2024 ("**FY2024**") and the statement of financial position of the Company as at 30 September 2024.

In the opinion of the Directors:

(a) the accompanying consolidated financial statements of the Group and the statement of financial position of the Company together with the notes thereon, as set out on pages 102 to 192 of this annual report, 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 30 September 2024 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts and any current liabilities within 12 months from the date of this statement as and when they fall due.

1. PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries are set out in Note 17 to the consolidated financial statements.

2. OPERATIONS AND FINANCIAL REVIEW

Details of the operations and financial review of the Group are set out under the section headed "Business Review" on pages 18 to 19 of this annual report and the section headed "Financial Review" on pages 20 to 26 of this annual report, respectively. The above forms part of the Directors' Statement.

3. RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated statement of profit or loss and other comprehensive income on page 102 of this annual report.

Subsequent to the end of the reporting period, a final dividend (the "**Final Dividend**") and special dividend (the "**Special Dividend**") of 1.0 Singapore cent (equivalent to 5.78 Hong Kong cents) per ordinary share and 1.0 Singapore cent (equivalent to 5.78 Hong Kong cents) per ordinary share respectively for the year ended 30 September 2024 have been recommended by the Directors and are subject to the approval by the shareholders of the Company (the "**Shareholders**") in the forthcoming annual general meeting to be held at 10:00 a.m. on 24 January 2025 (Singapore time) (the "**AGM**"). Upon Shareholders' approval at the AGM, (i) the proposed Final Dividend will be paid on Friday, 21 February 2025, to the Shareholders whose names shall appear on the register of members of the Company on Friday, 7 February 2025 (close of business); and (ii) the proposed Special Dividend will be paid on Friday, 30 May 2025, to the Shareholders whose names shall appear on the register of members of the Company on Thursday, 10 April 2025 (close of business). Please refer to the announcements of the Company dated 25 November 2024 relating to the notice of record date, Final Dividend date and Special Dividend date for details.

For the Final Dividend, the Board recommended that it is to be satisfied wholly in the form of cash. For the Special Dividend, the Board recommended that Shareholders be given the option to receive the Special Dividend wholly or partly in the form of new shares in lieu of cash (the "**Scrip Dividend Scheme**"). The Scrip Dividend Scheme is subject to: (1) the approval of the proposed Special Dividend at the forthcoming AGM; and (2) the SGX-ST and Stock Exchange granting the listing of and permission to deal in the scrip shares to be issued. In the event that the said approvals are not obtained for the Scrip Dividend Scheme, the Special Dividend will be satisfied and paid to the Shareholders in the form of cash only.

4. FINANCIAL SUMMARY AND HISTORICAL FINANCIAL KEY PERFORMANCE INDICATORS

A summary of the results and of the assets and liabilities of the Group and details of the key financial performance indicators to the performance of the Group business for the past five financial years is set out on page 17 of this annual report.

5. PRINCIPAL RISKS AND UNCERTAINTIES

The business of the Group is subject to numerous risks and uncertainties. The following is a summary of some of the principal risks and uncertainties affecting our business for the financial year ended 30 September 2024 and onwards:

(i) ***Ability to renew or re-tender for master leases for the space optimisation business***: The Group's space optimisation business is the Group's principal business segment. For the space optimisation business, a number of the Group's properties are obtained through master leases. If the Group is unable to renew any of the master leases or successfully re-tender for any of its properties, it takes time and cost for the Group to identify new properties, obtain the properties and perform the optimisation work to launch in the market to replace the properties that it has returned to the landlord. Furthermore, it takes time to build up the tenancies for our new properties. These may disrupt the Group's normal business operations and cause the Group to suffer additional costs which can have a material and adverse effect on its business, results of operations, financial position and prospects.

(ii) ***Ability to renew tenancy agreements with the tenants of the Group at commercially acceptable term***: The Group leases its properties to its tenants pursuant to tenancy agreements. The Group will negotiate with the tenants for the new terms for the lease renewal if they will stay on as its tenants towards the expiry. The new terms will be subject to the prevailing market conditions and movements in property prices in general. Furthermore, there is no guarantee that the tenants will continue to lease the properties from the Group or that the Group can renew the leases at commercially acceptable terms. If the Group's existing tenants cease to lease properties from it, it may be unable to secure new tenants or will incur additional costs such as marketing costs to secure new tenants in respect of those properties and its business, results of operations, financial position and prospects may be adversely affected.

(iii) ***Ability to recover the renovation, refurbishment and maintenance costs for the properties of the Group***: For the properties of the space optimisation business, the Group typically undertakes renovation and refurbishment works on them before leasing them out. The type and the amount of time required for the renovation works depend on a number of factors, including whether the property is leased or owned, the condition, size, type and planned future use of the property, and for leased property, the term of the lease and the expected time of holding or leasing the property. Renovation works are depreciated over their estimated useful life when capitalised to property, plant and equipment or carried at fair value when capitalised to investment properties. The Group may be required to accelerate the depreciation or recognise more fair value losses if the lease is terminated prior to its expiry. The Group may also incur substantial costs periodically in maintaining and repairing some of its older properties. If the Group is unable to manage the capital expenditure and costs involved in renovating, refurbishing and/or maintaining our properties, its profit margin and hence, its business, results of operations, financial position and prospects may be adversely affected.

(iv) ***Appraisal value and fair value of investment properties and leasehold properties***: For the Group's investment properties and leasehold properties and joint ventures' investment properties and leasehold properties, the fair values of these properties are required to be reassessed at the end of each financial reporting period. The gains and losses arising from the changes in the fair values of these properties are recognised in the profit or loss or other comprehensive income for the period in which the changes of fair values occur and affect the Group's profit and net asset position for that period. Any valuation of these properties which is lower than our previously appraised value will lead to fair value loss on these properties. Also, the appraised values of these properties are based on various assumptions, which are subjective and uncertain in nature. Hence, the appraised values of our properties are the best estimates as at the reporting date.

6. RELATIONSHIPS WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

The Company believes that cultivating a healthy relationship with the Group's employees, suppliers (including landlords) and customers (including tenants) is paramount to its success.

The Group only works with reputable and ethical suppliers with good track records of service/product quality.

With the Group's customers, in order to facilitate an open channel of communication, the Group utilises various channels, such as hotline, annual survey on customer satisfaction and social platforms. The Group believes in creating more dynamic relationships whereby the customers can also be its potential business partners and associates; hence, the sustainability of one's business will benefit the other. The Group will seek to utilise services provided by its current tenants provided the terms are commercially acceptable. The Group also organises various networking sessions throughout the year to benefit the tenants and create networking opportunities.

Please also refer to the paragraphs headed "Employee and Remuneration Policies" and "Major Customers and Suppliers" in this section for more details.

7. INVESTMENT PROPERTIES

Details of the investment properties of the Group during the year are set out in Note 16 to the consolidated financial statements.

8. PROPERTY, PLANT AND EQUIPMENT

Details of movement in the property, plant and equipment of the Group during the year are set out in Note 14 to the consolidated financial statements.

9. BANK BORROWINGS

Details of the bank borrowings of the Group as at 30 September 2024 are set out in the Note 34 to the consolidated financial statements.

10. SHARE CAPITAL

Details of the Company's issued share capital during the year are set out in Note 30 to the consolidated financial statements.

11. PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

12. DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 30 September 2024 amounted to S$12,671,000.

13. DIRECTORS

The Directors of the Company during the year and up to the date of this report were:

Executive Directors	
Mr. Lim Lung Tieng ("**Kelvin Lim**")	(Executive Chairman and Group Managing Director)
Ms. Lim Bee Choo ("**Jess Lim**")	(Group Deputy Managing Director)
Independent Non-executive Directors	
Ms. Ch'ng Li-Ling	(Lead Independent Non-executive Director)
Mr. Yong Chee Hiong ("**Eddie Yong**")	
Mr. Chan Ka Leung Gary ("**Gary Chan**")	

14. DIRECTORS' SERVICE CONTRACTS

The Company has entered into separate service agreements (the "**Service Agreements**") with the Executive Directors, namely, Mr. Kelvin Lim and Ms. Jess Lim that state their terms of employment, which may be terminated by not less than six months' notice in writing served by either party on the other. Under the Service Agreements, the Executive Directors are entitled to an incentive bonus based on the Group's consolidated profit before tax subject to a minimum fixed annual bonus of four months. The Service Agreements are valid for a period of three years from 16 March 2015 ("**Initial Term**"). After the Initial Term, the agreement shall be automatically renewed until terminated by either party on the other.

Each of Ms. Ch'ng Li-Ling and Mr. Eddie Yong, the Independent Non-executive Directors, had entered into a letter of appointment with us on 10 March 2015 (as amended by an addendum dated 25 September 2017) for an initial term of three years commencing on 10 March 2015 and was extended for a period of three years with effect from 10 March 2018. The appointment was extended for another three years with effect from 10 March 2021 and shall be automatically renewed, which may be terminated by not less than three months' notice in writing served by either party on the other. In view of the retirement of Ms. Ch'ng Li-Ling and Mr. Eddie Yong at the conclusion of the forthcoming AGM, both Ms. Ch'ng Li-Ling and Mr. Eddie Yong have agreed with the Company to terminate their respective appointments effective upon the conclusion of the forthcoming AGM.

14. DIRECTORS' SERVICE CONTRACTS (CONT'D)

Mr. Gary Chan, an Independent Non-executive Director, had entered into a letter of appointment with us on 5 June 2017 (as amended by an addendum dated 25 September 2017) for an initial term of three years commencing on 5 June 2017 and was extended for a period of three years with effect from 5 June 2020. The appointment was extended for another three years with effect from 5 June 2023 and shall be automatically renewed, which may be terminated by not less than three months' notice in writing served by either party on the other.

In accordance with Regulation 99 of the Constitution, Mr. Kelvin Lim will retire from office by rotation at the forthcoming AGM and, being eligible, offer himself for re-election. Ms. Ch'ng Li-Ling and Mr. Eddie Yong were appointed as Independent Non-executive Directors on 10 March 2015 and have served as Independent Non-executive Directors for more than nine years. As a result, both Ms. Ch'ng Li-Ling and Mr. Eddie Yong will no longer be considered independent and will retire at the AGM without seeking re-election.

None of the Directors proposed for re-election at the forthcoming AGM has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

15. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS

The Board has the general power of determining the Directors' remuneration, subject to authorisation of the shareholders of the Company at the annual general meeting each year.

The remuneration and other emoluments are determined by the Board by recommendation of the Remuneration Committee with reference to the duties, responsibilities and performance of the Directors and the results of the Group.

Details of the remuneration of the Directors and five highest paid individuals are set out in Note 9 to the consolidated financial statements.

16. EMPLOYEE AND REMUNERATION POLICIES

As at 30 September 2024, there were 478 (2023: 459) employees in the Group.

The Group has adopted the Share Option Scheme to motivate and reward its Directors and eligible employees. The emoluments of Directors and senior management were reviewed by the remuneration committee of the Company, having regard to their experience, responsibilities and performance of the Group, and approved by the Board. Please refer to "20. Share Option Scheme" below and "Report on Corporate Governance – Share Option Scheme" on pages 60 to 65 of this annual report for further details.

17. RETIREMENT SCHEMES

As required by the law of the relevant jurisdictions, the Group makes contributions to Central Provident Fund in Singapore, Mandatory Provident Fund Scheme in Hong Kong, Employees' Provident Fund in Malaysia, Social Security Fund in China, Myanmar and Cambodia and Badan Penyelenggara Jaminan Sosial in Indonesia, which are defined contribution plans, during the year. In Singapore, under the Central Provident Fund Scheme, employers are required to make a regular contribution calculated at a range of 7.5% to 17% of the employees' monthly income above S$500 per month and up to a maximum of S$6,800 per month, depending on the employee's age group. In Malaysia, the Employees' Provident Fund contribution rate for employers are 13% for gross salary RM5,000 and below and 12% for gross salary above RM5,000. In Hong Kong, under the Mandatory Provident Fund Scheme, employers and employees are each required to make regular contribution calculated at 5% of the employee's relevant income for monthly income above HK$7,100 per month and up to a maximum of HK$30,000 per month. In China, employees of subsidiary in China are members of the retirement schemes operated by the local authorities, and the subsidiary is required to contribute a certain percentage of the eligible employees' salaries to these schemes to fund the benefits. In Myanmar, employers are required to contribute 3% of the employee's monthly salary capped at MMK300,000. In Cambodia, employers are required to contribute 3.4% of the employee's monthly salary for social security fund and 2% for pension fund with monthly salary capped at Riel 1,200,000. In Indonesia, employers are required to contribute 6.54% of the employee's monthly salary. The only obligation of the Group with respect to these schemes is the required contributions under the schemes.

These contributions are recognised as employee benefit costs in the financial year to which they relate. Please also refer to Note 9 to the consolidated financial statements in this annual report for total contributions made during the year.

18. PERMITTED INDEMNITY PROVISION

Under the Constitution, every Director or other officers of the Company acting in relation to any of the affairs of the Company shall be entitled to be indemnified against all actions, costs, charges, losses, damages and expenses which he/she may incur or sustain in or about the execution of his/her duties in his/her office. Such provision was in force during the year. The Company has arranged appropriate insurance cover in respect of legal action against its Directors and officers.

19. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

Under Singapore Law

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act 1967 of Singapore, none of the directors who held office at the end of FY2024 had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Number of ordinary shares			
	Holdings registered in the name of director or nominee		Holdings in which director is deemed to have an interest	
Name of directors	**As at 1 October 2023**	**As at 30 September 2024#**	**As at 1 October 2023**	**As at 30 September 2024#**
The Company – LHN Limited				
Lim Lung Tieng	–	**–**	224,982,600	**232,359,078**
Lim Bee Choo	4,000,000	**4,131,147**	220,982,600	**228,227,931**
Immediate holding company – LHN Holdings Ltd				
Lim Lung Tieng	–	**–**	50,000	**50,000**
Lim Bee Choo	–	**–**	50,000	**50,000**
Intermediate holding company – Hean Nerng Group Pte. Ltd.				
Lim Lung Tieng	30,000	**30,000**	–	**–**
Lim Bee Choo	60,000	**60,000**	–	**–**

\# There were no changes to the above shareholdings as at 21 October 2024.

By virtue of the provisions of Section 7 of the Companies Act 1967 of Singapore, Mr. Kelvin Lim and Ms. Jess Lim are deemed to have an interest in the whole of the issued share capital of all the wholly-owned subsidiaries of the Company, and in the shares held by the Company in the following subsidiaries that are not wholly-owned by the Group.

	Number of ordinary shares	
	As at 1 October 2023	**As at 30 September 2024**
Chrysolite Industries Pte. Ltd.	120,000	**120,000**
Coliwoo PP Pte. Ltd.	–	**80,000**
Coliwoo (TK) Pte. Ltd.	–	**80,000**
LHN Management Services Pte. Ltd.	12,750	**12,750**
PT. Hean Nerng Group	2,970	**2,970**
PT. Hub Hijau Serviced Offices	3,500	**3,500**

19. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS (CONT'D)

Under Hong Kong Law

As at 30 September 2024, being the end of the reporting period under review, the interest or short position in the Shares, underlying Shares or debentures of the Company and/or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong (the "**SFO**")) that Directors and chief executive of the Company as recorded in the register required to be kept under section 352 of the SFO, or otherwise notified to the Company and the SEHK pursuant to the Model Code, are as follows:

Long positions in the Shares and underlying Shares

NAME OF DIRECTOR/CHIEF EXECUTIVE	CAPACITY/NATURE OF INTEREST	NUMBER OF SHARES HELD/INTERESTED	APPROXIMATE PERCENTAGE OF SHAREHOLDING AS AT 30 SEPTEMBER 2024
Mr. Kelvin Lim[(1)(2)]	Founder of discretionary trusts, beneficiary of a trust	228,227,931	54.56%
Ms. Jess Lim	Beneficial owner	4,131,147	0.99%

Notes:

1. Mr. Kelvin Lim is one of the founders of The LHN Capital Trust and The Land Banking Trust. Trident Trust Company (B.V.I.) Limited, in its capacity as the trustee of The Land Banking Trust, holds the entire issued share capital of LHN Capital Pte. Ltd.. LHN Capital Pte. Ltd., in its capacity as the trustee of The LHN Capital Trust, holds the entire issued share capital of HN Capital Ltd., which in turn holds 85% of the total issued share capital of Hean Nerng Group Pte. Ltd.. Hean Nerng Group Pte. Ltd. holds the entire issued share capital of LHN Holdings Ltd. LHN Holdings Ltd is the beneficial owner of 228,227,931 Shares. Mr. Kelvin Lim is deemed under the SFO to be interested in the Shares held by Trident Trust Company (B.V.I.) Limited and LHN Capital Pte. Ltd.. Trident Trust Company (B.V.I.) Limited is deemed under the SFO interested in the interests held by LHN Capital Pte. Ltd.. LHN Capital Pte. Ltd. is deemed under the SFO interested in the interests held by HN Capital Ltd.. HN Capital Ltd. is deemed under the SFO interested in the interests held by Hean Nerng Group Pte. Ltd.. Hean Nerng Group Pte. Ltd. is deemed under the SFO interested in the interests held by LHN Holdings Ltd.
2. Mr. Kelvin Lim is one of the beneficiaries of The LHN Capital Trust of which LHN Capital Pte. Ltd. is the trustee. LHN Capital Pte. Ltd., in its capacity as the trustee, holds the entire issued share capital of HN Capital Ltd., which in turn holds 85% of the total issued share capital of Hean Nerng Group Pte. Ltd.. Hean Nerng Group Pte. Ltd. holds the entire issued share capital of LHN Holdings Ltd. LHN Holdings Ltd is the beneficial owner of 228,227,931 Shares. Mr. Kelvin Lim is deemed under the SFO to be interested in the Shares held by LHN Capital Pte. Ltd.. LHN Capital Pte. Ltd. is deemed under the SFO interested in the interests held by HN Capital Ltd.. HN Capital Ltd. is deemed under the SFO interested in the interests held by Hean Nerng Group Pte. Ltd.. Hean Nerng Group Pte. Ltd. is deemed under the SFO interested in the interests held by LHN Holdings Ltd.

Save as disclosed above, as at 30 September 2024, none of the Directors or chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares and debentures of the Company and/or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO, or otherwise notified to the Company and the SEHK pursuant to the Model Code.

Common Directors

For information of the shareholders, as at 30 September 2024, Mr. Kelvin Lim and Ms. Jess Lim, the Executive Directors, are also directors of LHN Holdings Ltd, Hean Nerng Group Pte. Ltd., HN Capital Ltd. and LHN Capital Pte. Ltd..

Save as disclosed above, there are no other Directors who is a director or employee of a company which has an interest in the shares and underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

20. SHARE OPTION SCHEME

Details of the LHN Share Option Scheme are set out under the paragraph headed "Report on Corporate Governance – Share Option Scheme" on pages 60 to 65 of this annual report.

No options were granted since the adoption of the share option scheme and during the financial year to subscribe for unissued shares of the Company.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company. There were no unissued shares of the Company under the share option scheme at the end of FY2024.

Other than the Share Option Scheme, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of FY2024.

21. AUDIT COMMITTEE

The Audit Committee ("**AC**") comprises entirely of independent non-executive Directors. The members of the AC during FY2024 are:

Mr. Gary Chan (Chairman)
Ms. Ch'ng Li-Ling
Mr. Eddie Yong

The Audit Committee performs the functions set out in Section 201B(5) of the Companies Act 1967 of Singapore, the SGX-ST Listing Manual Section A: Rules of Mainboard (the "**Mainboard Rules**"), the HK Listing Rules and in accordance with its terms of reference as set out under the "Report on Corporate Governance – Principle 10 – Audit Committee" on pages 69 to 72 of this annual report. In performing those functions, the Committee carried out the following during FY2024:

(i) reviewed the overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls;

(ii) reviewed the Group's financial and accounting policies and practices;

(iii) reviewed the audit plan of the Company's external auditor and any recommendations on internal accounting controls arising from the statutory audit;

(iv) reviewed the interim and annual financial information and the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 30 September 2024 as well as the auditor's report thereon;

(v) on an annual basis, reviewed the effectiveness of the Group's risk management and internal controls systems, including financial, operational and compliance controls and information technology controls and risk management systems via reviews carried out by the internal auditors which were considered to be effective and adequate;

(vi) met with the internal and external auditor to discuss any matters that the auditors believe should be discussed privately with the AC;

(vii) 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;

(viii) reviewed the cost effectiveness and the independence and objectivity of the external auditor;

(ix) reviewed the nature and extent of non-audit services provided by the external auditor;

21. AUDIT COMMITTEE (CONT'D)

(x) recommended to the Board the external auditor to be nominated, approved the compensation and the terms of engagement of the external auditor, and reviewed the scope and results of the audit;

(xi) reported actions and minutes, and matters related to the terms of reference of the AC to the Board with such recommendations as the AC considered appropriate;

(xii) reviewed the interested person transactions (as defined in Chapter 9 of the Listing Manual of the SGX-ST) and connected transactions (has the meaning as ascribed to it under the HK Listing Rules); and

(xiii) reviewed the independence, adequacy of resources and the appropriateness of the standing of the internal auditor, and the effectiveness of the internal audit function.

The AC has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The AC also recommends the appointment of the external auditor and reviews the level of audit and non-audit fees.

The AC is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that the auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment as auditor at the forthcoming AGM.

The AC has also reviewed the audited consolidated financial statements of the Group for FY2024. Full details regarding the AC are provided in the Report on Corporate Governance.

In appointing our auditors for the Company, subsidiaries and significant associated companies, we have complied with Rules 712 and 715 of the Mainboard Rules as well as the HK Listing Rules as at the end of the financial year in review.

22. ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other corporate body.

23. DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than disclosed above and in Note 39 to the financial statements, no contracts of significance to which the Company or its subsidiaries was a party and in which a director of the Company had a material interest, whether directly and indirectly, subsisted at the end of the year or at any time during the year.

24. MANAGEMENT CONTRACTS

Save for service contracts with our Directors, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during FY2024.

25. CONTRACTS WITH CONTROLLING SHAREHOLDERS

No contract of significance has been entered into between the Company or any of its subsidiaries and any of the Controlling Shareholders during the year.

26. RELATED PARTY TRANSACTIONS

Our Group entered into certain related party transactions with its related parties during the year ended 30 September 2024. None of these related party transactions constitutes a connected transaction or continuing connected transaction as defined under Chapter 14A of the HK Listing Rules that is required to be disclosed.

Details of the related party transactions are set out in Note 39 to the consolidated financial statements.

27. SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2024, being the end of the reporting period under review, the interests or short positions in the Shares or underlying Shares of the persons which would fall to be disclosed to the Company under the provisions of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO are set out under "Statistics of Shareholdings – Substantial Shareholders and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures" for details of (i) under the requirements of Singapore, the substantial shareholders as recorded in the register of substantial shareholder in Singapore as at 3 December 2024; and (ii) under the requirements of Hong Kong, for the shareholders' information, the interests or short positions in the Shares or underlying Shares of the persons which would fall to be disclosed to the Company under the provisions of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO as at 30 September 2024.

28. PRE-EMPTIVE RIGHTS

Regulation 9(A) of the Constitution provides that subject to any direction to the contrary that may be given by the Company in general meeting or except permitted by the Mainboard Rules or the HK Listing Rules, all new shares shall before issue be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. Save for the foregoing, there is no provision for pre-emptive rights under the Constitution or the laws of the Republic of Singapore applicable to Singapore companies generally which would oblige the Company to offer new Shares on a pro-rata basis to existing shareholders.

29. CORPORATE GOVERNANCE

The Company has adopted the code provisions of the corporate governance code in Appendix C1 (the "**HK CG Code**") to the HK Listing Rules as part of its corporate governance code effective upon the HK Listing, in addition to the requirements under Singapore Code of Corporate Governance 2018 ("**SG CG Code**"). As such, the Company will comply with the more stringent requirements among the HK CG Code and the SG CG Code.

