



# CHEMICAL INDUSTRIES (FAR EAST) LIMITED.

## REPORT AND FINANCIAL STATEMENTS

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Non-Executive and Independent Chairman  
Yeo Hock Chye

Non-Executive and Non-Independent Directors  
Lim Soo Peng, JP, BBM(L), BBM, PBM  
Lim Yew Nghee

Non-Executive and Independent Directors  
Lim Chee San  
Goh Koon Eng

## AUDIT AND RISK COMMITTEE

Yeo Hock Chye, Chairman  
Lim Chee San  
Lim Yew Nghee  
Goh Koon Eng

## NOMINATING COMMITTEE

Goh Koon Eng, Chairman  
Yeo Hock Chye  
Lim Chee San  
Lim Yew Nghee

## REMUNERATION COMMITTEE

Lim Chee San, Chairman  
Yeo Hock Chye  
Lim Yew Nghee  
Goh Koon Eng

## COMPANY SECRETARY

Foo Soon Soo (Ms)

## SHARE REGISTRARS

B.A.C.S Private Limited  
77 Robinson Road,  
#06-03 Robinson 77  
Singapore 068896  
Tel: 6593 4848  
Email: main@zicoholdings.com

## REGISTERED OFFICE

3 Jalan Samulun  
Singapore 629127  
Tel: 6265 0411  
Fax: 6265 6690  
Email: chemical.ind@cil.com.sg

## TOWN OFFICE

17 Upper Circular Road  
#05-00 Jura Building  
Singapore 058415  
Tel: 6535 4884  
Fax: 6534 4582  
Email: jutaprop@singnet.com.sg

## MANUFACTURING PLANT

91 Sakra Avenue  
Singapore 627882  
Tel: 6867 6977  
Fax: 6867 6972

## SUBSIDIARY COMPANIES

Chem Transport Pte Ltd  
Kimia Trading Pte. Ltd.  
Juta Properties Private Limited  
Chemical Industries (Myanmar) Limited

## PRINCIPAL BANKERS

DBS Bank Ltd  
Malayan Banking Berhad  
United Overseas Bank Limited

## AUDITORS

Deloitte & Touche LLP  
Public Accountants and  
Chartered Accountants  
Singapore  
Partner-in-charge: Khor Tee Heng  
(Appointed with effect from financial  
year ended 31 March 2023)

# CHAIRMAN'S MESSAGE

Dear Shareholders,

Paths to success are often strewn with obstacles, and our journey in transitioning to professional management was no exception. We faced unexpected setbacks with the departures of both our C-Suite executives after one and a half years. Whilst this caused a temporary disruption in our process of building a high-performing management team, business continuity was minimally impacted. Our committed and competent second and third-tier leaders quickly took over the reins, reinstating stability within the organization.

We view obstacles not as roadblocks but as stepping stones that build resilience. Overcoming these hurdles brings us closer to our ultimate objective of creating a stronger team capable of driving sustainable growth. Building this team is an iterative process of identifying individuals with the right capabilities, skills, and mindsets that align with our organization's goals. To fill the leadership void, we have engaged a professional search firm and will make an appropriate announcement in due course. At the Board level, we welcomed a new Independent Director in late May 2024.

The road ahead for our chemical manufacturing business is similarly challenging. We continue to persevere amidst a difficult operating environment characterized by a weak economic landscape. A strong Singapore dollar and ongoing geopolitical uncertainties impact our supply chain, and we face intense competition from chlor-alkali manufacturers in neighbouring countries where energy costs are lower.

A key success factor for any chlor-alkali manufacturer is its ability to achieve efficiency and energy savings. Our energy costs spiked in 2022 amidst onset of the Russia/Ukraine conflict when our contract with our electricity supply company fell due for renewal. We have negotiated renewal for 2024 but costs continue to remain high. Given that electricity is a major component of our Cost of Sales, it will continue to cast a shadow over our earnings for the next few years.

As we are unable to control the cost of electricity, our response has been to reduce our consumption in an attempt to lower the overall impact of the electricity price increase. Our electricity consumption consequently more than halved in FY2024, but our electricity unit cost actually increased marginally between FY2023 and FY2024. Reduction in electricity usage has been achieved through a combination of upgrading of our plant and machinery to make them more energy efficient, innovating alternative manufacturing methods which reduces our electricity consumption, purchase of more energy-efficient equipment, installation of solar panels as well as exploration into sources of renewable energy.

Despite our successful efforts to reduce greenhouse gas emissions and electricity consumption, there has been minimal reduction in our carbon tax due to gradual increases in the carbon tax rate. Currently, in 2024, the carbon tax has risen to \$25 per tonne of CO<sub>2</sub> emissions, up from \$5 in 2022, and is expected to climb further to between \$50 and \$80 by 2030. This ongoing escalation in carbon tax has diminished the financial savings from our emission reduction achievements.

Environmental, Health & Safety (EHS) have also been key priorities as we strive to adhere to EHS standards and regulations. This includes proper handling of chemicals, waste disposal and emissions control. We have a responsibility to ensure a safe and healthy working environment for our employees and minimising environmental impact is a key indicator of success. In April this year, we were recognised with Achievement Award 2023 for Employee Health & Safety by the Singapore Chemical Industry Council (SCIC).

## REVIEW OF OUR FINANCIAL PERFORMANCE

At Group level, we recorded profit before tax of \$5.67m, due primarily to fair value gains on our two commercial properties. Although cash generated from operating activities was positive, our cash balance was depleted by expenditure of \$4.3m on energy saving projects, and another \$7.5m on plant and machinery upgrades mainly for regulatory compliance, EHS enhancements include maintenance, replacements and upgrade of critical plant infrastructure, and improvement of the overall efficiency of our production facilities. We continue to retain a strong financial position and notwithstanding the substantial capital expenditures, we have a healthy cash balance. This will enable us to seize investment opportunities that align with our strategic vision.