In the opinion of the Directors, the Company had complied with the HK CG Code and SG CG Code during FY2024 except for code provision C.2.1 under the HK CG Code. Under code provision C.2.1 of the HK CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Group does not have the role of chief executive officer but has the role of managing Director, which is responsible for the day-to-day management of business and currently performed by Mr. Kelvin Lim, who is also the executive chairman of the Board. Throughout the Group's business history, Mr. Kelvin Lim has held the key leadership position of the Group since 1998 and has been deeply involved in the formulation of corporate strategies and management of business and operations of the Group. Taking into account the consistent leadership within the Group and in order to enable more effective and efficient overall strategic planning and continuation of the implementation of such plans, the Directors (including the independent non-executive Directors) consider that Mr. Kelvin Lim is the best candidate for both positions and the present arrangements are beneficial and in the interests of the Group and our Shareholders as a whole.

30. MODEL CODE OF SECURITIES TRANSACTIONS BY DIRECTORS

In addition to compliance to Rule 1207(19) of the Mainboard Rules ("**Mainboard Rule 1207(19)**"), the Company has updated its policy with the requirements set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the HK Listing Rules which is also applicable to its employees who are likely to be in possession of unpublished inside information (the "**Relevant Employees**"), and the terms of such policy are no less exacting than the required standard set out in the Model Code (the "**Dealings in Securities Policy**").

Based on the Company's Dealings in Securities Policy, the Company and its Officers (including the Directors, Management and Executives) are not allowed to deal in the Company's shares during the period commencing 30 days immediately before the announcement of the Company's interim (i.e. half-yearly) results and 60 days immediately before the announcement of the Company's full year results (or if shorter than 60 days, commencing from the date of the year-end), and ending on the date of the announcement of the relevant results.

30. MODEL CODE OF SECURITIES TRANSACTIONS BY DIRECTORS (CONT'D)

The Directors, Management and Executives of the Group are also expected to observe relevant insider trading laws at all times, even when dealing in securities within permitted trading period or they are in possession of unpublished price-sensitive information of the Company and they are not to deal in the Company's securities on short-term considerations.

The Company confirms that specific enquiry has been made to all the Directors and the Relevant Employees and all have confirmed that they have complied with the Model Code and Mainboard Rule 1207(19) during FY2024.

31. MAJOR CUSTOMERS AND SUPPLIERS

During FY2024, revenue attributable to the Group's largest customer accounted for approximately 8.3% of the Group's total pre-IFRS 16 revenue and aggregate revenue attributable to the five largest customers of the Group accounted for approximately 16.2% of the Group's total pre-IFRS 16 revenue.

During FY2024, purchases attributable to the Group's largest supplier accounted for approximately 20.4% of the Group's total purchases and aggregate purchases attributable to the five largest suppliers of the Group accounted for approximately 56.3% of the Group's total purchases.

To the knowledge of the Directors, none of the Directors, or their respective associates, or any Shareholders owning more than 5% of the Company's issued share capital had any beneficial interests in any of the five largest customers or suppliers.

32. ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group's Space Optimisation Business operates as a sustainable model by transforming underutilised areas into productive spaces. This approach not only maximises the value of existing properties but also contributes to environmental conservation by reducing the need for new developments. The Group's properties are also designed and operated with sustainability in mind.

The Group continuously endeavours to promote sustainable environment. Energy efficiency measures include the installation of LED lights and motion sensors, which help reduce energy consumption. Additionally, the use of biodegradable cleaning agents in place of bleach protects both the environment and employees from harmful chemicals. Internally, the Group fosters a culture of efficiency and waste reduction. Employees are encouraged to minimise printing, and all wastepaper is shredded and sent to recycling centres. These practices aim to promote environmental consciousness within the Group and in the workspaces provided to tenants. Aligned with its vision of creating productive and sustainable environments, the Group continuously strives to reduce its carbon footprint by maximising resource efficiency across all operations.

As required by the Mainboard Rules and HK Listing Rules, the Company is required to report on environmental, social and governance information ("**ESG Information**" or "**Sustainability Report**") on an annual basis and regarding the same financial period covered in this annual report. The Sustainability Report for FY2024 will be published as a separate report at the same time as the publication of this annual report.

33. RELATIONSHIP WITH STAKEHOLDERS

Our key stakeholders include customers, employees, suppliers and regulators. Cultivating a healthy relationship with them is paramount to our business success.

With our customers, besides traditional channels such as annual survey on customer satisfaction and hotline, the Group employs the use of social platforms like Facebook for a more interactive experience. We believe in creating more dynamic relationships whereby our customers can also be our potential business partners and associates; hence, the sustainability of one's business will benefit the other. We will prioritise utilising services provided by our current tenants for the properties. We also organise various networking sessions to our tenants' benefits throughout the year.

33. RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

To ensure that we provide services of the highest quality, the Group takes great care in engaging with both our employees and suppliers. For employees, we keep them updated on the Group's business direction and core values via daily interactions and other formal forum such as town hall and management dialogue conducted on quarterly basis. The performance appraisal is conducted half yearly to determine the staff's career aspirations and learning and development needs. The staff will be consulted and registered for courses as appropriate. For suppliers, the Group only works with reputable and ethical suppliers with good track records of service/product quality.

In relation to our regulators, the Group makes concerted efforts to comply with all applicable laws and regulations and to continuously engage with the regulatory agencies to create awareness about our business model.

More specific details on our environmental, social and corporate governance ("**ESG**") policies will be found in our Sustainability Report.

34. DONATIONS

During FY2024, the Group made charitable donations of S$380,000 (2023: S$315,000).

35. NON-COMPETITION UNDERTAKING FROM CONTROLLING SHAREHOLDERS

Please refer to page 85 of this annual report of "Report on Corporate Governance – Non-competition Undertaking from Controlling Shareholders" for details.

36. DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors is or was interested in any business apart from the Group's business that competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during FY2024 and up to and including the date of this annual report.

37. CHANGE OF DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE HK LISTING RULES

Pursuant to Rule 13.51B(1) of the HK Listing Rules, the change of Director's Information of the Company since the publication of the annual report for FY2023 on 8 January 2024 is as follows:

Ms. Ch'ng Li-Ling has been appointed as an independent director of Shanaya Limited (Singapore Stock Code: SES) in May 2024.

Save for the information above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the HK Listing Rules.

38. SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained the public float as required by the HK Listing Rules, the Mainboard Rules for the period under review and up to the date of this annual report, based on information that is publicly available to the Company and within the knowledge of the Directors.

39. EVENTS AFTER 30 SEPTEMBER 2024

Saved as disclosed in this report, there were no significant events after 30 September 2024 and up to the date of this annual report.

40. TAX RELIEF

The Company is not aware of any tax relief to which the shareholders of the Company are entitled by reason of their holding of the Company's securities.

41. **AUDITORS**

PricewaterhouseCoopers LLP have expressed their willingness to accept re-appointment. PricewaterhouseCoopers LLP will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting. A resolution for the re-appointment of PricewaterhouseCoopers LLP as auditor of the Company is expected to be proposed at the forthcoming AGM.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board

Lim Lung Tieng	**Lim Bee Choo**
DIRECTOR	DIRECTOR

Singapore
23 December 2024

Independent Auditor's Report

TO THE MEMBERS OF LHN LIMITED
(INCORPORATED IN SINGAPORE WITH LIMITED LIABILITY)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the accompanying consolidated financial statements of LHN Limited ("the Company") and its subsidiaries ("the Group") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 September 2024, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Separate opinion in relation to International Financial Reporting Standards ("IFRSs")

As explained in Note 2.1 to the financial statements, the Group and the Company, in addition to applying SFRS(I)s, have also applied International Financial Reporting Standards ("IFRSs"). In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with IFRSs so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 September 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated statement of profit or loss and other comprehensive income of the Group for the financial year ended 30 September 2024;
- the consolidated statement of financial position of the Group as at 30 September 2024;
- the statement of financial position of the Company as at 30 September 2024;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

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

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 30 September 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
1. <u>Valuation of investment properties and leasehold properties</u>	
As at 30 September 2024, the carrying value of the Group's directly held properties at fair value represented 68% of total assets, comprising of investment properties of S$458.0m (Note 16) and owner occupied properties (classified as property, plant and equipment) of S$18.7m (Note 14). In addition, the Group also holds such properties indirectly through equity accounted joint ventures and the Group's share of the properties' value amounted to S$108.7m (Note 18). For the financial year ended 30 September 2024, the Group recorded net fair value gains on investment properties of S$10.5m (Note 16) and net revaluation gains on owner occupied properties of S$0.4m (Note 14). In addition, the Group's share of results of joint ventures also includes net fair value gains of S$4.3m and net revaluation gains of S$0.4m (Note 18). Management has engaged external valuers to determine the fair value of these properties. The valuation of these properties is significant to our audit as significant judgement and estimates are involved in determining the key inputs applied in the valuation techniques adopted by the external valuers. The key inputs include discount rate, terminal yield, capitalisation rate, transaction price of comparable properties, gross development value and cost to complete and are dependent on the prevailing market conditions.	We have performed audit procedures that focuses on the valuation process and included the following: • evaluated the competency and independence of the external valuers engaged by management; • held discussions with the external valuers to understand the valuation techniques adopted, areas of key judgements and reasons for significant changes in fair values; • tested the integrity of underlying information including underlying lease and financial information provided to the external valuers; and • assessed the reasonableness of key inputs used by the valuers in the valuation techniques, focusing on – reasonableness of the discount rate, terminal yield and capitalisation rate to those adopted for similar properties and against prior year; – the appropriateness of the transacted price of comparable properties and gross development value adopted, taking into account the property's nature, location and tenure; and – the appropriateness of the cost to complete, taking into account the contract sum awarded and cost incurred to date. From the procedures performed, we noted that the external valuers are members of recognised bodies for professional valuers and valuation techniques adopted to be in line with generally accepted market practices. We also found that the key inputs applied to be within range of market data.

Other Information

Management is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Independent Auditor's Report

TO THE MEMBERS OF LHN LIMITED
(INCORPORATED IN SINGAPORE WITH LIMITED LIABILITY)

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional 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 the directors' 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 financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Lee Zhen Jian.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 23 December 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income – Group

	Note	Group Year ended 30 September 2024 S$'000	2023 S$'000
Continuing operations			
Revenue	6	**121,021**	93,644
Cost of sales*	8	**(58,808)**	(41,779)
Gross profit		**62,213**	51,865
Other gains/(losses) – net and other income	7	**6,681**	16,996
Other operating expenses			
– Impairment loss on trade, other and finance lease receivables		**(357)**	(429)
Selling and distribution expenses	8	**(2,941)**	(3,760)
Administrative expenses*	8	**(21,754)**	(28,548)
Finance cost – net	10	**(11,815)**	(8,895)
Share of results of associates and joint ventures, net of tax	18	**8,935**	1,725
Fair value gain/(loss) on investment properties, net	16	**10,459**	(5,971)
Profit before taxation		**51,421**	22,983
Taxation	11	**(3,548)**	(4,065)
Profit from continuing operations		**47,873**	18,918
Discontinued operations			
Profit from discontinued operations	12	**–**	21,303
Net profit		**47,873**	40,221
Profit attributable to:			
Equity holders of the Company		**47,290**	38,211
Non-controlling interests		**583**	2,010
Net profit		**47,873**	40,221
Profit attributable to equity holders of the Company relates to:			
Profit from continuing operations		**47,290**	18,537
Profit from discontinued operations		**–**	19,674
		47,290	38,211
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss			
Currency translation differences arising from consolidation		**(738)**	53
Items that will not be reclassified subsequently to profit or loss			
Revaluation gains on leasehold properties, net		**392**	408
Financial assets, at FVOCI – Fair value gain – equity investment		**176**	–
Share of other comprehensive income/(loss) of joint venture		**385**	(231)
Other comprehensive income		**215**	230
Total comprehensive income		**48,088**	40,451
Total comprehensive income attributable to:			
Equity holders of the Company		**47,504**	38,438
Non-controlling interests		**584**	2,013
Total comprehensive income		**48,088**	40,451
Earnings per share for profit from continuing and discontinued operations attributable to equity holders of the Company			
Basic and diluted (cents)			
– From continuing operations	13	**11.48**	4.53
– From discontinued operations	13	**–**	4.81

* Refer to Note 8(a) for reclassification of 2023 comparative figures.

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

Consolidated Statement of Financial Position – Group

	Note	Group As at 30 September 2024 S$'000	2023 S$'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	**31,719**	34,874
Right-of-use assets	15	**13,651**	13,693
Investment properties	16	**457,978**	303,761
Investment in associates and joint ventures	18	**34,098**	27,601
Other financial assets	19	**493**	280
Deferred tax assets	21	**55**	57
Trade and other receivables	22	**11,324**	15,528
Loans to associates and joint ventures	39(b)	**16,137**	–
Prepayments	23	**279**	291
Finance lease receivables	24	**3,864**	19,703
Fixed deposits with banks	27	**500**	500
		570,098	416,288
Current assets			
Development properties	25	**43,866**	28,950
Inventories	26	**44**	13
Trade and other receivables	22	**13,052**	12,858
Loans to associates and joint ventures	39(b)	**–**	12,567
Prepayments	23	**1,760**	1,728
Finance lease receivables	24	**17,297**	19,292
Fixed deposits with banks	27	**4,159**	20,822
Cash and bank balances	28	**46,503**	41,555
		126,681	137,785
Total assets		**696,779**	554,073
EQUITY AND LIABILITIES			
Equity			
Share capital	30	**68,340**	65,496
Reserves	29	**185,841**	150,698
Equity attributable to equity holders of the Company		**254,181**	216,194
Non-controlling interests	17(a)	**2,855**	1,855
Total equity		**257,036**	218,049
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	21	**6,396**	6,750
Other payables	32	**16,590**	2,461
Provisions	33	**345**	668
Bank borrowings	34	**255,837**	149,453
Lease liabilities	35	**64,227**	79,812
		343,395	239,144
Current liabilities			
Trade and other payables	32	**32,904**	42,208
Provisions	33	**337**	730
Bank borrowings	34	**25,747**	18,846
Lease liabilities	35	**33,552**	32,144
Current income tax liabilities		**3,808**	2,952
		96,348	96,880
Total liabilities		**439,743**	336,024
Total equity and liabilities		**696,779**	554,073

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

Statement of Financial Position – Company

	Note	Company As at 30 September 2024 S$'000	2023 S$'000
ASSETS			
Non-current asset			
Investment in subsidiaries	17(a)	**32,727**	32,727
		32,727	32,727
Current assets			
Amount due from subsidiaries	17(b)	**39,812**	38,504
Prepayments		**33**	53
Cash and bank balances		**10,649**	10,206
		50,494	48,763
Total assets		**83,221**	81,490
EQUITY AND LIABILITIES			
Capital and reserve attributable to equity holders of the Company			
Share capital	30	**68,340**	65,496
Reserves	31	**12,671**	10,589
Total equity		**81,011**	76,085
LIABILITIES			
Current liabilities			
Trade and other payables		**1,904**	5,019
Current income tax liabilities		**306**	386
Total liabilities		**2,210**	5,405
Total equity and liabilities		**83,221**	81,490

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

Consolidated Statement of Changes in Equity – Group

Group	Note	Share capital S$'000	Retained profits S$'000	Merger reserve S$'000	Fair value reserve S$'000	Asset revaluation reserve S$'000	Exchange translation reserve S$'000	Total attributable to equity holders of the Company S$'000	Non-controlling interests S$'000	Total S$'000
As at 1 October 2023		65,496	179,479	(30,727)	(1,350)	4,207	(911)	216,194	1,855	218,049
Net profit		–	47,290	–	–	–	–	47,290	583	47,873
Other comprehensive income for the year		–	–	–	176	777	(739)	214	1	215
Total comprehensive income for the year		–	47,290	–	176	777	(739)	47,504	584	48,088
Issue of shares pursuant to Scrip Dividend Scheme	30	2,844	–	–	–	–	–	2,844	–	2,844
Dividends paid	36	–	(12,361)	–	–	–	–	(12,361)	–	(12,361)
Capital contribution from non-controlling interests	17(a)	–	–	–	–	–	–	–	416	416
Total transactions with equity holders, recognised directly in equity		2,844	(12,361)	–	–	–	–	(9,517)	416	(9,101)
As at 30 September 2024		**68,340**	**214,408**	**(30,727)**	**(1,174)**	**4,984**	**(1,650)**	**254,181**	**2,855**	**257,036**

Group	Note	Share capital S$'000	Retained profits S$'000	Merger reserve S$'000	Capital reserve S$'000	Fair value reserve S$'000	Asset revaluation reserve S$'000	Exchange translation reserve S$'000	Total attributable to equity holders of the Company S$'000	Non-controlling interests S$'000	Total S$'000
As at 1 October 2022		65,496	147,237	(30,727)	2,179	(1,350)	4,030	(961)	185,904	6,274	192,178
Net profit		–	38,211	–	–	–	–	–	38,211	2,010	40,221
Other comprehensive income for the year		–	–	–	–	–	177	50	227	3	230
Total comprehensive income for the year		–	38,211	–	–	–	177	50	38,438	2,013	40,451
Dividends paid	36	–	(8,148)	–	–	–	–	–	(8,148)	(452)	(8,600)
Disposal of subsidiaries[a]		–	2,179	–	(2,179)	–	–	–	–	(5,980)	(5,980)
Total transactions with equity holders, recognised directly in equity		–	(5,969)	–	(2,179)	–	–	–	(8,148)	(6,432)	(14,580)
As at 30 September 2023		65,496	179,479	(30,727)	–	(1,350)	4,207	(911)	216,194	1,855	218,049

(a) Arising from the disposal of LHN Logistics Limited and its group of companies (the "**Logistics Group**") (Note 12).

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

Consolidated Statement of Cash Flows – Group

	Note	Year ended 30 September 2024 S$'000	2023 S$'000
Cash flows from operating activities			
Net Profit		**47,873**	40,221
Adjustments for:			
– Taxation		**3,548**	4,068
– Share of results of associates and joint ventures, net of tax		**(8,935)**	(2,938)
– Depreciation of property, plant and equipment	14	**6,949**	7,450
– Depreciation of right-of-use assets	15	**12,585**	12,650
– Gain on disposal of property, plant and equipment	37(b)	**(73)**	(217)
– Gain on disposal of right-of-use assets		**–**	(54)
– Write-off and impairment loss of property, plant and equipment	7	**10**	1,937
– Fair value (gain)/loss on investment properties	16	**(10,459)**	5,971
– Gain on disposal of associate	7	**–**	(7,732)
– Loss on disposal of joint ventures		**–**	496
– Gain on disposal of subsidiaries	12	**–**	(18,187)
– Gain from net investment in subleases	7	**(1,808)**	(6,427)
– Loss from termination of lease	7	**–**	23
– Lease modification losses/(gains) – net	7	**18**	(25)
– Impairment loss on trade, other and finance lease receivables		**357**	445
– Interest income		**(2,437)**	(1,914)
– Finance cost	10	**11,815**	9,145
Operating cash flows before working capital changes		**59,443**	44,912
Changes in working capital:			
– Development properties		**(13,059)**	(2,813)
– Inventories		**(31)**	(102)
– Trade and other receivables		**(10,486)**	8,431
– Trade and other payables		**(3,910)**	7,837
Cash generated from operations		**31,957**	58,265
Interest expenses paid		**(533)**	(137)
Income tax paid		**(3,820)**	(4,640)
Income tax refunded		**805**	584
Net cash generated from operating activities		**28,409**	54,072
Cash flows from investing activities			
Additions to property, plant and equipment	37(a)	**(4,882)**	(18,819)
Additions to investment properties	37(c)	**(116,994)**	(49,482)
Deposits paid for acquisition of investment properties		**–**	(14,853)
Purchase of financial assets		**–**	(269)
Cash outflow on acquisition of joint venture		**(50)**	(250)
Loans to associates and joint ventures		**(6,302)**	(3,519)
Repayment from associates and joint ventures		**2,920**	5,451
Proceeds from disposal of property, plant and equipment	37(b)	**103**	381
Proceeds from disposal of right-of-use assets		**–**	107
Proceeds from disposal of investment property		**–**	4,500
Proceeds from disposal of associate and joint ventures		**–**	15,594
Proceeds from disposal of subsidiaries – net	28	**–**	24,178
Receipts of principal from finance lease receivables		**21,329**	20,498
Interest received from finance lease receivables		**921**	1,271
Dividend from associates and joint ventures		**2,860**	1,755
Interest received		**1,300**	413
Interest expenses paid		**(1,021)**	(265)
Net cash used in investing activities		**(99,816)**	(13,309)

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

	Note	Year ended 30 September 2024 S$'000	 2023 S$'000
Cash flows from financing activities			
Increase in restricted bank deposits and pledged fixed deposits		**(3,532)**	(320)
Proceeds from bank borrowings and commercial papers		**154,133**	63,163
Repayment of bank borrowings and commercial papers		**(40,850)**	(26,453)
Repayment of lease liabilities principal		**(39,225)**	(40,013)
Loans from non-controlling interests		**6,330**	1,280
Capital contribution from non-controlling interests		**416**	–
Interest expense paid		**(11,489)**	(8,894)
Dividends paid to equity holders of the Company		**(9,517)**	(8,148)
Dividends paid to non-controlling interests		**–**	(452)
Net cash generated from/(used in) financing activities		**56,266**	(19,837)
Net (decrease)/increase in cash and cash equivalents		**(15,141)**	20,926
Cash and cash equivalents at beginning of the year		**58,580**	37,834
Exchange losses on cash and cash equivalents		**(106)**	(180)
Cash and cash equivalents at end of the year		**43,333**	58,580
Cash and bank deposits comprise:			
Cash and bank balance		**46,503**	41,555
Fixed deposits with banks that mature within one year		**4,159**	20,822
		50,662	62,377
Less: Restricted bank deposits and pledged fixed deposits		**(7,329)**	(3,797)
		43,333	58,580

Reconciliation of liabilities arising from financing activities	1 October 2023 S$'000	Net of receipts and payments S$'000	Non-cash changes S$'000				30 September 2024 S$'000
			Additions	Lease modification	Interest expense	Currency translation	
Bank borrowings and commercial papers	168,299	103,094	–	–	10,189	2	**281,584**
Lease liabilities	111,956	(42,379)	25,007	(1)	3,154	42	**97,779**
Non-controlling interests	4,113	6,330	–	–	240	–	**10,683**

Reconciliation of liabilities arising from financing activities	1 October 2022 S$'000	Net of receipts and payments S$'000	Non-cash changes S$'000					30 September 2023 S$'000
			Additions	Disposal of subsidiaries	Lease modification	Interest expense	Currency translation	
Bank borrowings	148,173	30,425	–	(16,237)	–	6,285	(347)	168,299
Lease liabilities	81,376	(43,293)	76,528	(5,978)	99	3,280	(56)	111,956
Non-controlling interests	2,736	1,280	–	–	–	97	–	4,113

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

Notes to the Financial Statements

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

1 GENERAL INFORMATION

LHN Limited (the "Company") was incorporated on 10 July 2014 in Singapore under the Companies Act as an investment holding private limited company under the name of "LHN Pte. Ltd.". The Company's registration number is 201420225D. The Company was converted into a public company and renamed as "LHN Limited" on 16 March 2015. The address of the Company's registered office is at 75 Beach Road #04-01, Singapore 189689.

The Company has its primary listings on Mainboard of the Singapore Exchange Securities Trading Limited (the "SGX-ST") since 13 December 2023 and on the Main Board of The Stock Exchange of Hong Kong Limited ("SEHK") since 29 December 2017. The Company was formerly listed on the Catalist of the SGX-ST on 13 April 2015 and has completed the transfer of the listing from Catalist to the Mainboard of the SGX-ST on 13 December 2023.

The Company is an investment holding company. In the financial year ended 30 September 2024, the Company and its subsidiaries (the "Group") are principally engaged in (i) space optimisation; (ii) property development; (iii) facilities management services; and (iv) energy business. Following the disposal of the Group's entire shareholding interests in LHN Logistics Limited (which formerly had a primary listing on Catalist of the SGX-ST since 29 April 2022) and its group of companies (the "Logistics Group") on 28 August 2023, the logistics services business segment will no longer be part of the Group's business with effect from the date of disposal.

2 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements has been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (the "IASB") and Singapore Financial Reporting Standards (International) ("SFRS(I)") issued by Accounting Standards Council Singapore. The financial statements have been prepared under the historical cost convention, as modified by the fair valuation of investment properties and leasehold properties (classified under Property, plant and equipment), which are carried at fair value and fair valuation of investments held at fair value through other comprehensive income or profit or loss.

For the purpose of SFRS(I), financial statements that have been prepared in accordance and complied with IFRS are deemed to have also complied with SFRS(I). SFRS(I) comprise standards and interpretations that are equivalent to IFRS. All references to IFRS and SFRS(I) are referred to collectively as "IFRS" in these financial statements, unless specified otherwise.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Interpretations and amendments to published standards effective in 2024

The new standards and amendments to standards that the Group has adopted are mandatory for application in 2024. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS. The adoption of these new or amended IFRS and SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.1 Basis of preparation (Cont'd)

Interpretations and amendments to published standards effective after 2024

The following new standards and amendments to standards have been published but are not yet effective for the current financial year and which the Group has not early adopted. These are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

		Effective for accounting periods beginning
Amendments to IAS 1	Non-current Liabilities with Covenants	1 October 2024
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	1 October 2024
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangement	1 October 2024
Amendments to IAS 21	Lack of Exchangeability	1 October 2025
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 October 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 October 2027
IFRS 19	Subsidiaries without Public Accountability Disclosures	1 October 2027

2.2 Group accounting

2.2.1 Subsidiaries

(a) Consolidation

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

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

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

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

Notes to the Financial Statements

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.2 Group accounting (Cont'd)

2.2.1 Subsidiaries (Cont'd)

(b) Acquisitions

The Group applies the acquisition method to account for business combinations entered by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

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

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

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

(c) Disposal of subsidiaries

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

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

Please refer to the paragraph "Investment in subsidiaries, Investment in associates, and Joint arrangements" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(d) Transactions with non-controlling interests

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

2.3 Foreign currency translation

(a) Functional and presentation currency

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

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 Foreign currency translation (Cont'd)

(b) Transactions and balances

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

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

All foreign exchange gains and losses impacting profit or loss are presented within "Other gains/(losses) – net and other income".

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

(c) Translation of Group entities' financial statement

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

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

(ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

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

2.4 Property, plant and equipment

Leasehold properties are initially recognised at cost and subsequently stated at their revalued amounts. The revalued amounts are the fair values at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are carried out annually by independent professional valuers such that the carrying amount of these assets does not differ materially from that which would be determined using fair value at the end of reporting period. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Property, plant and equipment (Cont'd)

Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in other comprehensive income and accumulated in equity, unless they reverse a revaluation decrease of the same asset previously recognised in profit or loss. In this case, the increase is recognised in profit or loss. Decreases in carrying amounts are recognised in other comprehensive income to the extent of any credit balance existing in the equity in respect of that asset and reduces the amount accumulated in equity. All other decreases in carrying amounts are recognised in profit or loss.

All other items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent expenditure relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Leasehold properties	13-50 years (over the remaining tenure period or up to 50 years)
Renovation works	1-15 years (on basis of tenure period)
Plant and machinery	5-15 years
Furniture and fittings	5-10 years
Office equipment	3-10 years
Logistics equipment	5-10 years
Motor vehicles	5 years
Computers	1-3 years

No depreciation is provided for construction-in-progress.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains/losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within "Other gains/(losses) – net and other income" in the consolidated statement of profit or loss and other comprehensive income. Any amounts in revaluation reserve relating to that item is transferred to retained profits directly.

2.5 Investment properties

Investment properties are owned properties that are held for rental income and/or for capital appreciation and leasehold land and properties capitalised as right-of-use assets ("**ROU**") or for a currently indeterminate use, and where an insignificant portion is held for the Group's own occupation. Investment properties comprise completed investment properties and properties under construction or development for future use as investment properties.

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 Investment properties (Cont'd)

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

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

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. On disposal or retirement of an investment property, the difference between any disposal proceeds and the carrying amount is recognised in profit or loss.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party.

2.6 Development properties

Development properties comprise properties in the course of development or completed properties held for sale in the ordinary course of business.

Development properties are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price less costs to complete the development and selling expenses.

2.7 Investment in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are stated at cost less accumulated impairment losses on an individual subsidiary basis. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.8 Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

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

Investments in associates and joint ventures are accounted for using the equity method of accounting less impairment losses, if any. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss and its share of other comprehensive income of the investee after the date of acquisition. The Group's investments in associates and joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate or joint venture, any difference between the cost of the associate or joint venture and the Group's share of the net fair value of the associate or joint venture's identifiable assets and liabilities is included as goodwill in the carrying amount of investment in associates and joint ventures.

If the ownership interest in an associate or joint venture is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 Investment in associates and joint ventures (Cont'd)

The Group's share of post-acquisition profit or loss is recognised in the consolidated profit or loss, and its share of post-acquisition movements in the other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. If the associates or joint ventures subsequently reports profits, the Group resumes recognising its share of those profits after its share of profits equal the share of losses not recognised.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or joint venture 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 adjacent to "share of profit of investments accounted for using equity method" in the statement of profit or loss.

Profits or losses resulting from upstream and downstream transactions between the group and its associate or joint venture are recognised in the group's financial statements only to the extent of unrelated investor's interests in the associates or joint ventures. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates and joint ventures are recognised in the profit or loss.

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

2.9 Impairment of non-financial assets

Property, plant and equipment, intangible assets, right-of-use assets and investments in subsidiaries, associates and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. Refer to Note 2.4 for the accounting of a revaluation decrease.

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

2.9 Impairment of non-financial assets (Cont'd)

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2.10 Financial assets

(a) Classification and measurement

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

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

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

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

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

<u>At initial recognition</u>

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

<u>At subsequent measurement</u>

(i) Debt instruments

Debt instruments mainly comprise of cash and bank deposits, fixed deposits, trade and other receivables and loans to associates and joint ventures.

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

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

2 **MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

2.10 Financial assets (Cont'd)

(a) Classification and measurement (Cont'd)

At subsequent measurement (Cont'd)

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "Other gains/(losses) – net and other income", except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/losses" in other comprehensive income. Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

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

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

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

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.11 Cash and cash equivalents

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

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Share capital, treasury shares and dividends

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, against the share capital account.

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

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

When treasury shares are subsequently sold or reissued pursuant to the LHN Employee Performance Share Plan, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sales or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve of the Company.

Dividend distribution to the Company's equity owners is recognised as a liability in the Group's financial statements in the period in which the dividends are approved for payment by the Company's shareholders, where appropriate.

2.13 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

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

2.14 Provisions

Provisions are recognised when the Group have a present legal or constructive obligation 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 a reliable estimate can be made of the amount of the obligation. Present obligations arising from onerous contracts are recognised as provisions. An onerous contract is considered to exist where the Group has a contract under which unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Provisions are not recognised for future operating losses.

The Group recognises the estimated costs of dismantlement, removal or restoration of items of property, plant and equipment and investment properties arising from the acquisition or use of assets. This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value. Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement, removal and restoration costs are adjusted against the cost of the related property, plant and equipment, unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in the profit or loss immediately.

The directors review the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

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. Where discounting is applied, the increase in the provision due to the passage of time is recognised as finance costs.

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.15 Financial guarantees

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

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of IFRS 15; and

(b) the amount of expected loss computed using the impairment methodology under IFRS 9.

2.16 Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised when the obligation is discharged, cancelled or expired. The difference between carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

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

2.17 Borrowing costs

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

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2.18 Current and deferred income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.18 Current and deferred income tax (Cont'd)

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

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

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

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

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

2.19 Employee compensation

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

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

(b) Employee leave entitlements

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

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.20 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for rental, goods supplied and services rendered.

The Company recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below.

(a) Rental income

Rental and related income from properties are recognised on a straight-line basis over the lease term. Lease incentives, if any, are recognised as an integral part of total lease income. Penalty payments received from tenants on early termination, if any, are recognised when received.

(b) Car park services

Seasonal car park services from the operation of car parks is recognised as it is accrued on a time apportioned basis (i.e. period over time). Other car park services are recognised when rendering of services is completed (i.e. point in time).

(c) Facilities management and management services income

Facility services, services fee income and management service fee income are recognised over the contract term when the services are rendered (i.e. over time).

(d) Energy related services and sale of goods

Revenue from energy related services are recognised as it is accrued on a time apportioned basis (i.e. period over time). Revenue from the sale of goods is recognised at a point in time when the goods is delivered and control transferred.

(e) Interest income

Interest income is recognised on a time-apportioned basis using the effective interest method.

2.21 Leases

Where the Group is lessee

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

(i) Right-of-use assets

The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

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

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Leases (Cont'd)

Where the Group is lessee (Cont'd)

(i) Right-of-use assets (Cont'd)

Right-of-use assets (except for those which meet the definition of an investment property) are presented within "Right-of-use assets".

Right-of-use asset which meets the definition of an investment property is presented within "Investment properties" and accounted for in accordance with Note 2.5.

(ii) Lease liabilities

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

Lease payments include the following:

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

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There are modification in the scope or the consideration of the lease that was not part of the original term.

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

(iii) Short term and low value leases

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

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Leases (Cont'd)

Where the Group is lessee (Cont'd)

(iv) Variable lease payments

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

Where the Group is lessor

The Group leases its right-of-use properties and owned properties under operating leases.

(i) Lessor – Operating leases

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

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

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

(ii) Lessor – Subleases

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset. The Group will assess a sublease to be a finance lease If it transfers substantially all the risks and rewards incidental to ownership of the right-of-use asset (e.g. the lease term is for the major part of the economic life of the right-of-use asset, even if title is not transferred).

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

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

For contracts which contain lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.22 Government grants

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

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income. Government grants relating to property tax rebates and cash grants are shown as a net basis in other income.

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

2.23 Operating segments

For management purposes, operating segments are organised based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers are directly accountable to the Group Managing Director who regularly review the segment results in order to allocate resources to the segments and to assess segment performance.

2.24 Share option scheme

On 25 September 2017, the shareholders adopted the "LHN Share Option Scheme", effective upon the HK Listing. The Scheme has been assigned by the Board of Directors to be administered by a committee comprising members of our Remuneration Committee.

No share option has been issued as at reporting date.

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk (including currency risk and interest risk), credit risk, liquidity risk, capital risk and fair value estimation. The Group's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group's currency exposure on the significant foreign currency balances based on information provided to key management is set out below. Information on SGD exposure is not included as this is the functional currency of the Company. The Company and its Singapore subsidiaries are not exposed to significant currency exposure as they transact predominantly in the functional currency, SGD.

3 FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

	MYR S$'000	HKD S$'000	RMB S$'000	IDR S$'000	USD S$'000
At 30 September 2024					
Financial assets					
Cash and bank balances	**34**	**638**	**52**	**323**	**503**
Trade and other receivables	**–**	**2,277**	**180**	**242**	**132**
	34	**2,915**	**232**	**565**	**635**
Financial liabilities					
Lease liabilities	**–**	**–**	**1,234**	**–**	**11**
Trade and other payables	**20**	**169**	**311**	**955**	**195**
	20	**169**	**1,545**	**955**	**206**
Net currency exposure	**14**	**2,746**	**(1,313)**	**(390)**	**429**
Less: Net financial assets/ (liabilities) denominated in the respective entities' functional currency	**20**	**2,758**	**(1,313)**	**(390)**	**320**
	(6)	**(12)**	**–**	**–**	**109**

	MYR S$'000	HKD S$'000	RMB S$'000	IDR S$'000	USD S$'000
At 30 September 2023					
Financial assets					
Cash and bank balances	19	1,081	235	405	386
Fixed deposits	–	–	–	–	61
Trade and other receivables	–	1,036	172	251	444
	19	2,117	407	656	891
Financial liabilities					
Bank borrowings	–	–	–	–	4,206
Lease liabilities	–	–	1,333	–	–
Trade and other payables	10	119	369	860	609
	10	119	1,702	860	4,815
Net currency exposure	9	1,998	(1,295)	(204)	(3,924)
Less: Net financial assets/ (liabilities) denominated in the respective entities' functional currency	9	1,938	(1,295)	(204)	379
	–	60	–	–	(4,303)

3 FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

Sensitivity analysis for currency risk

A reasonable change in the exchange rates of HKD and USD against the Singapore Dollar will not result in a material impact to the net profit.

(ii) Interest rate risk

The Group's interest rate risk from liabilities arises primarily from bank borrowings and lease liabilities. Variable rates and fixed rates liabilities respectively expose the Group to cash flow interest rate risk and fair value interest rate risk, respectively. The Group's interest rate risk from assets arises from interest bearing fixed deposits.

The Group manages its interest cost by using a mix of fixed and variable rate debt and to obtain the most favorable interest rates available. As at 30 September 2024, the Group has interest rate swap agreement for a notional value of S$3,825,000 with maturity in May 2025 to fix the rate at 3.53% (excluding margin) (2023: interest rate swap agreement for a notional value of S$4,010,000 with maturity in May 2025 and interest rate cap agreement for a notional value of S$3,000,000 with maturity in September 2024 to fix the rate at 3.53% and 3% (excluding margin) respectively). As at reporting date, the fair value of the interest rate swap and cap are insignificant (2023: insignificant).

The following table details the interest rate profile of the Group at the end of each of the reporting periods:

	Within 1 year S$'000	1-5 years S$'000	More than 5 years S$'000	Total S$'000
30 September 2024				
Fixed rate assets				
Fixed deposits	**4,159**	**500**	**–**	**4,659**
Fixed rate liabilities				
Lease liabilities	**33,552**	**63,348**	**879**	**97,779**
Bank borrowings	**3,642**	**36,209**	**119,845**	**159,696**
Variable rate liabilities				
Bank borrowings	**22,105**	**52,137**	**47,646**	**121,888**

3 FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(ii) Interest rate risk (Cont'd)

	Within 1 year S$'000	1-5 years S$'000	More than 5 years S$'000	Total S$'000
30 September 2023				
Fixed rate assets				
Fixed deposits	20,822	500	–	21,322
Fixed rate liabilities				
Lease liabilities	32,144	70,216	9,596	111,956
Bank borrowings	2,992	12,207	47,237	62,436
Variable rate liabilities				
Bank borrowings	15,854	40,290	49,719	105,863

Sensitivity analysis for cash flow interest rate risk

As at 30 September 2024, if interest rates on variable rate borrowings had been increased/decreased by 100 (2023: 100) basis points, with all other variables held constant, the Group's profit after tax for the year would have been decreased/increased by approximately S$814,000 (2023: S$659,000), mainly as a result of higher/lower interest expense on variable rate borrowings.

The sensitivity analysis above has been determined assuming that the change in cash flow interest rate had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for the Group's variable rate borrowings in existence at that date. The 100 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the end of the next annual reporting period. The analysis was performed on the same methodology for the financial years ended 30 September 2024 and 2023.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Company or the Group to incur a financial loss. The Company's and the Group's exposure to credit risk arises primarily from finance lease receivables, trade and other receivables, bank deposits, amount due from subsidiaries and loans to associates and joint ventures.

Credit risk is mitigated by the application of credit approvals, limits and monitoring procedures. Cash terms, advance payments, security deposits and letter of credits are required for customers of lower credit standing. The Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure.

(i) Exposure to credit risk

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position, except where rental deposits are received from tenants as disclosed in Note 32 and finance lease receivables as explained in Note 3(b)(iv).

3 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(i) Exposure to credit risk (Cont'd)

The Group's policy is to provide financial guarantees only to subsidiaries, associates and joint ventures. The maximum exposure to credit risk is the amount that the Group could have to pay if the corporate guarantees are called on for:

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Hire-purchase facilities – associates and joint ventures	**100**	300
Bank loan facilities – associates and joint ventures	**55,100**	52,400
Banker's guarantee – subsidiaries	**6,300**	6,400

The Group has immaterial exposure to credit risk arising from the corporate guarantees.

For trade receivables and finance lease receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security deposits where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

(ii) Trade and other receivables

The Group has applied the simplified approach by using the provision matrix to measure the lifetime expected losses for trade receivables.

To measure the expected credit losses of trade receivables, trade receivables have been grouped based on the days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for the customers of the Group and adjusts to reflect current macroeconomic factors affecting the ability of the customers to settle the receivables. The allowances for the trade receivables for the Space Optimisation segment are net of rental deposits collected from tenants.

The Company applies the general IFRS 9 3-stage approach when determining ECL for other receivables. The expected loss rate of other receivables is assessed to be low and no loss allowance provision is made for other receivables during the year.

Receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categories a receivable for write off when a debtor fails to make contractual payment greater than 90 days past due based on historical collection trend. When receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

3 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Trade and other receivables (Cont'd)

As at reporting date, management has identified a group debtors from the space optimisation business to be credit impaired as they experienced significant financial difficulties or significant delay in repayment. Hence, management has assessed the recoverability of the outstanding balances separately from the provision matrix below.

	2024 S$'000	2023 S$'000
Gross carrying amount	**352**	1,155
Less: Loss allowance	**(296)**	(591)
Carrying amount net of allowance[1]	**56**	564

[1] Included in the amount is Nil (2023: S$464,000) due from Logistics Group which was repaid in October 2023. The remaining amount can be offset against the customers' security deposits.

The Group's credit risk exposure in relation to the remaining billed trade receivables as at 30 September 2024 and 2023 are set out in the provision matrix as follows:

	Current S$'000	Past due 1 to 30 days S$'000	Past due 31 to 60 days S$'000	Past due 61 to 90 days S$'000	Past due 91 to 180 days S$'000	Past due 181 to 365 days S$'000	Past due over 365 days S$'000	Total S$'000
30 September 2024								
Space Optimisation								
Expected loss rate	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**35.0%**	**37.9%**	**0.0%**	
Gross carrying amount	**499**	**358**	**151**	**61**	**20**	**29**	**50**	**1,168**
Loss allowances	**–**	**–**	**–**	**–**	**(7)**	**(11)**	**–**	**(18)**
Facilities and Other								
Expected loss rate	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	
Gross carrying amount	**1,348**	**307**	**101**	**16**	**5**	**–**	**–**	**1,777**
Loss allowances	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

	Current S$'000	Past due 1 to 30 days S$'000	Past due 31 to 60 days S$'000	Past due 61 to 90 days S$'000	Past due 91 to 180 days S$'000	Past due 181 to 365 days S$'000	Past due over 365 days S$'000	Total S$'000
30 September 2023								
Space Optimisation								
Expected loss rate	0.0%	0.0%	0.0%	0.0%	11.4%	1.2%	60.7%	
Gross carrying amount	483	451	125	68	123	84	28	1,362
Loss allowances	–	–	–	–	(14)	(1)	(17)	(32)
Facilities and Other								
Expected loss rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Gross carrying amount	1,732	299	240	43	39	–	–	2,353
Loss allowances	–	–	–	–	–	–	–	–

Loans to subsidiaries, associates, joint ventures and staff loans are considered to have low credit risk as they have financial capacity to meet the contractual obligation.

Trade receivables, unbilled of S$11,894,000 (2023: S$329,000) relates to debtors of high credit rating.

3 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Trade and other receivables (Cont'd)

The Group considered that there are evidence of default if any of the following indicators were present:

– Breach of contract, such as default or past due event

– It is becoming probable that the debtor will enter bankruptcy or other financial reorganization

(iii) Movement in credit loss allowance

	Trade receivables S$'000	Other receivables S$'000	Total S$'000
Balance as at 1 October 2022	641	3	644
Loss allowance recognised in profit or loss for the year	179	–	179
Loss allowance no longer required for the year	(195)	–	(195)
Written off	(2)	–	(2)
Balance as at 30 September 2023	623	3	626
Balance as at 1 October 2023	623	3	626
Loss allowance recognised in profit or loss for the year	22	–	22
Loss allowance no longer required for the year	(117)	–	(117)
Written off	(214)	(1)	(215)
Balance as at 30 September 2024	**314**	**2**	**316**

(iv) Finance lease receivables

For finance lease receivables, management has performed credit evaluation before entering into the sublease to the tenant. Cash terms, advance payments, security deposits and letter of credits are required for customers of lower credit standing.

In measuring the lifetime expected credit loss allowance for finance lease receivables, the Group considers the history of default and current factors that may affect the ability of the tenants to settle the receivables.

Finance lease receivables of S$21,161,000 (2023: S$38,995,000) are subject to immaterial credit loss as there is no history of default for the debtors in which the Group has entered into a finance lease arrangement with. In addition, in the event that of default, the Group is able to recover at least a substantial part of the finance lease receivables by terminating the lease and reletting the right-of-use asset to new tenants.

Finance lease receivables are written-off when there is no reasonable expectation of recovery (e.g. early termination) and the right-of-use assets cannot be relet for the remaining lease term.

(v) Cash and bank deposits and fixed deposits

The Group and the Company held cash and bank deposits of S$43,333,000 and S$10,649,000 (2023: S$58,580,000 and S$10,206,000) respectively and fixed deposits of S$4,659,000 (2023: S$21,322,000) with banks that are rated A3 and A1+ (2023: A3 and A1+) based on Standard & Poor's and considered to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

3 FINANCIAL RISK MANAGEMENT (CONT'D)

(c) **Liquidity risk**

Liquidity or funding risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company and Group manages its liquidity risk by ensuring the availability of funding through its ability to operate profitably, maintaining sufficient cash to enable it to meet its normal operating commitments and having adequate amount of committed credit facilities. The Company is subjected to immaterial liquidity risk as its liabilities mature within 1 year.

The table below analyses the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows:

	Less than 1 year S$'000	1-5 years S$'000	More than 5 years S$'000	Total S$'000
As at 30 September 2024				
Lease liabilities	**36,083**	**66,632**	**991**	**103,706**
Bank borrowings	**38,225**	**130,440**	**261,295**	**429,960**
Trade and other payables	**26,058**	**16,570**	**20**	**42,648**
	100,366	**213,642**	**262,306**	**576,314**
As at 30 September 2023				
Lease liabilities	34,937	74,753	9,872	119,562
Bank borrowings	25,561	78,331	146,199	250,091
Trade and other payables	36,144	2,441	20	38,605
	96,642	155,525	156,091	408,258

(d) **Capital Risk**

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

Gearing has a significant influence on the Group's capital structure and the Group monitors capital using gearing ratios. The gearing ratio is calculated as total debt divided by total capital. Total debt is calculated as the sum of bank borrowings and lease liabilities. Net gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as the sum of bank borrowings and lease liabilities less cash and balances and fixed deposits with banks. Total capital is calculated as equity plus debt.

3 FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Capital Risk (Cont'd)

As at 30 September 2024 and 2023, the gearing ratios are as follow:

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Bank borrowings	**281,584**	168,299
Lease liabilities	**97,779**	111,956
Total debt	**379,363**	280,255
Less: cash and bank balances	**(46,503)**	(41,555)
Less: fixed deposit with banks	**(4,659)**	(21,322)
Net debt	**328,201**	217,378
Total debt	**379,363**	280,255
Total equity	**257,036**	218,049
Total capital	**636,399**	498,304
Gearing ratio	**0.60**	0.56
Net gearing ratio	**0.52**	0.44

Financial covenants relating to the Group's borrowings include maintaining loan to value ratio and level of net worth.

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

(e) Fair value estimation

The below presents assets and liabilities recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

(iii) Level 3: unobservable inputs for the asset or liability.

3 FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Fair value estimation (Cont'd)

The following table shows the levels within the hierarchy of non-financial assets measured at fair value on a recurring basis at 30 September 2024 and 2023:

	Level 1 S$'000	Level 2 S$'000	Level 3 S$'000	Total S$'000
As at 30 September 2024				
Investment properties (owned):				
Industrial, commercial and residential properties	**–**	**–**	**358,306**	**358,306**
Investment properties (right-of-use):				
Industrial, commercial and residential properties	**–**	**–**	**99,672**	**99,672**
	–	**–**	**457,978**	**457,978**
Property, plant and equipment:				
Leasehold properties	**–**	**–**	**18,728**	**18,728**
As at 30 September 2023				
Investment properties (owned):				
Industrial, commercial and residential properties	–	–	201,377	201,377
Investment properties (right-of-use):				
Industrial, commercial and residential properties	–	–	102,384	102,384
	–	–	303,761	303,761
Property, plant and equipment:				
Leasehold properties	–	–	18,963	18,963

Fair value of the Group's main property assets is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputs and assumptions are developed in close consultation with management. The valuation reports and fair value changes are reviewed by the management at each reporting date.