## **Industrial Chemicals Segment**

Revenue for the segment was \$71m, a decrease of 28.1% compared to the previous financial year. Prices for chlor-alkali products trended downwards in FY2024, caused by weak industrial demand due to a slow recovery in the economy, and this was compounded by high energy costs, as electricity is a major variable cost component of our manufacturing process. We have also seen an increase in the cost of our raw materials due to supply chain disruptions. The industrial chemicals segment consequently posted a loss before interest and tax of \$5.9m.

In Myanmar, we continue to face challenges in our operating conditions due to political uncertainty and high inflation. The kyat has in addition been depreciating resulting in unrealised foreign exchange losses. Notwithstanding these adversities, we remain committed to growing our business in Myanmar and we have strengthened our sales force to pursue new business opportunities.

## **Properties Segment**

We benefitted from higher rental rates as a result of which revenue increased to \$1.6m. On the back of a buoyant market, a fair value gain of \$9.8m was recognised for the financial year.

Over the course of the past year, we have engaged with real estate professionals to improve rental yields, as well as to increase capital values. In all our deliberations, we are taking a long-term view as short term measures may not withstand the vagaries of the property cycle.

## **SUSTAINABILITY**

As we reflect on the past year, our commitment to sustainable growth and responsible business practices remains unwavering. In an era where climate change and environmental stewardship are at the forefront of global concerns, our role as the only manufacturer of chlor-alkali products in Singapore carries significant responsibility. We recognize the imperative to balance our operational demands with the urgent need to address environmental, social, and governance (ESG) considerations.

### **Sustainability at the Core**

Sustainability is not just a concept; it is a guiding principle that permeates every facet of our operations. We are committed to minimizing our carbon footprint through innovative processes and technologies. This year, we have made significant strides in reducing our energy consumption and optimizing our use of resources. By investing in energy-efficient systems, we are not only cutting down on greenhouse gas emissions but also setting new benchmarks in the chlor-alkali industry for sustainable manufacturing.

### **Advancing Our ESG Agenda**

Environmental, Social, and Governance (ESG) practices are integral to our long-term success and to the value we deliver to our stakeholders. We have strengthened our ESG framework, ensuring that it aligns with global best practices and reflects the evolving expectations of our investors, customers, and communities. On the social front, we continue to prioritize the well-being and development of our employees, fostering a culture of safety and continuous learning. Governance, as always, remains a cornerstone of our operations, with robust policies in place to ensure transparency, accountability, and ethical conduct.

## **MANAGING OUR FUTURE**

In the face of evolving market conditions, competition in the regional chlor-alkali market can be expected to remain intense. Our commitment to becoming the premier provider of chemical solutions remains steadfast. We are focused on expanding our capabilities in trading and engineering services, while driving growth in revenue and operational efficiency across our core industrial chemicals businesses. Our strategic initiatives, which include both organic and inorganic growth opportunities and strategic partnerships, underscore our confidence in navigating current challenges and delivering sustainable value to you, our shareholders.

In the near term, we anticipate being able to narrow our losses in the chemical manufacturing segment but over the longer term, we are confident in our ability to weather this challenging phase and continue delivering value to our shareholders. This confidence is bolstered by our proactive approach to enhancing performance and resilience, as well as by our dedication to operational excellence and sustainable practices.

As we look ahead, we remain committed to leveraging our decades of experience to seize new opportunities and drive long-term growth.

#### **DIVIDEND**

Despite a challenging year, we remain steadfast in our commitment to providing sustainable returns to our shareholders. Therefore, the Board of Directors has proposed a final dividend (one-tier tax exempt) of 1.5 cents per ordinary share for FY2024. This dividend is subject to approval by shareholders at our forthcoming Annual General Meeting, scheduled for 29 July 2024.

#### **IN APPRECIATION**

On behalf of the Board, we sincerely extend our deepest gratitude to our dedicated employees for their unwavering commitment and hard work during this challenging period. Together, we will navigate these changes and uncertainties, building a stronger and more resilient organisation for a better future.

We sincerely extend our deep appreciation to our customers, shareholders, business partners, bankers, associates, and all stakeholders for their continuous and unwavering support, confidence and trust in our journey towards excellence in the chemical solutions industry.

We look forward to your continued support as we navigate this transformative journey.

Yours Sincerely,



**YEO HOCK CHYE**  
Non-Executive and Independent Chairman

# STATEMENT OF CORPORATE GOVERNANCE

The Board of Directors (the “**Board**”) of Chemical Industries (Far East) Limited. (the “**Company**”) and its subsidiaries (the “**Group**”) are committed to achieve high standards of corporate governance. We recognise that good corporate governance enhances accountability and protects the interests of shareholders. This is also consistent with the sustainability pillar of our corporate strategy.

This report sets out the Company’s corporate governance practices that were in place during FY2024 with reference to the Code of Corporate Governance 2018 (the “**Code**”). The Company has complied in all material aspects with the principles and provisions of the Code. Where there were deviations from the provisions of the Code, appropriate explanations have been provided and how the practices the Company had adopted are consistent with the intent of the relevant principle of the Code.

## BOARD MATTERS

### Principle 1: Board’s Conduct of its Affairs Effective Board to head the Company

The Directors of the Company are:

Mr Lim Soo Peng	Emeritus Chairman, Non-Executive and Non-Independent Director
Mr Yeo Hock Chye	Chairman, Non-Executive and Independent Director
Mr Lim Yew Nghee	Deputy Chairman, Non-Executive and Non-Independent Director
Mr Lim Chee San	Non-Executive and Independent Director
Mr Goh Koon Eng	Non-Executive and Independent Director

### Provision 1.1

#### Role of the Board

The Directors are fiduciaries who must act objectively in the best interests of the Company. The Board has put in place a Code of Conduct and Ethics to set an appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Group. Directors facing conflicts of interest must recuse themselves from discussions and decisions on those matters.

The principal functions of the Board include, inter alia,

- (a) providing entrepreneurial leadership, setting strategic objectives with an appropriate focus on value creation, innovation and sustainability;
- (b) ensuring necessary resources are in place for the Company to meet its strategic objectives;
- (c) monitoring and reviewing Management’s performance;
- (d) maintaining a sound risk management framework to effectively monitor and manage risks and to achieve an appropriate balance between risks and Company performance;
- (e) safeguarding shareholders’ interests and the Company’s assets;
- (f) instilling an ethical corporate culture and ensuring that the Company’s values, standards, policies and practices are consistent with the culture; and
- (g) ensuring transparency and accountability to key stakeholder groups.

### Provision 1.2

#### Directors’ Duties and Responsibilities

The Directors must understand the Company’s business as well as their directorship duties (including their roles as non-executive and independent directors). The Directors must comply and ensure the Company complies with legislative and regulatory requirements. The Directors have each signed the respective undertakings in the form set out in Appendix 7.7 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) to undertake to use their best endeavours to comply with the Listing Rules and to procure that the Company shall so comply. The Directors have also procured a similar undertaking from the CEO and Group Financial Controller (“**GFC**”) and other key executive officers. (Please refer to CEO as defined in Provisions 3.1 and 3.2).

The Company has in place a process for induction, training and development for both new and existing Directors.

#### **Orientation, Briefings, and Training provided for Directors**

A new Director appointed to the Board will be briefed by the Chairman on his/her duties and obligations, and on the Group's organisational structure, business and governance practices. He/She will also meet up with senior management to familiarize himself/herself, thereby facilitating Board interaction and independent access to senior management. If he/she is a first-time director of a listed company, he/she must undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST. Mr Goh Koon Eng who was appointed to the Board on 20 May 2024 will attend the relevant Listed Entity Director Programme modules conducted by the Singapore Institute of Directors.

The Directors are continually and regularly updated on the Group's business and governance practices, including changes in laws and regulations, financial reporting standards and Code of Corporate Governance so as to enable the Directors to effectively discharge their duties.

For FY2024, updates on the Group's business and strategic developments were presented by the CEO, updates to changes and developments in accounting standards were presented by the external auditors and regulatory changes to the Listing Rules and Code of Corporate Governance were presented by the Company Secretary.

All Directors are also encouraged to be members of the Singapore Institute of Directors ("SID") and for them to receive journal updates and training from SID. Information on training programs, seminars and workshops organised by various professional bodies and organisations are circulated to the Directors on a regular basis. The Directors had completed the mandatory sustainability training course.

#### **Provision 1.3**

##### **Matters which require Board approval**

For operational efficiency and sound internal controls, the Board has put in place a policy clearly defining the boundaries of authority for effective management of the business including financial approval limits which set out the delegated authority to various levels of management for approval of business transactions.

Matters which require the Board's approval include the following:

- (a) The Group's strategic plans, annual business plans, financial budgets and other performance targets for the Group;
- (b) The establishment of effective procedures for monitoring and control of the Group's operations;
- (c) The authority to approve an acquisition, disposal or any capital expenditure not considered to be in the ordinary course of business;
- (d) The authority to approve any investment, realisation, or creation of a new venture;
- (e) Announcements of results for the half year and for the full year;
- (f) Succession plans for Directors and senior management;
- (g) Transactions involving a conflict of interest and related party transactions;
- (h) Interested party transactions below specified thresholds, above which immediate announcements are required to be made on SGXNet and shareholders' approval must be sought;
- (i) Financial and corporate restructuring;
- (j) Declaration of dividends and other returns to shareholders; and
- (k) Appointment and re-appointment of Directors.

#### **Provision 1.4**

##### **Delegation of Authority to Board committees**

Board committees, namely the Nominating Committee ("NC"), the Remuneration Committee ("RC") and the Audit and Risk Committee ("ARC") have been constituted to assist the Board in the discharge of specific responsibilities without the Board abdicating its responsibilities.

The current members of the Board and their membership on the Board committees of the Company are as follows:

Name of Director	Board appointments					Board committees		
	Emeritus Chairman	Chairman of the Board	Deputy Chairman of the Board	Non-Executive and Non-Independent Director	Independent Director	ARC	NC	RC
Lim Soo Peng	*	-	-	*	-	-	-	-
Yeo Hock Chye	-	*	-	-	*	Chairman	Member	Member
Lim Yew Nghee <sup>1</sup>	-	-	*	*	-	Member	Member	Member
Lim Chee San	-	-	-	-	*	Member	Member	Chairman
Goh Koon Eng <sup>2</sup>	-	-	-	-	*	Member	Chairman	Member

<sup>1</sup>Mr Lim Yew Nghee was appointed as a Deputy Chairman effective from 1 November 2023.

<sup>2</sup>Mr Goh Koon Eng was appointed as an Independent Director, Chairman of the NC and member of the RC and ARC effective from 20 May 2024.

These Board committees function within clearly defined terms of reference approved by the Board. The segments of this report under Principles 4 to 10 detail the activities of the NC, ARC and RC respectively.

### Provision 1.5 Meetings of Board and Board committees

The following table discloses the number of meetings held for Board and Board committees during the tenure of each Director and the number of meetings attended by him during FY2024.

Name of Director	Board	ARC	RC	NC
Lim Soo Peng	3/4	N.A.	N.A.	N.A.
Yeo Hock Chye	4/4	3/3	1/1	2/2
Lim Yew Nghee	4/4	3/3	1/1	2/2
Dr Tay Kin Bee <sup>1</sup>	4/4	3/3	1/1	2/2
Lim Chee San	4/4	3/3	1/1	2/2
Goh Koon Eng <sup>2</sup>	-	-	-	-

<sup>1</sup>Dr Tay Kin Bee resigned as a director effective 29 February 2024.