3 FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Fair value estimation (Cont'd)

Fair value measurements of investment properties and leasehold properties

Investment properties and leasehold properties are carried at fair values at the end of reporting period. Reconciliation of movements in Level 3 fair value measurements have been disclosed in Note 16 and Note 14.

Details of the valuation techniques and unobservable inputs are set out below.

Valuation techniques and inputs used in Level 3 fair value measurements

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

Description	Fair value (S$'000)	Valuation technique	Unobservable inputs[a]	Range of unobservable inputs	Relationship of unobservable inputs to fair value
As at 30 September 2024					
Singapore (Owned investment properties)	**337,634**	Direct comparison method	Transacted price of comparable properties	S$2,100 to S$42,000 per square metre	The higher the comparable transacted price, the higher the fair value
		Direct comparison method	Transacted price of comparable properties	S$961,000 to S$1,957,000 per key	The higher the comparable transacted price, the higher the fair value
		Income capitalisation method	Capitalisation rate	2.9%-6.5%	The higher the rate, the lower the fair value
		Residual value method	Gross development value	S$21,500 to S$22,300 per square metre	The higher the amount, the higher the fair value
		Residual value method	Cost to complete	S$4,900 to S$6,700 per square metre	The higher the amount, the lower the fair value
Singapore (Right-of-use leased properties)	**99,672**	Income capitalisation method	Capitalisation rate	10.0%	The higher the rate, the lower the fair value
Indonesia (Owned investment properties)	**5,516**	Direct comparison method	Transacted price of comparable properties	S$3,200 to S$4,100 per square metre	The higher the comparable transacted price, the higher the fair value
Cambodia (Owned investment properties)	**15,156**	Direct comparison method	Transacted price of comparable properties	S$2,000 to S$3,000 per square metre	The higher the comparable transacted price, the higher the fair value
	457,978				
Singapore (Leasehold properties)	**18,728**	Direct comparison method	Transacted price of comparable properties	S$2,100 to S$23,800 per square metre	The higher the comparable transacted price, the higher the fair value
	18,728				

3 FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Fair value estimation (Cont'd)

Fair value measurements of investment properties and leasehold properties (Cont'd)

Valuation techniques and inputs used in Level 3 fair value measurements (Cont'd)

Description	Fair value (S$'000)	Valuation technique	Unobservable inputs[(a)]	Range of unobservable inputs	Relationship of unobservable inputs to fair value
As at 30 September 2023					
Singapore (Owned investment properties)	179,143	Direct comparison method	Transacted price of comparable properties	S$1,900 to S$37,600 per square metre	The higher the comparable transacted price, the higher the fair value
		Discounted cash flow method	Discount rate	7.25%-7.5%	The higher the rate, the lower the fair value
		Discounted cash flow method	Terminal yield	5.25%-6%	The higher the rate, the lower the fair value
		Income capitalisation method	Capitalisation rate	3.0%-5.75%	The higher the rate, the lower the fair value
		Residual value method	Gross development value	S$16,300 per square metre	The higher the amount, the higher the fair value
		Residual value method	Cost to complete	S$585 per square metre	The higher the amount, the lower the fair value
Singapore (Right-of-use leased properties)	102,384	Income capitalisation method	Capitalisation rate	10.5%	The higher the rate, the lower the fair value
Indonesia (Owned investment properties)	5,720	Direct comparison method	Transacted price of comparable properties	S$3,300 to S$4,300 per square metre	The higher the comparable transacted price, the higher the fair value
Cambodia (Owned investment properties)	16,514	Direct comparison method	Transacted price of comparable properties	S$1,600 to S$4,300 per square metre	The higher the comparable transacted price, the higher the fair value
	303,761				
Singapore (Leasehold properties)	18,963	Direct comparison method	Transacted price of comparable properties	S$1,900 to S$25,800 per square metre	The higher the comparable transacted price, the higher the fair value
	18,963				

(a) There were no significant inter-relationships between unobservable inputs except that under the Discounted Cash Flow Method, the discount rate should conceptually approximate the summation of the terminal yield and the growth rate.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Accounting estimates and assumptions

(a) Fair value of investment properties and leasehold properties (classified as "property, plant and equipment")

The fair value of the Group's directly held investment properties (Note 16) and leasehold properties (classified as "property, plant and equipment") (Note 14) and such properties held indirectly through joint ventures (Note 18) is determined by using valuation techniques. Details of the judgement and assumptions applied for the directly held properties have been disclosed in Note 3(e).

(b) Recoverable values of property, plant and equipment

In determining the recoverable values of certain property, plant and equipment with impairment indicators, the Group used value-in-use calculations which involved significant judgements and assumptions, including revenue growth rates, EBITDA (earnings before interest, tax, depreciation and amortisation) margins and discount rates, which are affected by expected future market or economic conditions. Based on the recoverable values determined, the Group did not recognise an impairment loss for the financial year 2024.

Refer to details in Note 14 (a).

Judgements in applying accounting policies

(c) Determining the lease term of right-of-use assets

In determining the lease term, management considered all factors and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee. The assessment of the lease term will have an impact on the carrying amount of the lease liability and right-of-use asset initially recognised. The impact of the extension options not taken up by management is disclosed in Note 35(f).

5 SEGMENT INFORMATION

The Group Managing Director monitors the operating results of its operating segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on segment results which in certain respects, set out below, are presented differently from operating profit or loss in the consolidated financial statements of the Group. The Group's reportable operating segments are as follows:

1. Industrial group
2. Commercial group
3. Residential group
4. Property development group
5. Facilities management group
6. Energy group

Industrial, Commercial and Residential groups form the space optimisation business.

During the financial year 2023, the Group completed the disposal of the Logistics Group and it was re-presented as discontinued operations in the segment results. The gain on disposal of discontinued operations of S$18,187,000 (Note 12) is included within "Corporate and Elimination" as the disposal is monitored at the Corporate level.

During the financial year 2024, revenue attributable to the Group's largest customer accounted for approximately 8.3% (2023: 3.9%) of the Group's total revenue and aggregate revenue attributable to the five largest customers of the Group accounted for approximately 16.2% (2023: 10.5%) of the Group's total pre-IFRS 16 revenue.

To the knowledge of the Directors, none of the Directors, or their respective associates, or shareholders owning more than 5% of the Company's issued share capital had any beneficial interests in any of the five largest customers.

Allocation basis and transfer pricing

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income tax expense and non-controlling interests.

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

Sales

Sales between segments are carried out at market terms. Both the pre-IFRS 16 and post-IFRS 16 revenue are reported to the Group Managing Director.

The Group Managing Director assesses the performance of the operating segments based on the segment results, being a measure of earnings before tax, interest, finance costs, share of results of associates and joint ventures and fair value gain or loss on investment properties from continuing operations.

Segment assets and liabilities

The amounts reported to the Group Managing Director with respect to the total assets and liabilities are measured in a manner consistent with that of the financial statements. Segment assets and liabilities include investment properties, property, plant and equipment, right-of-use assets, financial assets at FVOCI/FVTPL, prepayments, development properties, inventories, loans to associates and joint ventures, trade and other receivables, finance lease receivables, bank borrowings, lease liabilities and trade and other payables that are directly attributable to a segment as well as items that can be allocated on a reasonable basis.

5 SEGMENT INFORMATION (CONT'D)

Segment assets and liabilities (Cont'd)

Segment breakdown for year ended 30 September 2024 are as follows:

	Industrial S$'000	Commercial S$'000	Residential S$'000	Property development S$'000	Facilities management S$'000	Energy S$'000	Corporate and eliminations S$'000	Consolidated S$'000
Sales								
Total segment sales	25,888	5,115	58,303	–	38,144	3,813	18,614	149,877
Inter-segment sales	(567)	(801)	(4,731)	–	(2,596)	(2,232)	(17,929)	(28,856)
Sales to external parties	25,321	4,314	53,572[1]	–	35,548	1,581	685	121,021
Segment operating results	15,533	1,232	21,240[2]	(29)	3,052	755	(378)	41,405
Fair value (loss)/gain on investment properties – net	(4,954)	(1,409)	16,822[3]	–	–	–	–	10,459
Interest income	540	377	422[4]	9	134	38	897	2,437
Finance cost	(3,273)	(683)	(6,597)[5]	(18)	(553)	(54)	(637)	(11,815)
	7,846	(483)	31,907[6]	(38)	2,633	739	(118)	42,486
Share of results of associates and joint venture								
– Operating results	3,455	–	(770)	–	(362)	(62)	–	2,261
– Gain on disposal of property, plant and equipment	–	–	–	–	2,396	–	–	2,396
– Fair value gain on investment properties – net	934	–	3,336	–	8	–	–	4,278
Total Share of results of associates and joint venture	4,389	–	2,566	–	2,042	(62)	–	8,935
Profit before taxation	12,235	(483)	34,473	(38)	4,675	677	(118)	51,421
Taxation								(3,548)
Net profit								47,873
Included in segments operating results:								
Depreciation of property, plant and equipment	900	759	2,892	–	1,328	198	872	6,949
Depreciation of right-of-use assets	–	2	138	–	12,370	26	49	12,585
Write-off and impairment loss of property, plant and equipment	–	–	–	–	10	–	–	10
Operating and capital assets	130,608	20,353	399,798	44,819	30,535	7,199	29,314	662,626
Investment in associates and joint ventures	24,836	–	7,918	–	1,182	162	–	34,098
Total segment assets								696,724
Total segment liabilities	89,293	19,660	249,601	33,157	18,827	3,052	15,949	429,539
Capital expenditure[7]	121	148	134,271	–	1,936	775	766	138,017

1 Includes revenue of S$1,147,000 from 85 SOHO (Overseas).

2 Includes loss of S$529,000 in segment results from 85 SOHO (Overseas).

3 Includes fair value gain of S$208,000 from 85 SOHO (Overseas).

4 Includes interest income of S$2,000 from 85 SOHO (Overseas).

5 Includes finance cost of S$431,000 from 85 SOHO (Overseas).

6 Includes loss before tax of S$750,000 from 85 SOHO (Overseas).

7 Excludes initial additions to right-of-use investment properties with corresponding lease liabilities of S$25,007,000.

5 SEGMENT INFORMATION (CONT'D)

Segment assets and liabilities (Cont'd)

Segment breakdown for year ended 30 September 2023 are as follows:

	Industrial S$'000	Commercial S$'000	Residential S$'000	Property development S$'000	Facilities management S$'000	Energy S$'000	Corporate and eliminations S$'000	Consolidated S$'000
Sales								
Total segment sales	25,571	6,205	32,901	–	33,075	2,917	21,494	122,163
Inter-segment sales	(379)	(294)	(3,570)	–	(1,735)	(2,372)	(20,169)	(28,519)
Sales to external parties	25,192	5,911	29,331[1]	–	31,340	545	1,325	93,644
Segment operating results	18,096	1,221	11,442[2]	(11)	12,990	422	8,266[7]	52,426
Fair value (loss)/gain on investment properties – net	(7,062)	(252)	1,343[3]	–	–	–	–	(5,971)
Interest income	647	499	402[4]	4	95	–	238	1,885
Finance cost	(3,200)	(401)	(4,733)[5]	–	(387)	(26)	(148)	(8,895)
	8,481	1,067	8,454[6]	(7)	12,698	396	8,356	39,445
Share of results of associates and joint venture								
– Operating results	4,170	–	313	–	(37)	(26)	–	4,420
– Fair value loss on investment properties – net	(1,467)	–	(741)	–	(487)	–	–	(2,695)
Total Share of results of associates and joint venture	2,703	–	(428)	–	(524)	(26)	–	1,725
Adjusted profit before taxation[8]	11,184	1,067	8,026	(7)	12,174	370	8,356	41,170
Taxation								(4,065)
Operating profit after tax from discontinued operations (Note 12)								3,116
Net profit								40,221
Included in segments operating results:								
Depreciation of property, plant and equipment	1,135	1,045	2,450	–	1,122	181	646	6,579
Depreciation of right-of-use assets	156	1	101	–	10,553	30	49	10,890
Write-off and impairment loss of property, plant and equipment	127	78	1,721	–	–	–	11	1,937
Operating and capital assets	143,179	28,951	240,567	30,457	29,433	5,444	48,384	526,415
Investment in joint ventures	20,974	–	5,303	–	1,100	224	–	27,601
Total segment assets								554,016
Total segment liabilities	106,467	19,741	144,004	19,904	18,193	1,277	16,736	326,322
Capital expenditure[9]	366	662	49,383	–	1,228	644	672	52,955

1 Includes revenue of S$1,074,000 from 85 SOHO (Overseas).

2 Includes loss of S$2,906,000 in segment results from 85 SOHO (Overseas).

3 Includes fair value gain of S$697,000 from 85 SOHO (Overseas).

4 Includes interest income of S$4,000 from 85 SOHO (Overseas).

5 Includes finance cost of S$614,000 from 85 SOHO (Overseas).

6 Includes loss before tax of S$2,819,000 from 85 SOHO (Overseas).

7 Includes gain on disposal of discontinued operations of S$18,187,000 which is presented within profit/(loss) from discontinued operations (Note 12).

8 Adjusted profit before taxation is a non IFRS and SFRS(I) financial measure defined as profit from continuing operations for the year adjusted for the inclusion of gain on disposal of discontinued operations

9 Excludes initial additions to right-of-use investment properties with corresponding lease liabilities of S$76,188,000.

5 SEGMENT INFORMATION (CONT'D)

Reconciliation of segments' total assets and total liabilities

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Reportable segments' assets are reconciled to total assets:		
Segment assets	**696,724**	554,016
Deferred tax assets	**55**	57
Total assets	**696,779**	554,073
Reportable segments' liabilities are reconciled to total liabilities:		
Segment liabilities	**429,539**	326,322
Current income tax liabilities	**3,808**	2,952
Deferred tax liabilities	**6,396**	6,750
Total liabilities	**439,743**	336,024

Geographical segment

The following table shows the distribution of the Group's revenue from external customers based on the location where goods are sold, services are provided or properties are located:

	Revenue from external customers Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Singapore	**116,298**	89,721
Hong Kong	**3,086**	2,396
Myanmar	**585**	623
Indonesia	**490**	452
Cambodia	**562**	452
	121,021	93,644

The following table shows the distribution of the Group's non-current assets excluding deferred tax assets based on geographical location of customers:

	Non-current assets As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Singapore	**546,706**	391,388
Hong Kong	**78**	1
Myanmar	**739**	962
Indonesia	**5,572**	5,740
Cambodia	**15,562**	16,596
People's Republic of China	**1,381**	1,544
Others	**5**	–
	570,043	416,231

6 REVENUE

	Year ended 30 September 2024 S$'000	2023 S$'000
Rental income from		
– Leased properties	**45,093**	36,841
– Owned properties	**11,420**	9,018
Car park services	**27,420**	24,174
Facilities services	**31,293**	18,814
Energy related services and sale of goods	**1,193**	302
Management services fee income	**3,458**	2,942
Others	**1,144**	1,553
	121,021	93,644
Timing of revenue recognition:		
At a point in time	**15,190**	13,107
Period over time	**48,779**	34,160
	63,969	47,267

(a) Contract liabilities

	Year ended 30 September 2024 S$'000	2023 S$'000	1 October 2022 S$'000
Contract liabilities			
– Advance received from customers	**4,543**	4,496	3,432

(i) Revenue recognised in relation to contract liabilities

	Year ended 30 September 2024 S$'000	2023 S$'000
Revenue recognised in current period that was included in the contract liabilities balance at the beginning of the period:		
– Advance received from customers	**4,496**	3,432

(ii) Unsatisfied performance obligation

As permitted under IFRS 15, the aggregated transaction price allocated to unsatisfied contracts of period one year or less, or are billed based on time incurred, is not disclosed.

(b) Trade receivables from contracts with customers

	Year ended 30 September 2024 S$'000	2023 S$'000	1 October 2022 S$'000
Current assets			
– Trade receivables from contracts with customers	**1,973**	2,527	13,589
– Loss allowance	**–**	(3)	(90)
	1,973	2,524	13,499

7 OTHER GAINS/(LOSSES) – NET AND OTHER INCOME

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Other gains/(losses) – net		
Gain on disposal of property, plant and equipment – net	**73**	78
Write-off and impairment loss of property, plant and equipment	**(10)**	(1,937)
Gain on disposal of associate	**–**	7,732
Loss on disposal of joint ventures	**–**	(496)
Gain from net investment in subleases	**1,808**	6,427
Loss from termination of lease	**–**	(23)
Lease modification (losses)/gains – net	**(18)**	25
Foreign exchange losses – net	**(1,061)**	(1,450)
	792	10,356
Other income		
Administrative services charges	**973**	980
Interest income	**2,437**	1,885
Government grants	**189**	153
Progressive wage credit scheme and senior employment credit[1]	**473**	349
Job support scheme[2]	**–**	275
Job growth incentive[3]	**–**	212
Forfeiture of tenant deposit	**474**	489
Rental rebates, net[4]	**376**	1,523
Other income	**967**	774
	5,889	6,640
	6,681	16,996

1 Progressive wages credit scheme and senior employment credit are incentives introduced by the Singapore Government to help business alleviate business costs in a tight labour market and to support business investments. These incentives are in the form of cash payout.

2 Job support scheme ("**JSS**") was introduced by the Singapore Government to help employers to retain their local employees during the period of economic uncertainty as a result of global pandemic outbreak of COVID-19.

3 Job growth incentive ("**JGI**") was introduced by Singapore Government to support employers to expand their local hiring.

4 Rental rebates are introduced by governments, mainly to help tenants with their rental payments during the global pandemic outbreak of COVID-19.

8 EXPENSES BY NATURE

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Advertising and marketing expenses	**732**	613
Commission fees	**1,698**	2,553
Entertainment expenses	**325**	515
Rental expenses	**7,598**	5,379
Site maintenance and preparation	**17,610**	7,193
Depreciation of property, plant and equipment	**6,949**	6,579
Depreciation of right-of-use assets	**12,585**	10,890
Professional fees	**1,371**	1,645
Employee benefit costs (Note 9)	**27,038**	30,610
Insurance fees	**663**	507
IT Maintenance expenses	**973**	908
Printing expenses	**216**	188
Property management fees	**737**	634
Telephone expenses	**370**	316
Auditor's remuneration		
– Audit services	**576**	556
– Non-audit services	**19**	311
Other expenses	**4,043**	4,690
	83,503	74,087

(a) Reclassification of 2023 comparative figures

In 2024, management reallocated expenses from Administrative Expenses to Cost of Sales, comprising mainly of employee benefit expense as the reallocation better reflects the employees' scope of work. To conform to 2024 expenses by function presentation in the statement of profit or loss, a reclassification was made to the 2023 comparative figures to reallocate S$6,120,000 from Administrative Expenses to Cost of Sales. As a result, the 2023 Administrative Expenses was adjusted from S$34,668,000 to S$28,548,000 and Cost of Sales was adjusted from S$35,659,000 to S$41,779,000. The reclassification did not have any impact to either total expenses or net profit for the comparative period, nor any impact on the consolidated statement of financial position and consolidated statement of cash flows.

9 EMPLOYEE BENEFIT COSTS – INCLUDING DIRECTORS' EMOLUMENTS

(a) Employee benefit expenses during the years are as follows:

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Wages, salaries and allowances	**24,855**	28,692
Retirement benefit costs – defined contribution plans	**1,941**	1,675
Directors' fees	**242**	243
	27,038	30,610

Employee benefits expenses have been included in consolidated statement of profit or loss as follows:

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Cost of sales	**13,931**	10,708
Selling and distribution expenses	**185**	77
Administrative expenses	**12,922**	19,825
	27,038	30,610

9 EMPLOYEE BENEFIT COSTS – INCLUDING DIRECTORS' EMOLUMENTS (CONT'D)

(b) Directors' emoluments

The remuneration of every director for the year ended 30 September 2024 is set out below:

Name of director	Fees S$'000	Salaries, allowances and benefits in kind S$'000	Performance bonuses S$'000	Employer's contribution to defined contribution plans S$'000	Other benefits S$'000	Total S$'000
Executive directors						
Kelvin Lim[1]	**–**	**1,208**	**729**	**17**	**–**	**1,954**
Jess Lim[2]	**–**	**507**	**262**	**17**	**–**	**786**
Independent non-executive directors						
Ch'ng Li-Ling[3]	**77**	**4**	**–**	**–**	**–**	**81**
Eddie Yong[4]	**72**	**4**	**–**	**–**	**–**	**76**
Chan Ka Leung Gary[5]	**81**	**4**	**–**	**–**	**–**	**85**
	230	**1,727**	**991**	**34**	**–**	**2,982**

The remuneration of every director for the year ended 30 September 2023 is set out below:

Name of director	Fees S$'000	Salaries, allowances and benefits in kind S$'000	Performance bonuses S$'000	Employer's contribution to defined contribution plans S$'000	Other benefits S$'000	Total S$'000
Executive directors						
Kelvin Lim[1]	–	1,151	3,606	17	–	4,774
Jess Lim[2]	–	484	1,214	17	–	1,715
Independent non-executive directors						
Ch'ng Li-Ling[3]	77	4	–	–	–	81
Eddie Yong[4]	72	5	–	–	–	77
Chan Ka Leung Gary[5]	81	4	–	–	–	85
	230	1,648	4,820	34	–	6,732

1 Kelvin Lim is the Group's Executive Chairman and Group Managing Director. He was appointed to the Board on 10 July 2014.

2 Jess Lim is the Group's Executive Director and Group Deputy Managing Director. She was appointed to the Board on 10 July 2014.

3 Ch'ng Li-Ling is a Lead Independent Director of the Group. She was appointed to the Board on 10 March 2015.

4 Eddie Yong is an Independent Director of the Group. He was appointed to the Board on 10 March 2015.

5 Chan Ka Leung Gary was appointed as an Independent Director on 5 June 2017.

During the financial years ended 30 September 2024 and 2023, none of the directors of the Company waived any emoluments paid or payable by the Group companies and no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

9 EMPLOYEE BENEFIT COSTS – INCLUDING DIRECTORS' EMOLUMENTS (CONT'D)

(b) Directors' emoluments (Cont'd)

(i) Directors' retirement benefits

Save as disclosed above under the employer's contribution to defined contribution plans, there were no other retirement benefits paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiaries undertaking during the financial years ended 30 September 2024 and 2023.

(ii) Directors' termination benefits

No payment was made to directors as compensation for the early termination of the appointment during the financial years ended 30 September 2024 and 2023.

(iii) Consideration provided to third parties for making available directors' services

No payment was made to the former employer of directors for making available the services of them as a director of the Company during the financial years ended 30 September 2024 and 2023.

(iv) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There are no loans, quasi-loans and no other significant dealings in favour of directors, controlled bodies corporate by and connected entities with such directors during the financial years ended 30 September 2024 and 2023.

(v) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the financial years ended 30 September 2024 and 2023.

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the years ended 30 September 2024 and 2023 include two directors, respectively whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three individuals during the years ended 30 September 2024 and 2023, respectively are as follows:

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Wages, salaries and allowances	**1,184**	1,541
Retirement benefit costs – defined contribution plans	**48**	49
	1,232	1,590

9 EMPLOYEE BENEFIT COSTS – INCLUDING DIRECTORS' EMOLUMENTS (CONT'D)

(c) Five highest paid individuals (Cont'd)

The emoluments of above individuals are within the following band:

This disclosure, including the bands, is required under the HKEX Listing Rules.

	Number of individuals Year ended 30 September	
	2024	**2023**
Emoluments band		
HK$1,500,001-HK$2,000,000 (S$257,401-S$343,200)	**1**	1
HK$2,000,001-HK$2,500,000 (S$343,201-S$429,000)	**1**	1
HK$2,500,001-HK$3,000,000 (S$429,001-S$514,800)	**1**	–
HK$5,000,001-HK$5,500,000 (S$858,001-S$943,800)	**–**	1

10 FINANCE COST – NET

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Interest expense on borrowings	**10,190**	6,193
Interest expense on lease liabilities from hire purchase arrangements	**14**	17
Interest expense on lease liabilities from lease arrangements	**3,140**	3,054
Interest expense on others	**259**	97
	13,603	9,361
Less: Amounts capitalised	**(1,788)**	(466)
Finance cost – net	**11,815**	8,895

Finance cost on certain financing were capitalised at a rate from 1.50% to 5.46% per annum (2023: 1.50% to 5.87% per annum).