<sup>2</sup>Mr Goh Koon Eng was appointed as an Independent Director, Chairman of the NC and member of the ARC and RC effective from 20 May 2024 after the close of FY2024. Therefore, the meeting attendance for FY2024 does not register any participation by him.

N.A. – Not Applicable when the director is not a member of any of the Board committees.

The Board is required to meet at least twice a year and as warranted by the business of the Company. The Board ensures that Directors with other listed board representations give sufficient time and attention to the affairs of the Group. During the FY2024, the Directors of the Board committees' contributions are not confined to but also extended beyond the attendance of the scheduled formal meetings through the sharing of views, advice, experience and networks which would further the interests of the Group. The Directors, whether individually or collectively, also engage with the Management in order to enable the Directors to continue to develop and maintain a better understanding of the Group's business, key operations and the challenges faced by the Group. The input of the Directors, through such engagements, provide invaluable perspectives to the Management.



#### **Provision 1.6**

##### **Management providing information to Board**

Directors are provided with complete, adequate and timely information prior to Board meetings and on an on-going basis. Such information is circulated in advance of each meeting and it includes financial reports, disclosure documents, explanatory information, key developments and other matters requiring the Board's decisions. The Board is kept informed of material events and transactions as and when they occur in a timely manner.

Every Board member has separate and independent access to management. They are entitled to request additional information from management.

#### **Provision 1.7**

##### **Board's Access to Management, Company Secretary and External Advisers**

Besides Management, the Board has separate and independent access to the Company Secretary at all times. The role of the Company Secretary is clearly defined and the Company Secretary is present at Board meetings to respond to queries from any Director and to assist in ensuring that Board procedures as well as applicable rules and regulations are followed.

The appointment and the removal of the Company Secretary are subject to the Board's approval.

The Board takes independent professional advice as and when necessary, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to discharge its responsibilities effectively.

## **BOARD COMPOSITION AND GUIDANCE**

### **Principle 2: Independence and diversity in the composition of the Board**

#### **Provision 2.1**

##### **Independent Directors**

The current Board comprises five directors of whom three are Independent Directors.

The criterion for independence is based on the definition given in the Code and in the Listing Rules of SGX-ST. The Code has defined an "independent" director as one who is independent in conduct, character and judgement and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment with a view to the best interests of the Company. Under the Listing Rules of SGX-ST, an independent director is not one who is or has been employed by the Company or any of its related corporations for the current or any of the past three financial years; or not one who has an immediate family member who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC.

The NC reviews annually, and as and when circumstances require, if a director is independent based on the provisions of the Code and the Listing Rules of SGX-ST. Each Independent Director is required to complete a declaration form of independence based on the guidelines provided in the Code. The declaration form also requires the Director to make declaration on any relationships or circumstances, including those identified by the Code, that are relevant in the determination of whether a director is independent.

The three Independent Directors have declared themselves to be independent. Having reviewed the declarations of independence by the Independent Directors, considered the objectivity and exercise of independent judgment in deliberations at Board and Board Committee meetings in the interests of the Company, the NC is of the view that the Independent Directors, namely Mr Yeo Hock Chye, Mr Lim Chee San and Mr Goh Koon Eng have none of the relationships or circumstances as stated in the Code or the Listing Rules of SGX-ST that would otherwise deem them not to be independent. The Board concurs with the NC. Each of the Independent Directors abstained from the deliberations of the NC and the Board on his independence.

### Provisions 2.2 and 2.3

#### Composition of Independent Directors and Non-Executive Directors on the Board

Provision 2.2 is not applicable as the Chairman of the Board is an Independent Director. The Listing Rules of SGX-ST requires the Independent Directors to make up at least one-third of the Board. The Independent Directors comprise a majority of the Board in compliance with the Listing Rules of SGX-ST.

Under Provision 2.3 of the Code, the Non-Executive Directors should make up a majority of the Board. The Board currently has five members, all of whom are Non-Executive Directors with three being Independent Directors.

### Provision 2.4

#### Board size and diversity

The NC has reviewed the current composition of the Board and is of the view that the current Board size is adequate in relation to the nature, size and scope of the Company's operations, with a diversity of skills and experience for effective functioning and informed decision-making.

The Company has in place a Board Diversity Policy, which endorses the principle that there should be diversity at the Board to ensure effective decision making and governance of the Company and its businesses.

The NC annually reviews and assesses the Board composition and recommends the appointment of new directors, where applicable. For new and continuing appointments, the NC will consider factors such as skills, experience, age, gender, educational and professional background, tenure of service and other relevant personal attributes that are important and needed to support good decision making at the Board level. Core competencies, which are taken into account in the selection and appointment of Directors, include finance, accounting, business management, legal, corporate governance, relevant industry knowledge or experience and strategic planning experience. As gender is an important aspect of diversity, the NC will strive to ensure that the search for candidates for Board appointments will include female candidates that meet the set requirements for a new candidate, if the opportunity arises.

The NC with the Board's concurrence has set the following targets to enhance Board diversity:

#### Skills and experience

For skill diversity, the Board's target to have a mix of core competencies as set out above with a minimum of 1 Director with the necessary industry knowledge and 2 Directors with accounting and finance related knowledge.

Currently the Board has met its skill diversity target as described below:

	Number of Directors	Proportion of Board
<b>Core Competencies</b>		
Accounting / Finance experience	5	100%
Legal / Corporate governance experience	5	100%
Industry / Customer-based knowledge experience	2	40%
Business management / Strategic planning experience	5	100%

#### Gender

For gender diversity, the Company remains proactive in identifying and recruiting qualified female representation on the Board, underscoring its commitment to fostering gender balance within its leadership ranks. The Board targets to have a female director to include gender diversity on the Board in the next board renewal where applicable. The targets for skill diversity and gender diversity should complement each other.

Detailed description of the Directors' background and experience are disclosed under the "Board of Directors" section of the Annual Report.

## **Provision 2.5**

### **Role of Non-Executive Directors**

Non-executive directors (NEDs) play a crucial role by providing independent oversight, strategic guidance, and ensuring that the Company's operations align with shareholder interests and regulatory requirements.

Their primary responsibilities and roles include:

(a) Governance and Oversight

- Independence: NEDs are not involved in the day-to-day management of the Company, allowing them to offer unbiased judgments and decisions. This independence is crucial for maintaining checks and balances within the Company;
- Board Meetings: Their role is to challenge and scrutinize executive management's decisions; and
- Compliance and Ethics: They ensure the Company adheres to legal and regulatory requirements and upholds high ethical standards.

(b) Strategic Input

- Strategic Guidance: NEDs contribute to the formulation and review of Company strategy, offering external perspectives and expertise that can help in assessing the Company's direction and growth plans; and
- Risk Management: They play a key role in identifying and managing risks, ensuring that potential risks are well-understood and managed appropriately.

(c) Performance Evaluation

- Executive Performance: NEDs are responsible for evaluating the performance of the executive team, including the CEO. They ensure that executives are accountable and that their compensation aligns with performance; and
- Company Performance: They assess the Company's overall performance, including financial results, operational efficiency, and market positioning, ensuring that shareholder interests are prioritized.

(d) Stakeholder Relations

- Shareholder Engagement: NEDs represent and protect the interests of shareholders, particularly minority shareholders. They may engage directly with shareholders to understand their concerns and ensure their views are considered in board decisions; and
- Public Perception: They help manage the Company's reputation and relationships with various stakeholders, including investors, employees, customers, and regulators.

(e) Board Committees

- Specialised Roles: NEDs often serve on or chair key board committees such as audit, risk, nomination, and remuneration committees. Each of these committees focuses on specific areas requiring detailed attention and independent judgment.

NEDs are vital for the balanced and effective governance of the Company. The NEDs are committed to their roles and to ensure good governance. Led by the independent Chairman, they are in constant communication and schedule meetings and conversations regularly, without the presence of management as and when appropriate, for objective and professional review and discussion of issues relating to the Company's long-term sustainability and success as well as consider shareholders' expectations and regulatory requirements. The NEDs serve as a bridge between management and stakeholders to balance the interests of all parties.

## **CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

**Principle 3: Clear division of responsibilities between the leadership of the Board and the management of the company**

### **Provisions 3.1 and 3.2**

#### **Chairman and Chief Executive Officer (CEO)**

Mr Yeo Hock Chye is the Chairman of the Board. During FY2024, Mr Yeo Sze Chiat was the CEO until he resigned effective 31 March 2024. Mr Yeoh Beng Chai was appointed the Acting CEO from 1 April 2024. "CEO" hereinafter shall refer to Mr Yeo Sze Chiat in respect of FY2024 and to Mr Yeoh Beng Chai as Acting CEO when he assumed such appointment effective from 1 April 2024 or as applicable in context.

The roles and responsibilities of the Chairman and the CEO are distinct and separate. The Chairman and the CEO are not related.

The Chairman of the Board plays an instrumental role in ensuring the Board's effectiveness by steering the Board in setting policies for its corporate governance, compliance and internal controls, leading the Group in committing to achieve and maintain a high standard of corporate governance and also in formulating strategies for the Group's business and direction. The primary responsibility of the Chairman includes:

- (a) leading the Board to ensure its effectiveness on all aspects of its role;
- (b) setting the agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (c) promoting a culture of openness and debate at the Board;
- (d) ensuring the directors receive complete, adequate and timely information;
- (e) ensuring effective communication with shareholders;
- (f) encouraging constructive relations within the Board and between the Board and Management;
- (g) facilitating the effective contribution of non-executive directors; and
- (h) promoting high standards of corporate governance.

The CEO leads the members of the management team, reviews the business direction and works with the Board to formulate the Group's strategies, including identifying and assessing risks and opportunities for the growth of its business. The CEO assumes responsibility for executing and implementing the business strategies, policies and processes across the Group as endorsed by the Board. The CEO is accountable to the Board for the operational and business performance and organisational excellence of the Group.

### **Provision 3.3**

#### **Lead Independent Director**

There is no requirement for the Company to appoint a Lead Independent Director as the roles of Chairman and CEO are separate and distinct. The Independent Directors meet amongst themselves without the presence of the Non-Independent Directors where necessary for independent discussions and strive to provide constructive feedback to the Board after their meetings.

## **BOARD MEMBERSHIP**

### **Principle 4: Formal and transparent process for appointment of Directors**

#### **Provisions 4.1 and 4.2**

##### **Nominating Committee**

The NC comprises four members, all of whom are Non-Executive Directors. Three of the Non-Executive Directors including the chairman are independent and make up the majority of the NC.

Mr Goh Koon Eng (NC Chairman, Non-Executive and Independent Director)  
Mr Yeo Hock Chye (Non-Executive and Independent Director)  
Mr Lim Chee San (Non-Executive and Independent Director)  
Mr Lim Yew Nghee (Non-Executive and Non-Independent Director)

In FY2024, Dr Tay Kin Bee was the NC Chairman until he resigned on 29 February 2024. Mr Lim Chee San was the NC Chairman from the period 1 March to 19 May 2024.

The role of the NC is to make recommendations to the Board on all Board appointments and re-appointments. The key responsibilities of the NC are to make recommendations to the Board relating to:

- the appropriate size of the Board and the relevant mix of expertise and experience within the Board;
- the Board's succession plans, in particular for the CEO and key management personnel;
- the development of a process for evaluation of the performance of the Board, the Board committees and Directors;
- the review of training and professional development programmes for the Board and the Directors;
- the appointment and re-appointment of directors; and
- the review of the independence of the Independent Directors.

As part of the selection, appointment and re-appointment process, the NC takes into consideration each Director's competencies, commitment, contribution and performance, including, if applicable, as an Independent Director.