11 TAXATION

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Taxation attributable to profit is made up of:		
Profit for the year:		
From continuing operations		
– current income tax	**4,829**	3,290
– deferred income tax (Note 21)	**(305)**	658
	4,524	3,948
From discontinued operations		
– current income tax	**–**	240
– deferred income tax (Note 21)	**–**	(237)
	–	3
(Over)/under provision in respect of prior years:		
From continuing operations		
– current taxation	**(988)**	(430)
– deferred taxation (Note 21)	**12**	547
Taxation	**3,548**	4,068
Taxation is attributable to:		
– continuing operations	**3,548**	4,065
– discontinued operations (Note 12)	**–**	3
Taxation	**3,548**	4,068

11 TAXATION (CONT'D)

The tax on the Group's profit before taxation differs from the theoretical amount as follows:

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Profit before taxation from		
– continuing operations	**51,421**	22,983
– discontinued operations	**–**	21,306
	51,421	44,289
Share of results of associates and joint ventures, net of tax		
– continuing operations	**(8,935)**	(1,725)
– discontinued operations	**–**	(1,213)
Profit before tax and share of results of associates and joint ventures	**42,486**	41,351
Tax calculated at rate of 17%	**7,223**	7,030
Tax effect of:		
– expenses not deductible for tax purposes	**2,202**	3,045
– non-taxable income	**(5,014)**	(6,169)
Deferred tax assets on temporary differences not recognised	**549**	878
Utilisation of deferred tax assets not recognised in prior years	**(182)**	(665)
Effect of different tax rates in different jurisdictions	**70**	103
Singapore statutory tax incentives	**(319)**	(269)
(Over)/under provision in respect of prior years	**(976)**	117
Others	**(5)**	(2)
Taxation	**3,548**	4,068

Subject to agreement with Singapore tax authority, as at 30 September 2024, the Group has unutilised tax losses of S$392,000 (2023: S$338,000) and unabsorbed capital allowances of Nil (2023: S$646,000), which are available for offsetting against future taxable profits provided that the provision of tax legislation are complied with. As at 30 September 2024, the related tax benefits of S$67,000 (2023: S$168,000) have not been recognised in the financial statements of the Group as there is no reasonable certainty of their realisation in future periods.

The Group is not exposed to any significant deferred tax on foreign subsidiaries in Indonesia, China, Cambodia and Myanmar as there are no retained profits to be remitted in the foreseeable future.

12 DISCONTINUED OPERATIONS

On 28 August 2023, the Group completed the disposal of its entire 84.05% shareholding interests in its non-wholly owned subsidiary, LHN Logistics Limited and its group of companies, and its entire results was presented separately on the consolidated statement of profit or loss as "Discontinued operations" for the financial year ended 30 September 2023. The disposal group was previously presented under the "Logistics services business" reportable segment of the Group.

(a) The results of the discontinued operations and the re-measurement of the disposal group are as follows:

	1 October 2022 to 28 August 2023 S$'000
Revenue	23,409
Cost of sales	(14,992)
Gross profit	8,417
Other gains/(losses) – net and other income	1,235
Expenses*^	(7,746)
Share of results of associate, net of tax	1,213
Operating profit before tax from discontinued operations	3,119
Taxation (Note 11)	(3)
Operating profit after tax from discontinued operations	3,116
Gain on disposal of discontinued operations, net of disposal cost (Note 28)	18,187
Profit for the year from discontinued operations	21,303

* Included in the expenses is an amount of S$861,000 relating to the employee costs for Logistics Group reclassified from profit from continuing operations to operating profit before tax from discontinued operations.

^ Includes fees for non-audit services of S$63,000.

(b) The impact of the discontinued operations on the cash flows of the Group was as follows:

	1 October 2022 to 28 August 2023 S$'000
Net cash generated from operating activities	6,545
Net cash used in investing activities	(12,422)
Net cash generated from financing activities	4,340
Total cash outflows	(1,537)

13 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares deemed to be in issue during each of the years ended 30 September 2024 and 2023:

	Continuing operations		Discontinued operations		Total	
	2024	2023	2024	2023	2024	2023
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Net profit attributable to equity holders of the Company	**47,290**	18,537	**–**	19,674	**47,290**	38,211
Weighted average number of ordinary shares ('000)	**412,105**	408,945	**412,105**	408,945	**412,105**	408,945
Basic earnings per share (cents)	**11.48**	4.53	**–**	4.81	**11.48**	9.34

Diluted earnings per share is the same as the basic earnings per share as there were no potential dilutive ordinary shares outstanding during the financial years ended 30 September 2024 and 2023.

	Year ended 30 September	
	2024	2023
Ordinary shares	No of ordinary shares ('000)	
Shares issued at beginning of the year	**408,945**	408,945
Effect of ordinary shares issued under scrip dividend scheme (Note 30)	**3,160**	–
Weighted average number of ordinary shares for basic earnings per share	**412,105**	408,945

14 PROPERTY, PLANT AND EQUIPMENT

	Leasehold properties S$'000	Renovation works S$'000	Construction-in-progress S$'000	Plant and machinery S$'000	Furniture and fittings S$'000	Office equipment S$'000	Motor vehicles S$'000	Computers S$'000	Containers S$'000	Total S$'000
Cost or valuation										
As at 1 October 2023	18,963	35,083	–	8,060	7,804	1,095	402	4,072	25	75,504
Additions	–	1,115	154	1,715	782	50	–	1,093	–	4,909
Written off	–	(671)	–	(1,193)	(69)	(65)	(193)	(166)	(23)	(2,380)
Disposals	–	(19)	–	(77)	(298)	–	–	–	–	(394)
Transfer (to)/from investment properties	–	(22,827)	–	–	554	–	–	–	–	(22,273)
Adjustment arising from revaluation	(235)	–	–	–	–	–	–	–	–	(235)
Currency translation	–	(366)	–	(8)	(19)	(10)	(2)	(4)	–	(409)
As at 30 September 2024	**18,728**	**12,315**	**154**	**8,497**	**8,754**	**1,070**	**207**	**4,995**	**2**	**54,722**
Representing:										
Cost	–	12,315	154	8,497	8,754	1,070	207	4,995	2	35,994
Valuation	18,728	–	–	–	–	–	–	–	–	18,728
Accumulated depreciation and impairment losses										
As at 1 October 2023	–	(28,437)	–	(4,292)	(3,488)	(815)	(278)	(3,295)	(25)	(40,630)
Depreciation for the year	(663)	(3,482)	–	(759)	(1,163)	(100)	(42)	(740)	–	(6,949)
Written off	–	671	–	1,183	69	65	193	166	23	2,370
Disposals	–	2	–	64	298	–	–	–	–	364
Transfer to investment properties	–	20,864	–	–	–	–	–	–	–	20,864
Adjustment arising from revaluation	663	–	–	–	–	–	–	–	–	663
Currency translation	–	306	–	(23)	19	8	2	3	–	315
As at 30 September 2024	**–**	**(10,076)**	**–**	**(3,827)**	**(4,265)**	**(842)**	**(125)**	**(3,866)**	**(2)**	**(23,003)**
Net book value										
As at 30 September 2024	**18,728**	**2,239**	**154**	**4,670**	**4,489**	**228**	**82**	**1,129**	**–**	**31,719**

14 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Leasehold properties S$'000	Renovation works S$'000	Construction-in-progress S$'000	Plant and machinery S$'000	Furniture and fittings S$'000	Office equipment S$'000	Logistics equipment S$'000	Motor vehicles S$'000	Computers S$'000	Containers S$'000	Total S$'000
Cost or valuation											
As at 1 October 2022	24,707	36,941	6,778	9,543	6,144	1,184	3,483	1,164	4,120	147	94,211
Additions	115	1,665	13,353	1,281	1,889	151	512	47	761	–	19,774
Transfer	–	3,664	(4,535)	231	558	76	–	–	6	–	–
Written off	–	(5,071)	–	(527)	(611)	(162)	–	–	(103)	–	(6,474)
Disposals	–	(58)	–	(144)	(4)	(12)	(650)	(168)	(84)	–	(1,120)
Disposals of subsidiaries	(5,700)	(1,332)	(15,365)	(2,310)	(140)	(135)	(3,345)	(637)	(620)	(119)	(29,703)
Derecognition	–	(384)	–	–	–	–	–	–	–	–	(384)
Adjustment arising from revaluation	(159)	–	–	–	–	–	–	–	–	–	(159)
Currency translation	–	(342)	(231)	(14)	(32)	(7)	–	(4)	(8)	(3)	(641)
As at 30 September 2023	18,963	35,083	–	8,060	7,804	1,095	–	402	4,072	25	75,504
Representing:											
Cost	–	35,083	–	8,060	7,804	1,095	–	402	4,072	25	56,541
Valuation	18,963	–	–	–	–	–	–	–	–	–	18,963
Accumulated depreciation and impairment losses											
As at 1 October 2022	–	(27,683)	(2,000)	(5,156)	(2,755)	(946)	(3,310)	(700)	(3,333)	(87)	(45,970)
Depreciation for the year	(903)	(3,937)	–	(822)	(781)	(108)	(260)	(44)	(582)	(13)	(7,450)
Written off	–	5,051	–	527	401	158	–	–	92	–	6,229
Disposals	–	23	–	74	6	12	642	114	85	–	956
Disposals of subsidiaries	238	625	–	1,269	67	122	2,928	337	459	75	6,120
Derecognition	–	129	–	–	–	–	–	–	–	–	129
Adjustment arising from revaluation	665	–	–	–	–	–	–	–	–	–	665
Transfer	–	(1,571)	2,000	(116)	(272)	(38)	–	–	(3)	–	–
Impairment charge	–	(1,379)	–	(83)	(193)	(23)	–	–	(14)	–	(1,692)
Currency translation	–	305	–	15	39	8	–	15	1	–	383
As at 30 September 2023	–	(28,437)	–	(4,292)	(3,488)	(815)	–	(278)	(3,295)	(25)	(40,630)
Net book value											
As at 30 September 2023	18,963	6,646	–	3,768	4,316	280	–	124	777	–	34,874

14 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

During the financial year, the depreciation expense charged to cost of sales amounted to S$5,369,000 (2023: S$5,732,000) and administrative expense amounted to S$1,580,000 (2023: S$1,718,000) in the consolidated statement of profit or loss.

The leasehold properties of the Group with carrying values of S$18,728,000 (2023: S$18,963,000) are carried at the revalued amounts in accordance with the Group's accounting policy as described in Note 2.4 and are subject to similar valuation process as the Group's investment properties as disclosed in Note 16. If these properties of the Group were included in the financial statements at cost less accumulated depreciation and impairment losses, the net book values would have been S$17,235,000 (2023: S$18,427,000). Refer to Note 3(e) for details on the valuation techniques and inputs.

Leasehold properties of S$18,728,000 (2023: S$18,963,000) of the Group are mortgaged for bank borrowings (Note 34).

(a) Impairment of property, plant and equipment

For the financial years ended 30 September 2024 and 2023, impairment indicators were identified and impairment testing performed for certain of the Group's property, plant and equipment in

- Myanmar due to uncertain business and economic environment with the ongoing internal conflicts; and
- China due to delay in the commencement of operations amid the slower than expected post pandemic recovery.

Based on recoverable values determined by management using value-in-use calculations, impairment loss of Nil (2023: S$179,000) for property, plant and equipment in Myanmar and Nil (2023: S$1,513,000) in China were recognised in Other Gains/(losses)-net and Other Income (Note 7). As at 30 September 2024, the carrying value of the property, plant and equipment for Myanmar is S$736,000, net of cumulative impairment of S$1,962,000 (2023: S$962,000, net of cumulative impairment of S$2,238,000) and, for China is S$455,000, net of cumulative impairment of S$3,292,000 (2023: S$502,000, net of cumulative impairment of S$3,369,000).

For Myanmar, cash flow projections used in the value-in-use calculation were based on the financial budget approved by management covering 1 year and extrapolated for remaining period of the assets' useful life using the revenue growth rates and EBITDA (earnings before interest, tax, depreciation and amortisation) margins based on past performance and forecasted country inflation and GDP growth rate, which takes into consideration management's expectations of market and economic developments.

For China, cash flow projections used in the value-in-use calculations were based on financial forecast prepared by management using revenue growth rates and EBITDA margins based on benchmarking against industry comparables and market research, reflecting management's expectations of the market and economic developments.

The discount rates used were pre-tax and reflected specific risks relating to the relevant country.

A reasonable change in the assumptions will not result in a material impairment.

Notes to the Financial Statements

15 RIGHT-OF-USE ASSETS

	Leasehold properties S$'000	Plant and machinery S$'000	Office equipment S$'000	Motor vehicles S$'000	Total S$'000
Cost					
As at 1 October 2023	41,600	1,723	175	717	44,215
Additions	12,484	–	–	87	12,571
Written off	(2,149)	(405)	(1)	(99)	(2,654)
Disposals	–	–	(8)	–	(8)
Currency translation	(45)	–	–	–	(45)
As at 30 September 2024	**51,890**	**1,318**	**166**	**705**	**54,079**
Accumulated depreciation					
As at 1 October 2023	(28,752)	(1,333)	(14)	(423)	(30,522)
Depreciation for the year	(12,360)	(26)	(32)	(167)	(12,585)
Written off	2,149	401	–	99	2,649
Disposals	–	–	7	–	7
Currency translation	23	–	–	–	23
As at 30 September 2024	**(38,940)**	**(958)**	**(39)**	**(491)**	**(40,428)**
Net book value					
As at 30 September 2024	**12,950**	**360**	**127**	**214**	**13,651**

	Leasehold properties S$'000	Plant and machinery S$'000	Furniture and fittings S$'000	Office equipment S$'000	Logistics equipment S$'000	Motor vehicles S$'000	Total S$'000
Cost							
As at 1 October 2022	42,482	5,495	459	21	6,842	2,022	57,321
Additions	9,958	–	–	160	103	574	10,795
Written off	(4,103)	(112)	–	–	–	–	(4,215)
Disposals	(31)	–	(45)	(6)	(139)	(55)	(276)
Disposals of subsidiaries	(6,178)	(3,660)	(414)	–	(6,806)	(1,761)	(18,819)
Lease modification adjustments	87	–	–	–	–	–	87
Reclassified to investment properties	(512)	–	–	–	–	–	(512)
Currency translation	(103)	–	–	–	–	(63)	(166)
As at 30 September 2023	41,600	1,723	–	175	–	717	44,215
Accumulated depreciation							
As at 1 October 2022	(23,929)	(3,203)	(161)	(12)	(4,184)	(718)	(32,207)
Depreciation for the year	(11,323)	(354)	(40)	(6)	(543)	(384)	(12,650)
Written off	4,103	112	–	–	–	–	4,215
Disposals	25	–	18	4	136	33	216
Disposals of subsidiaries	2,214	2,112	183	–	4,591	645	9,745
Reclassified to investment properties	114	–	–	–	–	–	114
Currency translation	44	–	–	–	–	1	45
As at 30 September 2023	(28,752)	(1,333)	–	(14)	–	(423)	(30,522)
Net book value							
As at 30 September 2023	12,848	390	–	161	–	294	13,693

The Group lease certain properties, plant and equipment for the purpose of its operations and facility management services.

During the financial year, the depreciation expense charged to cost of sales amounted to S$12,412,000 (2023: S$11,389,000) and administrative expense amounted to S$173,000 (2023: S$1,261,000) in the consolidated statement of profit or loss.

16 INVESTMENT PROPERTIES

Investment properties comprising owned properties and right-of-use leased properties are carried at fair values at each reporting date as determined by independent professional-qualified property valuers. Valuations are made at least annually based on the properties' highest-and-best-use using the direct market comparison method, discounted cash flow method, income capitalisation method and residual value method.

The direct market comparison method involves the analysis of comparable sales of similar properties and adjusting the transacted prices to reflect the characteristics of the subject properties.

The discounted cash flow method involves a projection of future net operating income and is discounted at an appropriate discount rate. Future net operating income is derived by deducting from future gross income against direct operating expense.

The income capitalisation method involves the net income being capitalised at a rate which reflects the yield expected from the property.

The residual value method involves as a starting point using the direct market comparison method to derive the fair value of the property as if the development was already completed at reporting date. Deductions from that fair value, such as estimated construction cost and other costs to completion and estimated profit margin required to hold and develop the property to completion are made to reflect the current condition of the property under development.

At each reporting date, the Group assesses property valuation movements when compared to prior year valuation reports.

Changes in fair values are analysed at each reporting date by the Audit Committee.

There were no transfers between Level 2 and 3 during the year.

Valuation processes of the Group

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties (owned and right-of-use) at each reporting date based on the properties highest and best use.

The valuers hold a recognised and relevant professional qualification and have recent experience in location and category of the investment properties being valued.

Further details of fair value measurement are disclosed in Note 3(e).

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
At fair value		
Beginning of financial year	**303,761**	233,267
Additions – investment properties	**134,507**	109,292
Additions – capitalised expenditure[1]	**12,528**	10,506
Disposals	**–**	(4,500)
Reclassification to development properties (Note 25)[2]	**–**	(26,000)
Derecognition of assets of right-of-use properties	**(2,045)**	(11,529)
Lease modification adjustments	**–**	(125)
Net gain/(loss) from fair value adjustment	**10,459**	(5,971)
Currency translation	**(1,232)**	(1,179)
End of financial year	**457,978**	303,761

1 Includes capitalised borrowing costs of S$1,195,000 (2023: S$265,000).

2 During the financial year 2023, the investment property at 55 Tuas South Avenue 1 was reclassified at fair value to development property after the necessary approvals have been obtained for the change in use, as it is the Group's intention to redevelop the property for sale.

Notes to the Financial Statements

16 INVESTMENT PROPERTIES (CONT'D)

The following amounts are recognised in consolidated statement of profit or loss:

	Year ended 30 September 2024 S$'000	2023 S$'000
Rental income from:		
– Owned properties	**11,420**	9,018
– Right-of-use leased properties	**45,093**	36,841
Direct operating expenses arising from:		
– Owned properties that generate rental income	**3,302**	1,786
– Owned properties that do not generate rental income	**105**	–
– Right-of-use leased properties that generate rental income	**9,500**	8,740

The investment properties comprises:

Location & Description	Tenure	30 September 2024 S$'000	2023 S$'000
Owned properties			
72 Eunos Avenue 7, Singapore 6-storey multiple-user light industrial building	30 years lease commencing from 1 January 2011	**6,316**	6,528
100 Eunos Avenue 7, Singapore 5-storey multiple-user light industrial building	60 years lease commencing from 1 July 1980	**15,500**	15,607
23 Woodlands Industrial Park A flatted industrial unit	60 years lease commencing from 9 January 1995	**480**	480
71 Lorong 23 Geylang, Singapore 9-storey light industrial building	99 years lease commencing from 21 December 1993	**29,005**	24,969
320 Balestier Road, Singapore 4-storey mixed commercial and residential building	Freehold	**36,100**	35,261
75 Beach Road, Singapore 2-storey residential building	999 years less 10 days lease commencing from 25 January 1827	**13,600**	13,600
115 Geylang Road, Singapore 3 units of 2-storey shophouse with a 4-storey rear extension	Freehold	**25,733**	20,989
298 River Valley Road, Singapore 4-storey service apartment	Freehold	**15,900**	13,500
48 and 50 Arab Street, Singapore 2 adjoining 4-storey intermediate conserved buildings	99 years lease commencing from 1 March 1952	**13,500**	11,600
404 Pasir Panjang Road, Singapore 4-storey guest house and a basement carpark	Freehold	**42,000**	36,609

16 INVESTMENT PROPERTIES (CONT'D)

The investment properties comprises: (Cont'd)

Location & Description	Tenure	30 September 2024 S$'000	2023 S$'000
288 River Valley Road, Singapore 4-storey mixed commercial and residential building	Freehold	**35,000**	–
99 Rangoon Road, Singapore 4-storey residential building	Freehold	**18,500**	–
141 Middle Road, GSM Building, Singapore 6-storey building with a basement carpark	99 years lease commencing from 2 May 1978	**86,000**	–
38th floor, 88 Building, Jalan Kasablanka Raya Kav, Jakarta, Indonesia 4 units of office building	14 years lease commencing from 1 July 2013	**5,516**	5,720
Street Duong Ngeap III, Phum Teuk Thla, Sangkat Teuk Thla, Khan Sen Sok, Phnom Penh, Cambodia 108 units of service apartments	Freehold	**15,156**	16,514
		358,306	201,377
<u>Right-of-use leased properties</u>			
43 Keppel Road, Singapore 5-storey warehouse building and a 3-storey ancillary office building	5.0 years lease commencing from 1 October 2022	**515**	74
18 Tampines Industrial Crescent, Singapore 59 units from a 3-storey and a 7-storey multi user industrial building	6.9 years lease commencing from 13 October 2022	**42,709**	48,546
20, 21, 23, 23A, 24, 24A, 25, 25A Depot Lane Former canteen block annex building	5.5 years lease commencing from 1 October 2019	**78**	232
10 Raeburn Park, Singapore A 4-storey and three 2-storey buildings	Derecognised in 2024 (2023: 6.0 years lease commencing from 1 October 2019)	**–**	647
1557 Keppel Road, Singapore Two blocks of 4-storey building and one block of 3-storey building with a mezzanine floor	6.0 years lease commencing from 1 January 2020	**1,009**	1,058
300, 302, 304, 306, 308, 310, 312, 314, 316, 318, 320 Tanglin Road, Singapore Blocks A, B, C, D, E, F, G, J, L, N and S of Phoenix Park	Derecognised in 2024 (2023: 0.5 years lease commencing from 1 July 2023)	**–**	216
31 Boon Lay Drive, Singapore Two blocks of 12-storey hostel and one block of 15-storey hostel	3.0 years lease commencing from 1 October 2024 (2023: 5.0 years lease commencing from 1 October 2019)	**13,396**	2,631

16 INVESTMENT PROPERTIES (CONT'D)

The investment properties comprises: (Cont'd)

Location & Description	Tenure	30 September 2024 S$'000	30 September 2023 S$'000
1A Lutheran Road, Singapore A 4-storey residential building	5.9 years lease commencing from 1 October 2019	**772**	765
34 Boon Leat Terrace, Singapore A 5-storey industrial building	4.0 years lease commencing from 30 September 2023	**8,835**	10,750
2 Mount Elizabeth Link, Singapore A 22-storey residential building	6.0 years lease commencing from 1 December 2021	**17,610**	25,049
219, 221, 223, 225, 227, 229, 229A, 231, 233, 233A, 235, 235A, 239, 241, 245, 241A, 247, 249, 251, 253, 255, 267 Lavender Street and 592, 594, 594A, 598, 600, 606, 608, 612, 620 Serangoon Road, Singapore ("Lavender Collection") 26 units of conserved buildings (2023: 25 units of conserved buildings)	6.7 years lease commencing from 1 May 2022, 1 August 2022, 18 June 2023, 1 July 2023 or 1 December 2023 (2023: 6.7 years lease commencing from 1 May 2022, 1 August 2022, 18 June 2023 or 1 July 2023)	**10,049**	11,888
18 Penjuru Road, Singapore A vacant plot of land	Derecognised in 2024 (2023: 3.0 years lease commencing from 1 January 2023)	**–**	528
260 Upper Bukit Timah Road, Singapore 8 blocks of 2-storey buildings and a carpark	5.0 years lease commencing from 15 April 2024	**4,699**	–
		99,672	102,384
		457,978	303,761

Reconciliation of carrying value in the statement of consolidated financial position to valuation reports:

	As at 30 September 2024 S$'000	As at 30 September 2023 S$'000
Value per valuation reports	**461,392**	285,350
– Plant and equipment (included)/excluded	**(2,920)**	18,855
– Accrued rental income	**(494)**	(444)
Carrying value	**457,978**	303,761

The properties are leased to related and non-related parties under operating leases. Refer to Note 38 for operating lease commitment information.

Certain properties with a carrying value of S$352,310,000 (2023: S$195,268,000) in Singapore and Cambodia are mortgaged for bank borrowings as disclosed in Note 34.