### **Provision 4.3**

#### **Process for the selection, appointment and re-appointment of Directors**

The NC reviews the composition of the Board on an annual basis, and as and when circumstances require, to ensure that the Board is of the appropriate size and has the relevant mix of expertise and experience.

When the need for a new Director arises, nominations will be reviewed by the NC who will then forward to the Board for approval and the new Director is appointed by way of a Board resolution.

Under the Company's Constitution, at least one-third of the Directors shall retire from office each year by rotation. The retiring directors are eligible for re-election.

In accordance with the Constitution, Mr Lim Yew Nghee and Mr Lim Chee San will retire by rotation at the forthcoming AGM and be eligible for re-election. The NC has recommended the re-election of Mr Lim Yew Nghee and Mr Lim Chee San to the Board. The Board accepts the NC's recommendations. Mr Lim Yew Nghee and Mr Lim Chee San recused themselves from the deliberations of the NC and the Board on their respective re-election.

### **Provision 4.4**

#### **Review of Directors' independence**

The NC determines, on an annual basis, and as and when circumstances require, if a director is independent.

For FY2024, the NC has conducted its annual review on the independence of the Independent Directors, using the criteria of independence in the Code and the Listing Rules of SCX-ST and respective Independent Directors' self-declarations as set out in Provision 2.1 above. Accordingly, the NC has ascertained that they are independent.

### **Provision 4.5**

#### **Multiple board representations**

The NC ensures that new Directors are aware of their duties and obligations. The NC also assesses if a director is able to and has been adequately carrying out his or her duties as a Director of the Company, taking into account his or her principal commitments and other directorships in other listed companies.

The NC does not consider it appropriate to set a limit on the number of directorships that a Director may hold because the individual circumstances and capacity of each Director are different. The NC respects each Director as a professional and leaves it to his or her personal assessment on the demands of competing directorships and obligations and whether he or she can still serve effectively.

Details of the Directors' principal commitments and outside directorships are set out in the section on the Board of Directors of this Annual Report.

## **BOARD PERFORMANCE**

### **Principle 5: Formal assessment of the effectiveness of the Board and contributions of each director**

#### **Provisions 5.1 & 5.2**

##### **Board evaluation and performance criteria**

In evaluating the Board's performance, the NC implements an annual assessment process that requires each Director to submit an assessment form of the performance of the Board as a whole during the financial year under review. The results of the evaluation exercise are considered by the NC, which then makes recommendations to the Board aimed at assisting the Board to discharge its duties more effectively. The Chairman would, in consultation with the NC, propose, where appropriate, new members to be appointed to the Board or seek the resignation of Directors.

This assessment process takes into account, inter alia, performance indicators such as governance, leadership and strategy, conduct of meetings, independence, competencies, development and training, internal control and risk management, and engagement with stakeholders.

In evaluating the performance of the Board committees, the members of the NC, RC and ARC submitted the assessments on the performance of their respective committees. The Board committees are assessed on the work they perform in accordance with their terms of reference and the objectivity and independence in their deliberations and recommendations presented to the Board.

For FY2024, having reviewed the performance of the Board and Board committees, the NC is of the view that the performance of the Board has been effective in the discharge of its responsibilities of overseeing the business of the Group and supervision of management, and the Board Committees have performed their duties in accordance with their terms of reference and committed considerable time and effort to their duties in addition to attendance at Board Committee meetings.

#### **Evaluation of individual Director's performance**

For the assessment of individual Directors, the NC considers the contribution by each Director towards the effectiveness of the Board and its committees in which he or she is a member. The assessment includes, inter alia, attendance and quality of participation at Board and committee meetings, commitment of time, knowledge and abilities, teamwork and overall effectiveness to enable the Board and its committees to make sound and well-considered decisions. For FY2024, the NC has assessed that each of the Directors had discharged his duties as a director in attending Board meetings and participating in Board deliberations and decision making.

No external facilitator was used in the evaluation process.

### **REMUNERATION MATTERS**

#### **Principle 6: Formal and transparent procedure for developing policies on director and executive remuneration**

##### **Provisions 6.1 & 6.2**

##### **Remuneration Committee**

The RC comprises four members, all of whom are Non-Executive Directors. Three of the Non-Executive Directors including the chairman are independent and make up the majority of the RC.

Mr Lim Chee San	(RC Chairman, Non-Executive and Independent Director)
Mr Yeo Hock Chye	(Non-Executive and Independent Director)
Mr Goh Koon Eng	(Non-Executive and Independent Director)
Mr Lim Yew Nghee	(Non-Executive and Non-Independent Director)

During FY2024, Dr Tay Kin Bee was a RC member until he resigned as a Director effective 29 February 2024.

The main responsibilities of the RC are to:

- recommend to the Board a framework of remuneration for the Board and key management personnel;
- review specific remuneration packages for each Executive Director and key management personnel;
- review the Directors' Fee framework; and
- review the remuneration of employees who are immediate family members of a director or the CEO to ensure that the remuneration of each of such employee is commensurate with his or her duties and responsibilities, and no preferential treatment is given to him or her.

##### **Provision 6.3**

##### **Review of remuneration**

All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, benefits-in-kind and termination payments will be reviewed by the RC. No member of the RC or any director is involved in the deliberations in respect of any remuneration, compensation, options or any form of benefits to be granted to him or her.

There are no Executive Directors. Each key management personnel has an employment contract with the Company which can be terminated by either party giving notice of resignation or termination. The RC has reviewed and concluded that the termination clauses are fair and reasonable.

#### **Provision 6.4**

##### **Engagement of remuneration consultants**

The RC will be provided with access to expert professional advice on remuneration matters as and when necessary. The RC shall ensure that remuneration consultants, if engaged, shall be free from any relationships with the Company which might affect their objectivity and independence. The expenses of such professional services shall be borne by the Company.

#### **LEVEL AND MIX OF REMUNERATION**

##### **Principle 7: Level and mix of remuneration**

#### **Provision 7.1**

##### **Remuneration of Executive Directors and key management personnel**

Currently, there are no Executive Directors. The Company has a CEO to manage the affairs of the Company under the supervision of the Board.

A significant and appropriate proportion of the key management personnel's remuneration is structured such that rewards are linked to corporate and individual performance. Such performance-related remuneration is aligned with the interests of shareholders and promotes the long-term success of the Company.

The Company has no employee share incentive scheme or other long-term incentives. In this regard, the RC has reviewed and is satisfied that the existing compensation structure with a variable component paid out in cash has continued to be effective in incentivising performance without being excessive.

The RC has reviewed the recommendations of the Code on the use of contractual provisions to allow the Company to reclaim incentive components of remuneration from the key management personnel in exceptional circumstances, and considers it unnecessary in the current context.

There are no contractual provisions in the employment contracts of key management personnel for the Company to reclaim incentive components of remuneration.

#### **Provision 7.2**

##### **Remuneration of Non-Executive Directors**

All the Non-Executive Directors have no service contracts with the Company and are compensated based on a fixed annual fee taking into account factors such as responsibilities, efforts and time spent.

The RC considers that the current fixed fee structure adequately compensates the Non-Executive Directors given the size and operations of the Company, without implementation of share schemes. The RC will consider recommending such schemes if appropriate.

#### **Provision 7.3**

##### **Remuneration Framework**

The remuneration framework for the Executive Directors, CEO and key management personnel is aligned with the sustainable performance of the Group and the interests of shareholders and is appropriate to attract, retain and motivate them for the long-term success of the Group.



## DISCLOSURE ON REMUNERATION

### Principle 8: Disclosure of Remuneration

#### Provision 8.1

#### Remuneration of Directors and key management personnel for FY2024

	Salary	Bonus	Provident Fund	Directors' Fee	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Directors</b>					
Lim Soo Peng	-	-	-	150	150
Yeo Hock Chye	-	-	-	158	158
Lim Yew Khang Cecil <sup>1</sup>	-	-	-	11	11
Lim Yew Nghee	-	-	-	91	91
Lim Chee San	-	-	-	83	83
Dr Tay Kin Bee <sup>2</sup>	-	-	-	75	75
<b>Chief Executive Officer</b>					
Yeo Sze Chiat <sup>3</sup>	349	49	21	-	419
<b>Total</b>	<b>349</b>	<b>49</b>	<b>21</b>	<b>568</b>	<b>987</b>

<sup>1</sup> Mr Lim Yew Khang Cecil resigned as a director effective 25 May 2023

<sup>2</sup> Dr Tay Kin Bee resigned as a director effective 29 February 2024

<sup>3</sup> Mr Yeo Sze Chiat resigned as a CEO effective 31 March 2024

#### Top 4 management personnel (who are not Directors or the CEO) for FY2024

	Salary	Bonus	Provident Fund	Total
<b>\$250,000 and below</b>				
Executive 1	83%	10%	7%	100%
Executive 2	83%	9%	8%	100%
<b>\$250,000 to \$500,000</b>				
Executive 3	84%	12%	4%	100%
Executive 4	82%	12%	6%	100%

The remuneration of the top 4 key management personnel (who are not Directors or the CEO) are shown on a "no name" basis so as to avoid a situation where the information might be exploited by competitors. The Company has only 4 key management personnel.

The Company has many competitors in the same industry. Given that the Company has invested in staff development and retention, the disclosure of full details of each key management personnel with no similar disclosure by the Company's competitors would facilitate competitors to poach its management staff and impedes its ability to retain and develop its staff to the detriment of its business.

The Board is of the view that the information on the level and mix of remuneration in percentage terms within bands of \$250,000 provide a balance between the interests of the Company and information to shareholders and is consistent with the intent of Principle 8 of the Code.

The aggregate of the total remuneration paid to the top four key management personnel (who are not directors) is \$1,042,000.

#### Provision 8.2

#### Remuneration of employees who are substantial shareholders or immediate family members of a Director, the CEO or a substantial shareholder

There is no employee who is an immediate family member of a substantial shareholder, Director or the CEO and whose remuneration exceeds \$100,000.



**Provision 8.3**  
**Employee Share Option Scheme**

The Company does not have a share option scheme or other share incentive schemes for its employees. The RC has reviewed and is satisfied that the existing compensation structure with a variable component paid out in cash continues to be effective in incentivising performance without being excessive.

**ACCOUNTABILITY AND AUDIT**

**Principle 9: Accountability of the Board and Management**

**Provision 9.1**  
**Risk Management and Internal Control Systems**

The Board has overall responsibility for the governance of risk and maintains oversight of the key risks of the Group's business. This includes determining the nature and extent of the significant risks which the company is willing to take. The Board ensures that the Group's risk management framework and policies are in place. The ARC functions as an audit committee and risk committee. The ARC assists the Board in overseeing the risk governance in the Group to ensure that the management maintains an adequate and effective system of risk management and internal controls to safeguard shareholders' interest and the Group's assets.

The Group maintains a system of internal controls for all companies within the Group. The controls are to provide reasonable assurance but not absolute guarantee that assets are adequately safeguarded, operational and information technology controls are in place, business risks are suitably addressed and proper accounting records are maintained. The ARC reviews the effectiveness of the company's material internal controls, including financial, operational and administrative controls and risk management annually. In the course of their statutory audit, the external auditors conduct an annual review of the effectiveness of the company's material internal controls, including financial, operational, compliance and information technology controls, and risk management systems. The ARC reviews the audit plans and the findings of the external auditors annually and takes steps to ensure that the company follows up on the recommendations raised by the external auditors, if any, during the audit process.

The Board reviews the effectiveness of the key internal controls with the ARC annually and on an on-going basis and provides its perspective on management controls and ensures that the necessary corrective and preventive actions are taken on a timely basis.