17 INVESTMENT IN AND AMOUNT DUE FROM SUBSIDIARIES

(a) Investments in subsidiaries

	Company As at 30 September 2024 S$'000	Company As at 30 September 2023 S$'000
Equity investments at cost	**32,727**	32,727

The Group had direct and indirect interests in the following significant subsidiaries as at 30 September 2024 and 2023:

Name	Principal activities	Country of business/ incorporation	Issued and paid up capital	Effective interest held by the Group as at 30 September 2024 %	Effective interest held by the Group as at 30 September 2023 %
Directly held by the Company					
LHN Group Pte. Ltd.	Investment holding and space resource management	Singapore	S$2,000,000	**100**	100
Indirectly held by the Company					
Work Plus Store Pte. Ltd.	Space resource management	Singapore	S$600,000	**100**	100
GREENHUB Suited Offices Pte. Ltd.	Space resource management	Singapore	S$1,000,000	**100**	100
Coliwoo Hostels Pte Ltd (formerly known as Chua Eng Chong Holdings Pte. Ltd)	Space resource management	Singapore	S$3,000,000	**100**	100
LHN Properties Investments Pte. Ltd.	Space resource management	Singapore	S$1,500,000	**100**	100
LHN Facilities Management Pte. Ltd.	Space resource management	Singapore	S$4,000,000	**100**	100
Work Plus Store (Joo Seng) Pte. Ltd.	Space resource management	Singapore	S$1,400,000	**100**	100
LHN Residence Pte. Ltd.	Space resource management	Singapore	S$25,000	**100**	100
LHN Space Resources Pte. Ltd.	Space resource management	Singapore	S$2,000,000	**100**	100
Soon Wing Investments Pte. Ltd.	Space resource management	Singapore	S$25,000	**100**	100
Singapore Handicrafts Pte. Ltd.	Investment holding	Singapore	S$4,000,000	**100**	100
WPS KB Pte. Ltd.	Space resource management	Singapore	S$1	**100**	100
WPS (TPY) Pte. Ltd.	Space resource management	Singapore	S$1	**100**	100
LHN SB2 Pte. Ltd.	Investment holding and space resource management	Singapore	S$1	**100**	100

17 INVESTMENT IN AND AMOUNT DUE FROM SUBSIDIARIES (CONT'D)

(a) Investments in subsidiaries (Cont'd)

Name	Principal activities	Country of business/ incorporation	Issued and paid up capital	Effective interest held by the Group as at 30 September 2024 %	2023 %
Indirectly held by the Company					
PT Hean Nerng Group[1]	Space resource management	Indonesia	Rp29,157,000,000	**99**	99
Greenhub Serviced Offices Yangon Limited[2]	Space resource management	Myanmar	US$50,000	**100**	100
LHN Management Services (Nan An) Co. Ltd.[^*]	Space resource management	People's Republic of China	RMB31,500,000	**100**	100
Axis A1 Properties Co. Ltd.[3]	Space resource management	Cambodia	US$5,000	**100**	100
Coliwoo (BR) Pte. Ltd	Space resource management	Singapore	S$2	**100**	100
Coliwoo Balestier Pte. Ltd	Space resource management	Singapore	S$1	**100**	100
Coliwoo Holdings Pte. Ltd.	Space resource management	Singapore	S$1	**100**	100
Coliwoo Keppel Pte Ltd	Space resource management	Singapore	S$1	**100**	100
Coliwoo Investment Pte Ltd	Space resource management	Singapore	S$1	**100**	100
Emerald Properties Pte. Ltd.	Space resource management	Singapore	S$1	**100**	100
Coliwoo RV1 Pte. Ltd.	Space resource management	Singapore	S$1	**100**	100
Coliwoo RV2 Pte Ltd	Space resource management	Singapore	S$1	**100**	100
Coliwoo Orchard Pte. Ltd. (formerly known as Erinite Properties Pte. Ltd.)	Space resource management	Singapore	S$1	**100**	100
Coliwoo Bugis Pte Ltd	Space resource management	Singapore	S$1	**100**	100
Coliwoo (Arab) Pte. Ltd.	Space resource management	Singapore	S$1	**100**	100
Coliwoo PP Pte. Ltd.	Space resource management	Singapore	S$100,000	**80**	100
Coliwoo Rangoon Pte Ltd	Space resource management	Singapore	S$1	**100**	100
Coliwoo (TK) Pte Ltd	Space resource management	Singapore	S$100,000	**80**	100

17 INVESTMENT IN AND AMOUNT DUE FROM SUBSIDIARIES (CONT'D)

(a) Investments in subsidiaries (Cont'd)

Name	Principal activities	Country of business/ incorporation	Issued and paid up capital	Effective interest held by the Group as at 30 September 2024 %	2023 %
Indirectly held by the Company					
Chrysolite Industries Pte. Ltd.	Property development	Singapore	S$200,000	**60**	60
LHN Parking Pte. Ltd.	Carpark management and operation services	Singapore	S$4,500,000	**100**	100
LHN Parking (GMT) Pte. Ltd.	Carpark management and operation services	Singapore	S$1	**100**	100
LHN Parking HK Limited[4]	Carpark management and operation services	Hong Kong	HKD1,000,000	**100**	100
LHN Mobility Pte Ltd	Investment holding	Singapore	S$1	**100**	100
LHN Energy Resources Pte. Ltd.	Distribution and sale of electricity	Singapore	S$25,000	**100**	100
Industrial and Commercial Facilities Management Pte. Ltd.	General contractors and facilities management	Singapore	S$1,500,000	**100**	100

1 Audited by Abdul Ghonie & Rekan, Indonesia.

2 Audited by Ngwe Inzaly, Myanmar.

3 Audited by KS Audit and Assurance Co., Ltd., Cambodia.

4 Audited by Patrick Wong C.P.A. Limited, Hong Kong.

^ This entity is established in the PRC with limited liability.

* As at 30 September 2024, the Group has paid up RMB31,091,000 (2023: RMB29,980,000) of the capital of the company.

	As at 30 September 2024 S$'000	2023 S$'000
Carrying value of non-controlling interests		
Coliwoo PP Pte. Ltd	**1,097**	–
Coliwoo TK Pte. Ltd	**(51)**	–
Chrysolite Industries Pte Ltd	**1,737**	1,801
Other subsidiaries with immaterial non-controlling interest	**72**	54
	2,855	1,855

In 2024, the Group dispose a portion of its shareholdings in Coliwoo PP Pte. Ltd. and Coliwoo (TK) Pte. Ltd., giving rise to the capital contribution from non-controlling interests of S$416,000.

17 INVESTMENT IN AND AMOUNT DUE FROM SUBSIDIARIES (CONT'D)

(a) Investments in subsidiaries (Cont'd)

Summarised financial information for subsidiaries

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

Summarised statement of financial position

	As at 30 September 2024		
	Coliwoo PP Pte. Ltd. S$'000	**Coliwoo TK Pte. Ltd. S$'000**	**Chrysolite Industries Pte. Ltd. S$'000**
Current			
Assets	**713**	**2,866**	**45,084**
Liabilities	**(1,462)**	**(267)**	**(2,074)**
Total current net (liabilities)/assets	**(749)**	**2,599**	**43,010**
Non-current			
Assets	**42,331**	**86,000**	**–**
Liabilities	**(36,097)**	**(88,905)**	**(38,699)**
Total non-current net assets/(liabilities)	**6,234**	**(2,905)**	**(38,699)**
Net assets/(liabilities)	**5,485**	**(306)**	**4,311**

	As at 30 September 2023 Chrysolite Industries Pte. Ltd. S$'000
Current	
Assets	30,552
Liabilities	(11,241)
Total current net assets	19,311
Non-current	
Liabilities	(14,840)
Total non-current net liabilities	(14,840)
Net assets	4,471

17 INVESTMENT IN AND AMOUNT DUE FROM SUBSIDIARIES (CONT'D)

(a) Investments in subsidiaries (Cont'd)

Summarised financial information for subsidiaries (Cont'd)

Summarised statement of comprehensive income

	As at 30 September 2024		
	Coliwoo PP Pte. Ltd. S$'000	**Coliwoo TK Pte. Ltd. S$'000**	**Chrysolite Industries Pte. Ltd. S$'000**
Revenue	**1,635**	**–**	**–**
Profit/(loss) before taxation	**3,243**	**(366)**	**(38)**
Taxation	**152**	**(1)**	**–**
Net profit/(loss)	**3,395**	**(367)**	**(38)**
Other comprehensive income	**–**	**–**	**–**
Total comprehensive income/(loss)	**3,395**	**(367)**	**(38)**
Net profit allocated to non-controlling interests	**702**	**(71)**	**(15)**
Total comprehensive income allocated to non-controlling interests	**–**	**–**	**–**
Dividend paid to non-controlling interests	**–**	**–**	**–**

	As at 30 September 2023	
	LHN Logistics Group S$'000	**Chrysolite Industries Pte. Ltd. S$'000**
Revenue	23,412	351
Profit before taxation	2,755	1,046
Taxation	(3)	(9)
Net profit	2,752	1,037
Other comprehensive loss	(6)	–
Total comprehensive income	2,746	1,037
Net profit allocated to non-controlling interests	1,629	415
Total comprehensive income allocated to non-controlling interests	1,632	415
Dividend paid to non-controlling interests	452	–

17 INVESTMENT IN AND AMOUNT DUE FROM SUBSIDIARIES (CONT'D)

(a) **Investments in subsidiaries (Cont'd)**

Summarised financial information for subsidiaries (Cont'd)

Summarised cash flows

	As at 30 September 2024		
	Coliwoo PP Pte. Ltd. S$'000	Coliwoo TK Pte. Ltd. S$'000	Chrysolite Industries Pte. Ltd. S$'000
Net cash (used in)/generated from operating activities	**(1,972)**	**2,975**	**(10,688)**
Net cash generated from/(used in) investing activities	**168**	**(72,327)**	**11**
Net cash generated from financing activities	**1,736**	**71,380**	**10,757**

	As at 30 September 2023	
	LHN Logistics Group S$'000	Chrysolite Industries Pte. Ltd. S$'000
Net cash generated from/(used in) operating activities	4,555	(3,270)
Net cash (used in)/generated from investing activities	(12,422)	4
Net cash generated from financing activities	4,340	1,900

(b) **Amount due from subsidiaries**

The amount due from subsidiaries is unsecured, interest-free and repayable on demand.

18 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

(a) **Investments in associates**

	As at 30 September	
	2024 S$'000	2023 S$'000
Unquoted equity investment, at cost	**140**	140
Cumulative share of post-acquisition reserves	**(39)**	(140)
	101	–
Share of associates' results, net of tax		
– Continuing operations	**2,061**	5
– Discontinued operations	**–**	1,213
	2,061	1,218

18 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONT'D)

(a) Investments in associates (Cont'd)

Set out below are the associates which are material to the Group as at 30 September 2024 and 2023. The associates have share capital consisting solely of ordinary shares, which are held directly by the Group; the country of incorporation is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Principal activity	% of ownership interest as at 30 September	
			2024	**2023**
Metropolitan Parking (BTSC) Pte. Ltd.	Singapore	Carpark management and operation services	**40**	40

Summarised financial information for associates

Set out below are the summarised financial information which, in the opinion of the directors, is significant to the Group:

Summarised statement of financial position

	As at 30 September	
	2024	**2023**
	Metropolitan Parking (BTSC) Pte. Ltd.	
	S$'000	**S$'000**
Current assets	**2,124**	286
Includes:		
– Cash and cash equivalents	**2,117**	202
Current liabilities	**(1,871)**	(5,336)
Includes:		
– Financial liabilities (excluding trade payables)	**–**	(304)
Non-current assets	**–**	15,788
Non-current liabilities	**–**	(11,353)
Includes:		
– Financial liabilities	**–**	(11,350)
Net assets/(liabilities)	**253**	(615)

18 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONT'D)

(a) Investments in associates (Cont'd)

Summarised statement of comprehensive income

	Year ended 30 September 2024 Metropolitan Parking (BTSC) Pte. Ltd. S$'000
Revenue	**844**
Profit before taxation[1]	**5,769**
Taxation	**(2)**
Net profit	**5,767**
Other comprehensive income	**–**
Total comprehensive income	**5,767**
Includes the following:	
– Depreciation and amortisation	**(288)**

[1] includes gain on disposal of property, plant and equipment of S$5,989,000.

	Year ended 30 September 2023	
	HLA Logistics Pte. Ltd. S$'000	Metropolitan Parking (BTSC) Pte. Ltd. S$'000
Revenue	6,090	953
Profit/(loss) before taxation	2,968	(373)
Taxation	(492)	7
Net profit/(loss)	2,476	(366)
Other comprehensive income	–	–
Total comprehensive income/(loss)	2,476	(366)
Includes the following:		
– Depreciation and amortisation	(210)	(345)

The information above reflects the amounts presented in the financial statements of associates (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associates.

18 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONT'D)

(a) Investments in associates (Cont'd)

Reconciliation of summarised financial information

Reconciliation of the summarised financial statements presented to the carrying amount of the Group's interest in associates, is as follows:

	HLA Logistics Pte. Ltd. S$'000	Metropolitan Parking (BTSC) Pte. Ltd. S$'000	Total S$'000
Opening net assets at 1 October 2022	577	–	577
Total comprehensive income/(loss) for the year	2,476	(366)	2,110
Dividend paid	(2,000)	–	(2,000)
Unrecognised loss over cost of investment	–	366	366
Disposal	(1,053)[a]	–	(1,053)
Closing net assets at 30 September 2023	–	–	–
Carrying value of Group's interest	–	–	–
Add: Carrying value of individual immaterial associates[b]			–
Carrying value of Group's interest in Associates at 30 September 2023			–
Opening net assets at 1 October 2023		–	–
Total comprehensive income for the year		5,767	5,767
Dividend paid		(4,900)	(4,900)
Recognition of unrecognised loss in prior years		(614)	(614)
Closing net assets at 30 September 2024		**253**	**253**
Carrying value of Group's interest		101	101
Add: Carrying value of individual immaterial associates[b]			–
Carrying value of Group's interest in Associates at 30 September 2024			**101**

(a) This was disposed within Logistics Group (Note 12).

(b) Other immaterial associates have a zero carrying value in the financial year ending 30 September 2024 and 2023.

(b) Investments in joint ventures

	As at 30 September 2024 S$'000	2023 S$'000
Unquoted equity investment, at cost	**1,930**	1,880
Cumulative share of post-acquisition reserves	**32,067**	25,721
	33,997	27,601
Share of joint ventures' results, net of tax	**6,874**	1,720
Share of joint ventures' other comprehensive income	**372**	(231)

18 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONT'D)

(b) Investments in joint ventures (Cont'd)

Set out below are the joint ventures of the Group as at 30 September 2024 and 2023. The joint venture has share capital consisting solely of ordinary shares, which are held directly by the Group; the country of incorporation is also their principal place of business.

Name of entity	Place of business/country of incorporation	% of ownership interest as at 30 September 2024	2023
Metropolitan Parking Pte. Ltd.	Singapore	**50**	50
Work Plus Store (AMK) Pte. Ltd.	Singapore	**50**	50
Four Star Industries Pte. Ltd.	Singapore	**50**	50
AMB Hotel Pte. Ltd	Singapore	**50**	50
Work Plus Store (Kallang Bahru) Pte. Ltd.	Singapore	**50**	50
471 Balestier Pte. Ltd[1]	Singapore	**40**	40
Jadeite Properties Pte. Ltd	Singapore	**50**	–

Metropolitan Parking Pte. Ltd. provides carpark management and operations services principally in Singapore.

Work Plus Store (AMK) Pte. Ltd. provides general warehousing and business support services principally in Singapore.

Four Star Industries Pte. Ltd. and its subsidiary ("Four Star Industries Group") trade spring mattresses principally in Singapore and Malaysia.

AMB Hotel Pte. Ltd., which provides space optimisation business principally in Singapore.

Work Plus Store (Kallang Bahru) Pte. Ltd. provides general warehousing and business support services principally in Singapore.

471 Balestier Pte. Ltd. provides space optimisation business principally in Singapore.

Jadeite Properties Pte. Ltd provides space optimization business principally in Singapore.

[1] 471 Balestier Pte. Ltd. is 60% owned by Four Star Industries Pte Ltd, a joint venture of the Group.

18 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONT'D)

(b) Investments in joint ventures (Cont'd)

Summarised financial information for joint ventures

Set out below are the summarised financial information which, in the opinion of the directors, is significant to the Group.

Summarised statement of financial position

	As at 30 September 2024					
	Metropolitan Parking Pte. Ltd. S$'000	Work Plus Store (AMK) Pte. Ltd. S$'000	Four Star Industries Group S$'000	Work Plus Store (Kallang Bahru) Pte. Ltd. S$'000	471 Balestier Pte. Ltd. S$'000	Jadeite Properties Pte. Ltd. S$'000
Current assets	**856**	**1,472**	**11,789**	**957**	**535**	**3,413**
Includes:						
– Cash and cash equivalents	700	1,049	3,236	896	406	986
Current liabilities	**(7,844)**	**(4,767)**	**(8,841)**	**(11,583)**	**(7,931)**	**(10,061)**
Includes:						
– Financial liabilities (excluding trade payables)	(7,474)	(2,946)	(2,967)	(8,506)	(7,053)	(9,692)
Non-current assets	**29,000**	**55,198**	**23,981[(a)]**	**49,429**	**29,913**	**28,004**
Includes:						
– Investment properties and leasehold properties at fair value[1]	29,000	55,002	14,785	48,712	29,911	28,000
Non-current liabilities	**(19,850)**	**(27,671)**	**(6,390)**	**(27,283)**	**(11,487)**	**(21,200)**
Includes:						
– Financial liabilities	(19,849)	(26,410)	(6,219)	(26,230)	(11,444)	(21,200)
Net assets	**2,162**	**24,232**	**20,539[(a)]**	**11,520**	**11,030**	**156**

18 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONT'D)

(b) Investments in joint ventures (Cont'd)

Summarised financial information for joint ventures (Cont'd)

Summarised statement of financial position (Cont'd)

	As at 30 September 2023						
	Metropolitan Parking Pte. Ltd. S$'000	Work Plus Store (AMK) Pte. Ltd. S$'000	Four Star Industries Group S$'000	Work Plus Store (Kallang Bahru) Pte. Ltd. S$'000	Motorway Automotive Pte. Ltd. S$'000	Coliwoo East Pte. Ltd. S$'000	471 Balestier Pte. Ltd. S$'000
Current assets	2,641	1,507	13,043	798	–	–	581
Includes:							
– Cash and cash equivalents	338	974	2,608	693	–	–	454
Current liabilities	(7,880)	(6,688)	(13,281)	(12,822)	–	–	(6,433)
Includes:							
– Financial liabilities (excluding trade payables)	(7,506)	(4,656)	(7,499)	(9,643)	–	–	(6,160)
Non-current assets	29,001	53,238	23,011[(a)]	49,815	–	–	24,778
Includes:							
– Investment properties and leasehold properties at fair value[1]	28,898	51,228	12,990	48,387	–	–	24,297
Non-current liabilities	(21,562)	(28,509)	(5,123)	(28,081)	–	–	(11,865)
Includes:							
– Financial liabilities	(21,562)	(27,740)	(5,037)	(27,807)	–	–	(11,841)
Net assets	2,200	19,548	17,650[(a)]	9,710	–	–	7,061

1 As at reporting date, the Group's share of the properties' fair value is S$108,688,000 (2023: S$87,760,000).

18 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONT'D)

(b) Investments in joint ventures (Cont'd)

Summarised financial information for joint ventures (Cont'd)

Summarised statement of comprehensive income

	Year ended 30 September 2024					
	Metropolitan Parking Pte. Ltd. S$'000	Work Plus Store (AMK) Pte. Ltd. S$'000	Four Star Industries Group S$'000	Work Plus Store (Kallang Bahru) Pte. Ltd. S$'000	471 Balestier Pte. Ltd. S$'000	Jadeite Properties Pte. Ltd. S$'000
Revenue	1,520	7,078	28,217	5,509	489	156
(Loss)/profit before taxation	(34)	5,104	5,851[(a)]	2,127	3,990	57
Taxation	(4)	(420)	(1,310)	(317)	(21)	(1)
Net (loss)/profit	(38)	4,684	4,541[(a)]	1,810	3,969	56
Other comprehensive income[3]	–	–	744	–	–	–
Total comprehensive (loss)/income	(38)	4,684	5,285[(a)]	1,810	3,969	56
Includes the following:						
– Depreciation and amortisation	(27)	(362)	(694)	(242)	(1)	–
– Interest expense	(1,194)	(1,375)	(383)	(1,170)	(697)	(206)
– Fair value gain/(loss) on investment properties[2]	16	2,321	(76)	(378)	4,640	175

18 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONT'D)

(b) Investments in joint ventures (Cont'd)

Summarised financial information for joint ventures (Cont'd)

Summarised statement of comprehensive income (Cont'd)

	Year ended 30 September 2023						
	Metropolitan Parking Pte. Ltd. S$'000	Work Plus Store (AMK) Pte. Ltd. S$'000	Four Star Industries Group S$'000	Work Plus Store (Kallang Bahru) Pte. Ltd. S$'000	Motorway Automotive Pte. Ltd. S$'000	Coliwoo East Pte. Ltd. S$'000	471 Balestier Pte. Ltd. S$'000
Revenue	1,310	6,110	25,866	4,685	883	777	605
(Loss)/profit before taxation	(1,199)	2,284	4,222[(a)]	1,569	(1,566)	(1,222)	(4)
Taxation	21	(417)	(96)	(271)	2	–	(23)
Net (loss)/profit	(1,178)	1,867	4,126[(a)]	1,298	(1,564)	(1,222)	(27)
Other comprehensive loss[3]	–	–	(461)	–	–	–	–
Total comprehensive (loss)/income	(1,178)	1,867	3,665[(a)]	1,298	(1,564)	(1,222)	(27)
Includes the following:							
– Depreciation and amortisation	(27)	(329)	(596)	(227)	(22)	(2)	(1)
– Interest expense	(1,188)	(1,123)	(366)	(901)	(85)	(364)	(198)
– Fair value (loss)/gain on investment properties[2]	(973)	7	(987)	(544)	(1,763)	(1,400)	(58)

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

[2] For the financial year ended 30 September 2024, the Group's share of the fair value gain/(loss) on investment properties is a net gain of S$4,278,000 (2023: loss of S$2,694,000).

[3] Pertains to the revaluation gains/(losses) on the leasehold property and currency translation on foreign entity, of which the Group's share is a gain of S$385,000 and loss of S$13,000 (2023: loss of S$231,000 and Nil).

Fair value of investment properties and leasehold properties held by joint ventures

The valuation of the investment properties and leasehold properties (classified as property, plant and equipment) held by joint ventures, all located in Singapore, are subject to similar valuation process as the Group's directly held properties as disclosed in Note 16. The fair value is estimated based on appraisal performed by independent, professionally-qualified property valuers. The valuers have used the direct comparison method, discounted cashflow method and income capitalisation method. The significant inputs are broadly in line with those adopted for the Group's directly held properties of similar nature as disclosed in Note 3(e).

18 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONT'D)

(b) Investments in joint ventures (Cont'd)

Reconciliation of summarised financial information

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

	Metropolitan Parking Pte. Ltd. S$'000	Work Plus Store (AMK) Pte. Ltd. S$'000	Four Star Industries Group S$'000	Work Plus Store (Kallang Bahru) Pte. Ltd. S$'000	Motorway Automotive Pte. Ltd. S$'000	Coliwoo East Pte. Ltd. S$'000	471 Balestier Pte. Ltd. S$'000	Total S$'000
Opening net assets at 1 October 2022	3,378	17,681	15,658[a]	8,412	2,660	18,652	7,088	73,529
Total comprehensive (loss)/income for the year	(1,178)	1,867	3,665[a]	1,298	(1,564)	(1,222)	(27)	2,839
Dividend paid	–	–	(1,550)	–	–	–	–	(1,550)
Recognition of loss in excess of revaluation surplus reserve	–	–	(123)	–	–	–	–	(123)
Disposal	–	–	–	–	(1,096)[b]	(17,430)[c]	–	(18,526)
Closing net assets at 30 September 2023	2,200	19,548	17,650[a]	9,710	–	–	7,061	56,169
Carrying value of Group's interest	1,100	9,774	8,825[a]	4,855	–	–	2,824	27,378
Add: Carrying value of individual immaterial joint ventures								223
Carrying value of Group's interest in joint ventures at 30 September 2023								27,601

	Metropolitan Parking Pte. Ltd. S$'000	Work Plus Store (AMK) Pte. Ltd. S$'000	Four Star Industries Group S$'000	Work Plus Store (Kallang Bahru) Pte. Ltd. S$'000	471 Balestier Pte. Ltd. S$'000	Jadeite Properties Pte. Ltd. S$'000	Total S$'000
Opening net assets at 1 October 2023	2,200	19,548	17,650[a]	9,710	7,061	–	56,169
Issuance of shares	–	–	–	–	–	100	100
Total comprehensive (loss)/income for the year	(38)	4,684	5,285[a]	1,810	3,969	56	15,766
Dividend paid	–	–	(1,800)	–	–	–	(1,800)
Recognition of revaluation surplus to revaluation surplus reserve	–	–	123	–	–	–	123
Disposal of subsidiary	–	–	(719)	–	–	–	(719)
Closing net assets at 30 September 2024	**2,162**	**24,232**	**20,539[a]**	**11,520**	**11,030**	**156**	**69,639**
Carrying value of Group's interest	**1,081**	**12,116**	**10,270[a]**	**5,760**	**4,412**	**78**	**33,717**
Add: Carrying value of individual immaterial joint ventures							280
Carrying value of Group's interest in joint ventures at 30 September 2024							**33,997**

Notes:

[a] Includes a share of 30% effective interest in 471 Balestier Pte. Ltd. as the ownership interest is with Four Star Industries Pte. Ltd.

[b] The disposal of Motorway Automotive Pte. Ltd. was completed on 31 March 2023.

[c] The disposal of Coliwoo East Pte. Ltd. was completed on 11 April 2023.

19 OTHER FINANCIAL ASSETS

(a) Financial assets, at FVOCI

	As at 30 September	
	2024	2023
	S$'000	S$'000
Beginning of financial year	**11**	11
Fair value gains	**176**	–
End of financial year	**187**	11

Financial assets, at FVOCI are analysed as follows:

	As at 30 September	
	2024	2023
	S$'000	S$'000
Unlisted equity shares	**187**	11
Total	**187**	11

Unlisted equity shares relate to investment in Astore Pte. Ltd. and Costay Pte. Ltd., both the companies incorporated in Singapore. They are principally engaged in the business of provision of space and storage solutions in Singapore.

The carrying amount of the investments includes a cumulative fair value losses of S$524,000 (2023: S$700,000) due to fair value movements of unlisted equity shares, at FVOCI (Note 29).

The financial asset, at FVOCI are classified as Level 3 of the fair value hierarchy, based on the unobservable inputs of the net asset value of S$3,111,000 (2023: net asset of S$749,000). The lower the net asset value, the lower the fair value.

(b) Financial assets, at FVTPL

	As at 30 September	
	2024	2023
	S$'000	S$'000
Beginning of financial year	**269**	–
Additions	**–**	269
Interest receivable	**37**	–
End of financial year	**306**	269

Financial assets, at FVTPL are analysed as follows:

	As at 30 September	
	2024	2023
	S$'000	S$'000
Unlisted debt securities	**306**	269
Total	**306**	269

Unlisted debt securities relate to an investment in USD convertible notes of Resync Technologies Pte. Ltd. through a sub-participation agreement with Heracles Ventures Pte. Ltd.

The financial asset, at FVTPL are classified as Level 3 of the fair value hierarchy, based on the unobservable inputs of the transacted price of S$269,000 (2023: S$269,000). The lower the transacted price, the lower the fair value.

20 FINANCIAL INSTRUMENTS BY CATEGORY

	As at 30 September 2024 S$'000	2023 S$'000
Assets as per consolidated statement of financial position		
Financial assets, at FVOCI	**187**	11
Financial assets, at FVTPL	**306**	269
Financial assets at amortised cost		
– Trade and other receivables (excluding prepayments and tax recoverable)	**11,581**	11,541
– Loans to associates and joint ventures	**16,137**	12,567
– Finance lease receivables	**21,161**	38,995
– Cash and bank balances	**46,503**	41,555
– Fixed deposits	**4,659**	21,322
Total	**100,041**	125,980
Liabilities as per consolidated statement of financial position		
Financial liabilities at amortised cost		
– Bank borrowings	**281,584**	168,299
– Trade and other payables (excluding goods and services tax payables, advances received from customers, rental received in advance and withholding tax)	**42,648**	38,605
– Lease liabilities	**97,779**	111,956
Total	**422,011**	318,860

21 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority.

The amounts, determined after appropriate offsetting, are shown on the consolidated statement of financial position as follows:

	As at 30 September 2024 S$'000	2023 S$'000
Deferred tax assets	**55**	57
Deferred tax liabilities	**(6,396)**	(6,750)
Net deferred tax liabilities	**(6,341)**	(6,693)

The movements in deferred income tax (prior to offsetting of balances within the same tax jurisdiction) during the financial years are as follows:

Deferred income tax assets:

	Provisions S$'000	Lease liabilities S$'000	Others S$'000	Total S$'000
At 1 October 2022	49	9,156	83	9,288
Credited to profit or loss	43	7,112	23	7,178
Disposal of subsidiaries	–	(566)	(68)	(634)
At 30 September 2023	92	15,702	38	15,832
At 1 October 2023	92	15,702	38	15,832
(Charged) to profit or loss	(51)	(473)	(30)	(554)
At 30 September 2024	**41**	**15,229**	**8**	**15,278**

21 DEFERRED INCOME TAX (CONT'D)

Deferred income tax liabilities:

	Accelerated tax depreciation S$'000	Lease assets S$'000	Others S$'000	Total S$'000
At 1 October 2022	1,984	12,641	201	14,826
Charged to profit or loss	176	8,001	66	8,243
Disposal of subsidiaries	(7)	(537)	–	(544)
At 30 September 2023	2,153	20,105	267	22,525
At 1 October 2023	2,153	20,105	267	22,525
Charged/(credited) to profit or loss	605	(1,315)	(196)	(906)
At 30 September 2024	**2,758**	**18,790**	**71**	**21,619**

22 TRADE AND OTHER RECEIVABLES

	As at 30 September 2024 S$'000	2023 S$'000
Trade receivables:		
– Third parties	**2,961**	4,414
– Related parties	**29**	–
– Associates and Joint ventures	**307**	456
– Unbilled	**2,008**	329
	5,305	5,199
Accrued rental income	**494**	444
Other receivables:		
– Goods and services tax receivables	**1,310**	1,090
– Deposits with external parties	**4,787**	4,613
– Tax recoverable	**161**	227
– Other receivables	**1,311**	1,911
	7,569	7,841
Less: impairment loss on trade receivables	**(314)**	(623)
Less: impairment loss on other receivables	**(2)**	(3)
Trade and other receivables included in current assets	**13,052**	12,858
Trade receivables, unbilled	**9,886**	–
Deposits paid to supplier	**1,438**	15,528
Trade and other receivables included in non-current assets	**11,324**	15,528

The accrued rental income relates to apportionment of the free rental period over the lease term.

Related parties comprise entities which are controlled or significantly influenced by the Group's key management personnel and their close family members.

Deposits with external parties comprise mainly security deposits placed with landlord of leased properties.

Deposits paid to supplier mainly relate to acquisition of investment properties and plant and equipment.

Other receivables comprise mainly sundry receivables.

22 TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables

	As at 30 September	
	2024	2023
	S$'000	S$'000
Trade receivables	**5,305**	5,199
Accrued rental income	**494**	444
Less: provision for loss allowance	**(314)**	(623)
	5,485	5,020

The carrying amounts of trade receivables approximate their fair values. Trade receivables do not bear any effective interest rate.

The Group normally grants credit terms to its customers ranging from 0 to 90 days. The aging analysis of the current trade receivables based on invoice date is as follows:

	As at 30 September	
	2024	2023
	S$'000	S$'000
Unbilled	**2,008**	329
0 to 30 days	**2,359**	2,990
31 to 60 days	**341**	267
61 to 90 days	**131**	252
91 to 180 days	**56**	661
181 days to 365 days	**28**	181
Over 365 days	**382**	519
	5,305	5,199

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	As at 30 September	
	2024	2023
	S$'000	S$'000
SGD	**21,510**	26,483
USD	**132**	444
HKD	**2,277**	1,036
IDR	**242**	251
RMB	**180**	172
Others	**35**	–
	24,376	28,386

23 PREPAYMENTS

	As at 30 September	
	2024	2023
	S$'000	S$'000
Prepaid operating expenses:		
Current	**1,760**	1,728
Non-current	**279**	291
	2,039	2,019

24 FINANCE LEASE RECEIVABLES

The Group's sub-leases of its right-of-use of the industrial, commercial and residential space are classified as finance leases when the sub-leases are for the major part of remaining lease term of the head lease.

ROU assets relating to the head leases with sub-leases classified as finance lease is derecognised. The net investment in the sub-lease is recognised under finance lease receivables.

Finance income on the net investment in sub-leases during the financial year is S$921,000 (2023: S$1,271,000).

The following table shows the maturity analysis of the undiscounted lease payments to be received:

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Gross finance lease receivables – minimum lease payments to be received		
No later than 1 year	**17,653**	20,167
Later than 1 year and no later than 2 years	**2,928**	16,230
Later than 2 years and no later than 3 years	**999**	2,859
Later than 3 years and no later than 4 years	**–**	999
Total undiscounted lease payments	**21,580**	40,255
Unearned finance income	**(419)**	(1,260)
Net investment in finance lease	**21,161**	38,995
Presented as:		
Current	**17,297**	19,292
Non-current	**3,864**	19,703
	21,161	38,995

(a) The finance lease receivables has decreased by S$17,834,000 (2023: decreased by S$2,521,000) as the Group has received the lease payments and written off subleases of S$133,000 (2023: S$260,000) due to early termination. The Group has also entered into new sublease arrangements during the current financial year 2024.

25 DEVELOPMENT PROPERTIES

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Development properties for sale	**43,866**	–
Development properties in progress	**–**	28,950
	43,866	28,950

For the financial year 2024, borrowing costs of S$593,000 (2023: S$201,000) (Note 10) were capitalised as cost of development properties.

The development property of S$43,866,000 (2023: S$28,950,000) is mortgaged for bank borrowings (Note 34).

25 DEVELOPMENT PROPERTIES (CONT'D)

The development properties comprises:

Location & Description	Stage of completion 2024 %	Stage of completion 2023 %	Year of completion	Site area (sq m)	Gross floor area (sq m)	Effective interest held by the Group 2024 %	Effective interest held by the Group 2023 %
55 Tuas South Avenue 1, Singapore 49 units of food factory	**100**	17	2024	4,799	11,997	**60**	60

26 INVENTORIES

	As at 30 September 2024 S$'000	2023 S$'000
Finished goods	**44**	13

The cost of inventories included in cost of sales for the year ended 30 September 2024 amounted to S$311,000 (2023: S$789,000).

27 FIXED DEPOSITS

	As at 30 September 2024 S$'000	2023 S$'000
Current		
Mature within 3 months	**1,358**	20,000
Mature within one year	**2,801**	822
	4,159	20,822
Non-current		
Mature after one year	**500**	500
	4,659	21,322

Certain fixed deposits have been pledged to financial institutions or restricted in use for the purpose of bank facilities as follows:

	As at 30 September 2024 S$'000	2023 S$'000
Restricted fixed deposits	**3,621**	–
Pledged fixed deposits	**538**	807
	4,159	807

27 FIXED DEPOSITS (CONT'D)

The Group's fixed deposits are denominated in the following currencies:

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
SGD	**4,659**	21,261
USD	**–**	61
	4,659	21,322

28 CASH AND BANK BALANCES

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Cash at banks	**46,476**	41,493
Cash on hand	**27**	62
	46,503	41,555

Included in cash at banks is a restricted bank balances of S$3,170,000 (2023: S$2,990,000) to be set aside to meet repayments of loans.

The Group's cash and cash equivalents are denominated in the following currencies:

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
SGD	**44,647**	39,026
USD	**503**	386
HKD	**638**	1,081
IDR	**323**	405
RMB	**52**	235
MYR	**34**	19
Others	**306**	403
	46,503	41,555

28 CASH AND BANK BALANCES (CONT'D)

On 28 August 2023, the Group disposed of its 84.05%-owned subsidiary, LHN Logistics Limited. The effects of the disposal on the cash flows of the Group were:

	On 28 August 2023 S$'000
Carrying amount of assets and liabilities as at date of disposal:	
Property, plant and equipment	23,583
Right-of-use assets	9,074
Investment in associate	516
Deferred tax assets	458
Prepayments	493
Inventories	225
Trade and other receivables	5,016
Cash and bank balances	4,029
Total assets	43,394
Deferred tax liabilities	151
Trade and other payables	4,833
Bank borrowings	16,237
Lease liabilities	5,979
Current income tax liabilities	251
Total liabilities	27,451
Net assets derecognised	15,943
Less: Non-controlling interest	(5,980)
Net assets disposed of	9,963
Net assets disposed of (as above)	9,963
Reclassification of exchange translation reserve	57
Total assets	10,020
Gain on disposal (Note 12)	18,187
Cash proceeds on disposal – net	28,207
Gross cash proceeds on disposal	31,937
Less: Payments made in relation to the disposal[a]	(3,730)
Cash proceeds on disposal – net	28,207
Less: Cash and bank balances in subsidiary disposed of	(4,029)
Net cash inflow on disposal	24,178

[a] Comprise primarily of S$3,115,000 fee paid to Jurong Town Corporation (JTC) for JTC's consent for change in the Company's indirect percentage ownership in Hean Nerng Logistics Pte Ltd (a subsidiary of LHN Logistics Limited) in connection with its holding of the property located at Gul Avenue, which was a condition for the transaction.

29 RESERVES

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Exchange translation reserve	**(1,650)**	(911)
Asset valuation reserve	**4,984**	4,207
Fair value reserve	**(1,174)**	(1,350)
Merger reserve	**(30,727)**	(30,727)
Retained profits	**214,408**	179,479
	185,841	150,698
Represented by:		
Distributable	**157,450**	128,775
Non-distributable	**28,391**	21,923
	185,841	150,698

Exchange translation reserve arises from the translation of the financial statements of foreign entities whose functional currencies are different from the presentation currency of this financial statements.

Asset revaluation reserve arises from surplus on revaluation of leasehold properties at each reporting date.

Fair value reserve arises from the fair value movements of financial assets, at FVOCI. Included in the fair value reserves are the net cumulative fair value losses of S$524,000 (2023: S$700,000) arising from the fair value movements of unlisted equity shares at FVOCI held by the subsidiaries and cumulative fair value losses of S$650,000 (2023: S$650,000), which is the Group's proportionate share of the same unlisted equity shares held by a joint venture.

Merger reserve arises from the difference between the purchase consideration and the carrying value of the share capital acquired under the pooling-of-interests method of consolidation in the restructuring exercise undertaken with the intention of the Company's listing on the SGX-ST.

Retained profits of the Group are distributable except for share of accumulated retained profits of associates and joint ventures amounting to S$26,231,000 (2023: S$19,977,000).

30 SHARE CAPITAL

	As at 30 September			
	2024		**2023**	
	No. of shares issued	**Nominal Amount S$'000**	**No. of shares issued**	**Nominal Amount S$'000**
Beginning of financial year	**408,945,400**	**65,496**	408,945,400	65,496
Issuance of scrip shares[1]	**9,326,553**	**2,844**	–	–
End of financial year	**418,271,953**	**68,340**	408,945,400	65,496

[1] On 30 May 2024, 9,326,553 number of ordinary shares of the Company were allocated and issued under the scrip dividend scheme for the financial year ending 30 September 2023.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

31 RETAINED PROFITS – COMPANY

Company	Note	Retained profits S$'000
2023		
As at 1 October 2022		6,430
Profit and other comprehensive income for the year		12,307
Dividends paid	36	(8,148)
As at 30 September 2023		10,589
2024		
As at 1 October 2023		10,589
Profit and other comprehensive income for the year		14,443
Dividends paid	36	(12,361)
As at 30 September 2024		**12,671**

32 TRADE AND OTHER PAYABLES

	As at 30 September	
	2024 S$'000	2023 S$'000
Trade payables:		
– Third parties	**2,224**	4,781
– Related parties	**499**	–
– Associates and Joint venture	**226**	470
Total trade payables	**2,949**	5,251
Contract liabilities:		
– Advances received from customers	**4,543**	4,496
Other payables and accruals:		
– Goods and services tax payables	**1,475**	1,434
– Loans from non-controlling interests	**–**	4,113
– Provision for directors' fees	**70**	71
– Accruals	**11,614**	13,100
– Rental deposits received from tenants	**10,377**	12,331
– Rental deposits received from related parties	**49**	49
– Rental received in advance	**828**	134
– Sundry creditors	**999**	1,229
	25,412	32,461
Trade and other payables included in current liabilities	**32,904**	42,208
Other payables		
– Loans from non-controlling interests	**10,683**	–
– Rental deposits received from tenants	**5,479**	2,441
– Other payables	**428**	20
Other payables included in non-current liabilities	**16,590**	2,461

The carrying amounts of trade payables approximate their fair values.

The loans from non-controlling interests are unsecured and interest-bearing at 3% to 4% (2023: 3%). In 2024, the non-controlling interests have confirmed that they will not demand repayment within 12 months from reporting date. In 2023, they had no fixed terms of repayment and repayable on demand.

32 TRADE AND OTHER PAYABLES (CONT'D)

(a) As at 30 September 2024 and 2023, the aging analysis of the trade payables based on invoice date is as follows:

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
0 to 30 days	**2,385**	2,697
31 to 60 days	**236**	2,133
61 to 90 days	**45**	53
Over 90 days	**283**	368
	2,949	5,251

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
SGD	**47,781**	42,702
USD	**195**	609
HKD	**169**	119
IDR	**955**	860
RMB	**311**	369
MYR	**20**	10
Others	**63**	–
	49,494	44,669

33 PROVISIONS

Provision for reinstatement costs were recognised for the expected costs associated with restoring the leased properties by certain subsidiaries upon expiry of leases from landlords to its original condition based on the requirements of the lease contract. Provision for reinstatement costs is the present value of the estimated costs of dismantlement, removal and restoration to be incurred for the leased properties. The provision is based on estimates made from historical data associated with reinstatement works on contracts of similar nature using technology and materials that are currently available.

Movement of the provision accounts are as follows:

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Balance of financial year	**1,398**	739
Additions	**90**	831
Amount utilised for the year	**(555)**	(172)
Amount written back for the year	**(251)**	–
End of financial year	**682**	1,398
Presented as:		
Current	**337**	730
Non-current	**345**	668
	682	1,398

34 BANK BORROWINGS

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Non-current		
Repayable later than 1 year and no later than 2 years	**42,318**	13,784
Repayable later than 2 years and no later than 5 years	**46,028**	38,713
Repayable later than 5 years	**167,491**	96,956
	255,837	149,453
Current		
Repayable no later than 1 year	**25,747**	18,846
Total bank borrowings	**281,584**	168,299

Total bank borrowings of S$276,600,000 as at 30 September 2024 (2023: S$166,900,000) are secured by (i) legal mortgage of certain investment properties (Note 16), leasehold properties (Note 14) and development properties (Note 25) in Singapore and Cambodia; (ii) corporate guarantees provided by the Group; (iii) assignment of rental proceeds of the mortgaged properties; and (iv) personal guarantees provided by non-controlling shareholders of certain non-wholly owned subsidiaries of the Company, where applicable.

Interest is charged between 1.38% and 6.33% (2023: between 1.38% and 8.65%) per annum.

The Group's bank borrowings are denominated in the following currencies:

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
SGD	**281,584**	164,093
USD	**–**	4,206
	281,584	168,299

Carrying amounts and fair values

The carrying amounts of current bank borrowings approximate their fair value. The carrying amounts and fair values of non-current bank borrowings as at 30 September 2024 and 2023 are as follows:

	As at 30 September 2024	
	Carrying Amount	**Fair Value**
	S$'000	**S$'000**
Non-current borrowings	**255,837**	244,299

	As at 30 September 2023	
	Carrying Amount	**Fair Value**
	S$'000	**S$'000**
Non-current borrowings	149,453	143,450

34 BANK BORROWINGS (CONT'D)

Carrying amounts and fair values (Cont'd)

The table below analyses the maturity profile of the Group's bank borrowings based on contractual undiscounted cash flows:

	Carrying amount S$'000	Contractual cash flows S$'000
As at 30 September 2024		
Less than one year	**25,747**	**38,225**
Between one to two years	**42,318**	**53,607**
Between two to five years	**46,028**	**76,833**
More than five years	**167,491**	**261,295**
	255,837	**391,735**
	281,584	**429,960**
As at 30 September 2023		
Less than one year	18,846	25,561
Between one to two years	13,784	20,851
Between two to five years	38,713	57,480
More than five years	96,956	146,199
	149,453	224,530
	168,299	250,091

35 LEASE LIABILITIES

As at 30 September 2024 and 2023, the Group leases certain properties and plant and machinery from non-related parties.

	As at 30 September	
	2024 S$'000	2023 S$'000
Gross lease liabilities – minimum lease payments		
No later than 1 year	**36,083**	34,937
Later than 1 year and no later than 2 years	**24,150**	28,496
Later than 2 years and no later than 5 years	**42,482**	46,257
Later than 5 years	**991**	9,872
	103,706	119,562
Future finance charges on leases	**(5,927)**	(7,606)
Present value of lease liabilities	**97,779**	111,956

	2024 S$'000	2023 S$'000
The present value of lease liabilities is as follows:		
No later than 1 year	**33,552**	32,144
Later than 1 year and no later than 2 years	**22,494**	26,534
Later than 2 years and no later than 5 years	**40,854**	43,682
Later than 5 years	**879**	9,596
	97,779	111,956

35 LEASE LIABILITIES (CONT'D)

Included in the lease liabilities are:

	As at 30 September	
	2024	2023
	S$'000	S$'000
Current		
Lease liabilities from hire purchase arrangements	**115**	144
Lease liabilities from right-of-use lease arrangements	**33,437**	32,000
	33,552	32,144
Non-current		
Lease liabilities from hire purchase arrangements	**116**	258
Lease liabilities from right-of-use lease arrangements	**64,111**	79,554
	64,227	79,812
	97,779	111,956

The Group's lease liabilities are denominated in the following currencies:

	As at 30 September	
	2024	2023
	S$'000	S$'000
SGD	**96,534**	110,623
USD	**11**	–
RMB	**1,234**	1,333
	97,779	111,956

Certain lease liabilities of approximately S$200,000 (2023: S$400,000) of the Group are secured by the underlying assets of certain plant and machinery and corporate guarantees provided by the Group.

(a) Interest expense on lease liabilities in financial year 2024 was S$3,154,000 (2023: S$3,071,000).

(b) Lease expense not capitalised in lease liabilities

	Year ended 30 September	
	2024	2023
	S$'000	S$'000
Lease expense – short-term leases	**4,449**	2,303
Lease expense – low-value leases	**429**	379
Variable lease payments which do not depends on an index or rate	**2,720**	2,697
	7,598	5,379

(c) Total income from subleasing ROU assets in financial year 2024 was S$45,853,000 (2023: S$36,134,000).

(d) Total cash outflow for all the leases in financial year 2024 was S$49,977,000 (2023: S$48,932,000).

(e) The additions of ROU for leases classified as investment properties and ROU assets in financial year 2024 was S$12,643,000 and S$12,571,000 (2023: S$66,249,000 and S$10,795,000) respectively.

35 LEASE LIABILITIES (CONT'D)

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

i. Variable lease payments

The leases for certain properties contain variable lease payments that are based on a percentage of revenue generated by the properties ranging from 5% to 90% (2023: 5% to 90%) exceeding certain threshold where applicable, on top of fixed payments. The Group negotiates variable lease payments for a variety of reasons, including minimising the fixed costs base. Such variable lease payments are recognised to profit or loss when incurred and amounted to S$2,720,000 (2023: S$2,697,000).

ii. Extension options

The leases for certain properties contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension option. The Group negotiates extension options to optimise operational flexibility in terms of managing the lessor. Had the Group taken up these extension options, the additional future minimum lease payable is S$33,120,000 (2023: S$32,760,000).

36 DIVIDENDS

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Ordinary dividends		
Final dividend paid in respect of the previous financial year of 1.0 Singapore cent (2023: 1.0 Singapore cent) per share	**4,088**	4,043
Special dividend paid in respect of the previous financial year of 1.0 Singapore cent (2023: Nil Singapore cent) per share	**4,091**[1]	–
Interim dividend paid in respect of the current financial year of 1.0 Singapore cent (2023: 1.0 Singapore cent) per share	**4,182**	4,105
	12,361	8,148

At the Annual General Meeting on 24 January 2025, a final dividend and special dividend of 1.0 Singapore cent per share and 1.0 Singapore cent per share respectively will be recommended for the financial year ended 30 September 2024. These financial statements do not reflect these dividends, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 30 September 2025.

The Board recommended that the final dividend is to be satisfied wholly in the form of cash. For the special dividend, the Board recommended that Shareholders be given the option to receive the special dividend wholly or partly in the form of new shares in lieu of cash (the "Scrip Dividend Scheme"). The Scrip Dividend Scheme is subject to: (1) the approval of the proposed special dividend at the forthcoming annual general meeting of the Company; and (2) the SGX-ST and SEHK granting the listing of and permission to deal in the scrip shares to be issued. In the event that the said approvals are not obtained for the Scrip Dividend Scheme, the special dividend will be satisfied and paid to the Shareholders in the form of cash only.

[1] Includes special scrip dividend (Note 30) allocated and issued in respect of the previous financial year of 1.0 Singapore cent.

37 NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Reconciliation of cash used in purchase of property, plant and equipment

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Total property, plant and equipment acquired during the year	**4,909**	19,774
Add/(less): Payable of property, plant and equipment	**63**	(74)
Less: Capitalised of reinstatement costs	**(90)**	(831)
Less: Capitalised of interest on borrowings	**–**	(50)
Cash used in purchase of property, plant and equipment during the year	**4,882**	18,819

(b) Proceeds from disposal of property, plant, and equipment

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Net book amount	**30**	164
Gain on disposal of property, plant and equipment	**73**	217
Proceeds from disposal of property, plant and equipment	**103**	381

(c) Reconciliation of cash used in purchase of investment properties

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Total investment properties additions	**147,035**	119,798
Less: Additions of right-of-use assets	**(12,643)**	(66,249)
Less: Accrued costs/payments made in prior year	**(16,203)**	(3,802)
Less: Capitalised of interest on borrowings	**(1,195)**	(265)
Cash used in purchase of investment properties during the year	**116,994**	49,482

38 COMMITMENTS AND CONTINGENCIES

(a) Capital commitments

Capital expenditures contracted for at the reporting date but not recognised in the financial statements, excluding those relating to investments in associated companies (Note 18a) and investments in joint ventures (Note 18b), are as follows:

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Investment properties (excluding deposits paid)	**7,376**	109,310
Development property	**–**	13,560
Property, plant and equipment	**55**	783
	7,431	123,653

38 COMMITMENTS AND CONTINGENCIES (CONT'D)

(b) Lease commitments – where the Group is a lessee

The Group leases property, plant and equipment from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

These lease payments have been recognised as ROU assets and lease liabilities on the consolidated statement of financial position as at 30 September 2024 and 2023, except for short-term and low value leases which are disclosed in Note 35 (b).

(c) Operating lease commitments – where the Group is a lessor

The Group leases out investment properties under non-cancellable operating leases. The lessees are required to pay either absolute fixed annual increase to the lease payments or contingent rents computed based on their sales achieved during the lease period. When considered necessary to reduce the credit risk, the Group may obtain bank guarantees equivalent to few months of the lease payments.

The Group is exposed to changes in the residual value of properties at the end of current lease agreements. The residual value risk born by the Group is mitigated by active management of its property portfolio with the objective of optimising tenant mix in order to:

- achieve the longest weighted average lease term possible;
- minimise vacancy rates across all properties; and
- minimise the turnover of tenants with high quality credit ratings.

Lease agreements may also include a clause requiring the tenant to reinstate the leased space to its original state when the lease expires and the tenant decides not to renew the lease agreement. This contributes to the maintenance of the property and allows for the space to be re-let quickly once a tenant has departed.

The undiscounted lease payments from the operating leases from leased properties and owned investment properties to be received after 30 September 2024 and 2023 is disclosed as follows:

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Operating leases from right-of-use properties		
Not later than one year	**29,827**	23,749
Between one and two years	**7,866**	8,370
Between two and three years	**–**	6,905
	37,693	39,024

	As at 30 September	
	2024	**2023**
	S$'000	**S$'000**
Operating leases from owned investment properties		
Not later than one year	**6,330**	3,801
Between one and two years	**1,694**	644
Between two and three years	**897**	26
	8,921	4,471

38 COMMITMENTS AND CONTINGENCIES (CONT'D)

(d) Corporate guarantees

The Group has provided corporate guarantees in favour of financial institutions in respect of facilities granted to certain associates and joint ventures amounting to S$66,000,000 (2023: S$62,200,000). As at 30 September 2024, the outstanding amount of guaranteed loans drawn down by the associates and joint ventures amounted to S$55,300,000 (2023: S$52,600,000).

The Group has determined that the corporate guarantees had insignificant fair values as at 30 September 2024 and 2023.

39 RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in the financial statements, the following is a summary of significant related party transactions which, in the opinion of the directors, are entered into the ordinary course of business between the Group and its related parties, and the balances arising from related party transactions.

Name of the related party	Relationship with the Group
Lim Lung Tieng	Executive director and shareholder
Lim Bee Choo	Executive director and shareholder
Work Plus Store (AMK) Pte. Ltd.	A joint venture
Metropolitan Parking Pte. Ltd.	A joint venture
Four Star Industries Pte Ltd	A joint venture
Work Plus Store (Kallang Bahru) Pte. Ltd.	A joint venture
Motorway Automotive Pte. Ltd.	A joint venture
Coliwoo East Pte. Ltd (now known as Amber 402 Hotel Pte. Ltd.)	A joint venture
471 Balestier Pte. Ltd.	A joint venture
AMB Hotel Pte. Ltd.	A joint venture (from 7 November 2023) A subsidiary of the joint venture company of the Group (up to 7 November 2023)
Jadeite Properties Pte. Ltd.	A joint venture
Metropolitan Parking (BTSC) Pte. Ltd.	An associate
HLA Logistics Pte. Ltd.	An associate (up to 28 August 2023 (Note 12))
The Bus Hotel Pte. Ltd	An associate
Master Care Services Pte. Ltd.	A non-controlling shareholder of a subsidiary of the Group
Lim Hock San	A non-controlling shareholder of a subsidiary of the Group
Way Assets Pte. Ltd.	A non-controlling shareholder of a subsidiary of the Group
Globalpoint Far East Pte. Ltd.	A non-controlling shareholder of a subsidiary of the Group
Macritchie Developments Pte. Ltd.	A non-controlling shareholder of a subsidiary of the Group

Notes to the Financial Statements

39 RELATED PARTY TRANSACTIONS (CONT'D)

(a) Transactions

	Year ended 30 September	
	2024	2023
	S$'000	S$'000
Rental and service income received/receivable from:		
Work Plus Store (AMK) Pte. Ltd.	**892**	810
Metropolitan Parking Pte. Ltd.	**141**	122
Four Star Industries Pte Ltd	**736**	758
Work Plus Store (Kallang Bahru) Pte. Ltd.	**691**	636
Motorway Automotive Pte. Ltd.	**–**	87
Coliwoo East Pte Ltd (now known as Amber 402 Hotel Pte. Ltd.)	**–**	121
471 Balestier Pte Ltd	**141**	154
Metropolitan Parking (BTSC) Pte. Ltd.	**65**	80
AMB Hotel Pte. Ltd.	**157**	118
HLA Logistics Pte. Ltd.	**–**	1,612
The Bus Hotel Pte. Ltd	**127**	–
Lease income received/receivable from:		
Master Care Services Pte. Ltd.	**350**	336
Auxiliary services expense paid/payable from:		
Four Star Industries Pte Ltd	**318**	932
Work Plus Store (Kallang Bahru) Pte. Ltd.	**89**	72
Globalpoint Far East Pte. Ltd.	**14,408**	–
Loan to:		
Work Plus Store (AMK) Pte. Ltd.	**–**	980
Metropolitan Parking Pte. Ltd.	**770**	1,190
Coliwoo East Pte. Ltd (now known as Amber 402 Hotel Pte. Ltd.)	**–**	425
471 Balestier Pte Ltd	**380**	504
AMB Hotel Pte. Ltd	**130**	–
Jadeite Properties Pte. Ltd	**4,846**	–
Metropolitan Parking (BTSC) Pte. Ltd.	**40**	120
The Bus Hotel Pte Ltd	**450**	300
Repayment of loan from:		
Work Plus Store (AMK) Pte. Ltd.	**800**	–
Metropolitan Parking Pte. Ltd.	**693**	–
Work Plus Store (Kallang Bahru) Pte. Ltd.	**650**	400
Motorway Automotive Pte. Ltd.	**–**	1,250
Coliwoo East Pte. Ltd (now known as Amber 402 Hotel Pte. Ltd.)	**–**	3,978
Metropolitan Parking (BTSC) Pte. Ltd.	**948**	–
Loan from:		
Lim Hock San	**415**	640
Way Assets Pte. Ltd.	**415**	640
Globalpoint Far East Pte. Ltd.	**2,170**	–
Macritchie Developments Pte. Ltd.	**3,330**	–
Other transactions with:		
Work Plus Store (AMK) Pte. Ltd.	**322**	355
Metropolitan Parking Pte. Ltd.	**1,558**	1,336
Work Plus Store (Kallang Bahru) Pte. Ltd.	**235**	239
Metropolitan Parking (BTSC) Pte. Ltd.	**657**	793

Notes*:*

[i] Sales and purchases are made at prices mutually agreed by the relevant parties.

[ii] Terms of services are mutually agreed between the relevant parties.

[iii] Other transactions mainly pertain to interest income, collection and payment on behalf.

39 RELATED PARTY TRANSACTIONS (CONT'D)

(b) Year-end balances with related parties

	As at 30 September	
	2024	2023
	S$'000	S$'000
Amounts due to related parties (Trade)		
Work Plus Store (AMK) Pte. Ltd.	**22**	26
Metropolitan Parking Pte. Ltd.	**141**	138
Metropolitan Parking (BTSC) Pte. Ltd.	**–**	77
Four Star Industries Pte Ltd	**45**	216
Work Plus Store (Kallang Bahru) Pte. Ltd.	**18**	13
Globalpoint Far East Pte. Ltd.	**499**	–
Total	**725**	470
Amounts due to related parties (Non-trade)		
Four Star Industries Pte Ltd	**49**	49
Total	**49**	49
Amounts due from related parties (Trade)		
Work Plus Store (AMK) Pte. Ltd.	**83**	159
Work Plus Store (Kallang Bahru) Pte. Ltd.	**101**	188
Four Star Industries Pte Ltd	**50**	55
Others	**102**	54
Total	**336**	456
Loans to associates and joint ventures		
Loan to Metropolitan Parking Pte. Ltd.	**2,970**	2,803
Loan to Metropolitan Parking (BTSC) Pte. Ltd.	**–**	799
Loan to Work Plus Store (Kallang Bahru) Pte. Ltd.	**3,857**	4,401
Loan to AMB Hotel Pte. Ltd.	**133**	–
Loan to Jadeite Properties Pte Ltd	**4,878**	–
Loan to 471 Balestier Pte. Ltd.	**2,828**	2,371
Loan to The Bus Hotel Pte. Ltd.	**583**	540
Loan to Work Plus Store (AMK) Pte, Ltd.	**888**	1,653
Total	**16,137**	12,567

The amounts due to related parties (Trade), amounts due to related parties (Non-trade) and amounts due from related parties (Trade) were unsecured, interest-free and repayable on demand.

Loans to associates and joint ventures was unsecured and interest-bearing at 3% to 4% (2023: 3%). In 2024, they had no fixed terms of repayment and will not be demanded within 12 months from reporting date. In 2023, they had no fixed terms of repayment and are repayable on demand.

The carrying amounts approximated their fair values and were denominated in Singapore dollars.

39 RELATED PARTY TRANSACTIONS (CONT'D)

(c) Key management compensation

Key management includes Executive Directors, Independent Non-executive Directors, Chief Financial Officer ("CFO") and Executive Officer. The compensation paid or payable to key management for employee services is shown below:

	Year ended 30 September	
	2024	**2023**
	S$'000	**S$'000**
Salaries and other short-term employee benefits	**3,881**	7,989

Other related parties comprise mainly companies which are controlled by the Group's key management personnel and their close family members.

40 IMMEDIATE AND ULTIMATE HOLDING CORPORATION

The Company's immediate holding corporation is LHN Holdings Ltd, incorporated in British Virgin Islands. The ultimate holding corporation is LHN Capital Pte Ltd, incorporated in Singapore.

41 AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of LHN Limited on 23 December 2024.

Statistics of Shareholdings

AS AT 3 DECEMBER 2024

Number of Ordinary Shares in Issue	:	418,271,953
Number of Subsidiary Holdings Held	:	Nil
Number of Treasury Shares Held	:	Nil
Class of Shares	:	Ordinary
Voting Rights	:	One vote of each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	20	1.54	934	0.00
100 – 1,000	91	7.00	57,513	0.01
1,001 – 10,000	369	28.41	2,449,129	0.59
10,001 – 1,000,000	800	61.59	60,230,616	14.40
1,000,001 AND ABOVE	19	1.46	355,533,761	85.00
TOTAL	**1,299**	**100.00**	**418,271,953**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	HSBC (SINGAPORE) NOMINEES PTE LTD	233,701,486	55.87
2	CITIBANK NOMINEES SINGAPORE PTE LTD	20,357,391	4.87
3	HKSCC NOMINEES LIMITED	18,228,747	4.36
4	JUSTIN TEO ZHIWEI	17,448,200	4.17
5	DBS NOMINEES (PRIVATE) LIMITED	13,145,311	3.14
6	PHILLIP SECURITIES PTE LTD	12,633,701	3.02
7	RAFFLES NOMINEES (PTE.) LIMITED	12,458,034	2.98
8	MAYBANK SECURITIES PTE. LTD.	5,397,489	1.29
9	OCBC SECURITIES PRIVATE LIMITED	3,622,018	0.87
10	UOB KAY HIAN PRIVATE LIMITED	3,417,369	0.82
11	IFAST FINANCIAL PTE. LTD.	3,113,775	0.74
12	TAN HWAN SHEN SAM (CHEN HUANSEN SAM)	2,609,400	0.62
13	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	2,056,127	0.49
14	TEO BEE HENG	1,470,100	0.35
15	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	1,416,219	0.34
16	LEE CHEE HONG (LI ZHIHONG)	1,250,000	0.30
17	TIGER BROKERS (SINGAPORE) PTE. LTD.	1,142,512	0.27
18	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	1,040,850	0.25
19	LEE TEE BENG OR LEE WHEE REN LEONARD (LI WEIREN LEONARD)	1,025,032	0.25
20	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	995,088	0.24
	TOTAL	**356,528,849**	**85.24**

PUBLIC FLOAT

Based on the information available to the Company as at 3 December 2024, being the latest practicable date prior to the publication of this annual report, approximately 44.24% of the issued ordinary shares of the Company are held by the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section A: Rules of the Mainboard of the Singapore Exchange Securities Trading Limited and Rule 8.08 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Statistics of Shareholdings

AS AT 3 DECEMBER 2024

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

Under Singapore Laws and Regulations

	Direct Interest		Deemed Interest	
Name	**Number of shares**	**%[1]**	**Number of shares**	**%[1]**
Kelvin Lim[2][3][4][5]	–	–	232,359,078	55.55
Jess Lim[2][3][4][5]	4,131,147	0.99	228,227,931	54.56
Trident Trust Company (B.V.I.) Limited[3]	–	–	228,227,931	54.56
LHN Capital Pte. Ltd.[4]	–	–	228,227,931	54.56
HN Capital Ltd.[4]	–	–	228,227,931	54.56
Hean Nerng Group Pte. Ltd.[4]	–	–	228,227,931	54.56
LHN Holdings Ltd[5]	228,227,931	54.56	–	–
Lim Hean Nerng[3]	–	–	228,227,931	54.56
Foo Siau Foon[3]	–	–	228,227,931	54.56
Lim Bee Li[5]	–	–	228,227,931	54.56

Notes:

(1) The percentage is calculated based on 418,271,953 Shares issued as at 3 December 2024.

(2) Kelvin Lim and Jess Lim are siblings. They are therefore deemed interested in each other's interests in the Shares.

(3) Trident Trust Company (B.V.I.) Limited, a licensed trust company incorporated in the British Virgin Islands ("**BVI**"), holds the entire issued and paid-up share capital in LHN Capital Pte. Ltd. as trustee of The Land Banking Trust in BVI. LHN Capital Pte. Ltd., a company incorporated in Singapore, is the trustee of The LHN Capital Trust in Singapore. LHN Capital Pte. Ltd. holds the entire issued and paid-up share capital in HN Capital Ltd., a company incorporated in BVI. The Land Banking Trust is a discretionary purpose trust with no beneficiaries. The LHN Capital Trust is a discretionary irrevocable trust which the trustee, LHN Capital Pte. Ltd., has all powers in relation to the property comprised in The LHN Capital Trust as the legal owner of such property, subject to any express restrictions contained in The LHN Capital Trust. The beneficial owners of the property in the trust fund are the beneficiaries of The LHN Capital Trust which comprise Lim Hean Nerng, Foo Siau Foon, Kelvin Lim and Kelvin Lim's direct lineal issues (the "**LHN Capital Trust Beneficiaries**"). Trident Trust Company (Singapore) Pte. Limited is the trust administrator of The LHN Capital Trust.

LHN Holdings Ltd has a direct interest in 228,227,931 Shares.

As Trident Trust Company (B.V.I.) Limited and its associates are entitled to exercise control of not less than 20.0% of the votes attached to the voting shares in LHN Holdings Ltd, Trident Trust Company (B.V.I.) Limited is deemed to have an interest in the issued and paid-up share capital of the Company held by LHN Holdings Ltd.

(4) Kelvin Lim and Jess Lim are directors of LHN Capital Pte. Ltd., HN Capital Ltd. and Hean Nerng Group Pte. Ltd. respectively. In connection with note (3) above, as each of LHN Capital Pte. Ltd., HN Capital Ltd. and Hean Nerng Group Pte. Ltd. and their respective associates are entitled to exercise control of not less than 20.0% of the votes attached to the voting shares in LHN Holdings Ltd, each of LHN Capital Pte. Ltd., HN Capital Ltd. and Hean Nerng Group Pte. Ltd. is deemed to have an interest in the issued and paid-up share capital of the Company held by LHN Holdings Ltd.

(5) In connection with note (3) above and pursuant to Section 4(3) of the SFA, the LHN Capital Trust Beneficiaries are deemed to have an interest in the issued and paid-up share capital of the Company held by LHN Holdings Ltd.

Notwithstanding that each of Kelvin Lim's direct lineal issues, being a beneficiary of The LHN Capital Trust, is deemed to be interested in 15.0% or more of the voting shares of the Company, each of them only receives an economic benefit under The LHN Capital Trust but has no control over the property comprised in The LHN Capital Trust and also does not, in fact, have any voting rights in or exercise control over the Company. Accordingly, pursuant to the definition of a controlling shareholder in relation to a corporation in the Fourth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore ("**SFR**"), it is not meaningful to consider them as controlling shareholders of the Company.

However, each of Kelvin Lim's direct lineal issues are considered substantial shareholders of the Company under the Listing Manual Section A: Rules of the Mainboard of the Singapore Exchange Securities Trading Limited because they are deemed interested in the Shares held by LHN Holdings Ltd, being not less than 5.0% of the total votes attached to all the voting shares of the Company.

Both Kelvin Lim and Jess Lim are directors of LHN Capital Pte. Ltd., HN Capital Ltd., Hean Nerng Group Pte. Ltd., LHN Holdings Ltd and the Company respectively. Accordingly, each of Kelvin Lim and Jess Lim is deemed to be able to exercise control over the Company and is deemed to be a controlling shareholder of the Company under the Listing Manual Section A: Rules of the Mainboard of the Singapore Exchange Securities Trading Limited ("**SG Controlling Shareholder**").

With effect upon the listing of the Company's Shares on the Mainboard of the SEHK, Lim Bee Li, the sibling of Kelvin Lim and Jess Lim, is considered a SG Controlling Shareholder. Lim Bee Li is deemed to have an interest in the issued and paid-up capital of the Company held by LHN Holdings Ltd by virtue of her position as a SG Controlling Shareholder.

Under Hong Kong Laws and Regulations

As at 30 September 2024, the following persons/entities (other than a Director or chief executive of the Company) have an interest in the Shares or the underlying Shares which were disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO, were as follows:

Long positions in the Shares and underlying shares of the Company:

Name	Capacity	Number of Shares	Approximate percentage of shareholding as at 30 September 2024
LHN Holdings Ltd[(1)(2)]	Beneficial owner	228,227,931	54.56%
Wang Jialu[(1)(3)]	Deemed interest by virtue of interest held by spouse	228,227,931	54.56%
Hean Nerng Group Pte. Ltd.[(1)(2)]	Interest in a controlled corporation	228,227,931	54.56%
HN Capital Ltd.[(1)(2)]	Interest in a controlled corporation	228,227,931	54.56%
LHN Capital Pte. Ltd.[(1)(2)]	Trustee	228,227,931	54.56%
Trident Trust Company (B.V.I.) Limited[(1)(2)]	Trustee	228,227,931	54.56%
Lim Hean Nerng[(1)(2)]	Founder of discretionary trusts	228,227,931	54.56%
Foo Siau Foon[(1)(2)]	Founder of discretionary trusts	228,227,931	54.56%

Notes:

(1) LHN Holdings Ltd, which is wholly-owned by Hean Nerng Group Pte. Ltd., which in turn is owned as to 5% by Kelvin Lim, 10% by Jess Lim and 85% by HN Capital Ltd., is the beneficial owner of 228,227,931 Shares. By virtue of the SFO, Kelvin Lim, Wang Jialu, Hean Nerng Group Pte. Ltd., HN Capital Ltd., LHN Capital Pte. Ltd., Trident Trust Company (B.V.I.) Limited, Lim Hean Nerng and Foo Siau Foon are deemed to be interested in all of the Shares held by LHN Holdings Ltd.

(2) Lim Hean Nerng, Foo Siau Foon and Kelvin Lim are the founders of The LHN Capital Trust and The Land Banking Trust. Trident Trust Company (B.V.I.) Limited, in its capacity as the trustee of The Land Banking Trust, holds the entire issued share capital of LHN Capital Pte. Ltd.. LHN Capital Pte. Ltd., in its capacity as the trustee of The LHN Capital Trust, holds the entire issued share capital of HN Capital Ltd., which in turn holds 85% of the total issued share capital of Hean Nerng Group Pte. Ltd.. Hean Nerng Group Pte. Ltd. holds the entire issued share capital of LHN Holdings Ltd. Lim Hean Nerng, Foo Siau Foon and Kelvin Lim are deemed under the SFO to be interested in the Shares held by Trident Trust Company (B.V.I.) Limited and LHN Capital Pte. Ltd.. Trident Trust Company (B.V.I.) Limited is deemed under the SFO interested in the interests held by LHN Capital Pte. Ltd.. LHN Capital Pte. Ltd. is deemed under the SFO interested in the interests held by HN Capital Ltd.. HN Capital Ltd. is deemed under the SFO interested in the interests held by Hean Nerng Group Pte. Ltd.. Hean Nerng Group Pte. Ltd. is deemed under the SFO interested in the interests held by LHN Holdings Ltd.

(3) Wang Jialu, the spouse of Kelvin Lim, is deemed under the SFO to be interested in the interests held by Kelvin Lim.

Save as disclosed above, as at 30 September 2024, the Directors are not aware of any other person (other than a Director or chief executive of the Company) who had an interest or a short position in any Shares which would be required to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO.

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