The Board has delegated the oversight responsibility for an Enterprise Risk Management ("ERM") framework to the ARC which is responsible for reviewing and endorsing the framework to ensure its continuous relevance to the company's operating environment and is aligned to its business plans and goals. This ERM framework provides the Board with a group-wide view of the risks in the respective business units. It enables the identification, assessment, management, and monitoring of key risks to the Group's business. As part of this framework, risk registers are established to document the identified key material risks, mitigating controls and action plans. The Group has identified the risk profile to align with the Group's latest corporate strategies and mission and vision. The risk owners will identify, assess, and prioritise these risks. Mitigating controls to manage the key risks, as well as action plans to address the gaps, are considered and duly documented in the risk registers. The risk registers are reviewed periodically to ensure the continuing relevance and adequacy of identified risks, and the effectiveness of mitigating controls. The key risks faced by the Group are documented together with the controls in place to manage and mitigate those risks, for the review by the ARC and the Board annually. In line with the enhanced ERM framework, the ERM policy has also been put in place.

The company's overall risk philosophy is to identify challenges that may become obstacles in achieving its objectives, and be prepared to adapt to meet those challenges with a risk awareness mindset. The company must have the ability to identify material risks which may prevent it from creating value, as well as identifying opportunities for improving its performance and profitability. The company will actively manage risk which the company believes is capable of generating a return.

The company has established a rigorous and systematic risk review process to identify, assess, manage, monitor and report risks throughout the organisation. The Management has primary responsibility for identifying, managing and reporting to the ARC and Board on the key risks faced by the company. The Management is also responsible for ensuring that the enterprise risk management framework and its policies are effectively implemented within the business units, creating risk awareness and providing training to communicate and enhance the risk culture.

## **Provision 9.2**

### **Assurances to the Board**

For FY2024, the Board has received letters of assurance from the CEO, the COO and Group Financial Controller of the Company that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

### **Board's Comment on Adequacy and Effectiveness of Internal Controls**

Based on the internal controls established and maintained by the Group, and work performed by the external auditors and internal auditors (collectively, "auditors"), discussions with them, including Management's responses to the auditors' recommendations for improvements to the Group's internal controls, if any, and assurances from the CEO, COO, GFC and Plant & Technical Director, the Board is of the opinion that the Group's risk management and internal control systems are adequate and effective to address the financial, operational, compliance and information technology risks, for FY2024. The ARC concurs with the Board's opinion based on their reviews of audit findings on risks and internal controls with the auditors.

The Board notes that the internal controls and risk management systems provide reasonable, but not absolute assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud or other irregularities and other situations not currently within the contemplation or beyond the control of the Board.

## **AUDIT AND RISK COMMITTEE**

### **Principle 10: Audit and Risk Committee**

#### **Provisions 10.1 and 10.2**

#### **Audit and Risk Committee membership and responsibilities**

#### **Audit and Risk Committee**

The Audit Committee of the Company has been redesignated as the Audit and Risk Committee ("ARC") of the Company effective from 1 August 2023. The responsibilities of overseeing the Group's risk management framework and policies are delegated by the Board to the ARC. In its risk oversight function, the ARC reviews the adequacy and effectiveness of the Group's risk management and internal control systems. The redesignation appropriately reflects the ARC's dual functions as an audit committee and a risk committee.

The ARC functions as an audit committee and risk committee. The ARC comprises four members, all of whom are Non-Executive Directors. Three of the Non-Executive Directors including the chairman are independent and make up the majority of the ARC.

Mr Yeo Hock Chye (ARC Chairman, Non-Executive and Independent Director)  
Mr Lim Chee San (Non-Executive and Independent Director)  
Mr Goh Koon Eng (Non-Executive and Independent Director)  
Mr Lim Yew Nghee (Non-Executive and Non-Independent Director)

During FY2024, Dr Tay Kin Bee was an ARC member until he resigned as a Director effective 29 February 2024.

All ARC members have recent and relevant accounting or related financial management expertise or experience to discharge their responsibilities effectively.

The Chairman of the ARC, Mr Yeo Hock Chye has considerable years of experience in the financial services industry, banking and risk consultancy. Mr Lim Chee San holds a Bachelor of Law Degree (Honours) from the University of London and is a practising lawyer. He is a Fellow of the Association of Chartered Certified Accountants, UK and a member of the Chartered Accountants, Singapore. He has extensive accounting and legal experience.

The other ARC members, Dr Tay Kin Bee, Mr Lim Yew Nghee and Mr Goh Koon Eng have considerable experience in business and finance.

All the ARC members at least annually receive a briefing from the external auditors on updates to accounting issues which have a direct impact on financial statements and developments in accounting standards, and circulation of such updates from the auditors as and when applicable, to ensure their accounting education and knowledge stay recent and relevant to perform their functions. The Board is of the view that the members of the ARC have sufficient accounting and financial management expertise and experience to discharge the ARC's functions.

The qualifications and experience of the ARC members are found on the profiles of the Directors under the "Board of Directors" section of this Annual Report.

### **Roles, responsibilities and authorities of an audit and risk committee**

The ARC assists the Board in fulfilling its fiduciary responsibilities. The main responsibilities of the ARC include:

- reviewing significant financial reporting issues and judgements to ensure the integrity of the financial statements and any announcements relating to financial performance;
- reviewing and evaluating with internal auditors, the adequacy and effectiveness of internal controls, including financial, operational, compliance and information technology controls and risk management systems;
- reviewing the scope and effectiveness of internal audit;
- reviewing the assurances from the CEO and the Group Financial Controller on the financial records and financial statements and the assurances from the CEO and the key management personnel on the adequacy and effectiveness of internal controls and risk management systems;
- reviewing the scope and results of the external audit, including management's response to the auditors' recommendations for improvements to the Group's internal controls, if any;
- reviewing the independence and objectivity of the external auditors;
- making recommendations on the appointment, re-appointment and removal of external auditors;
- reviewing interested persons and related persons transactions, if any to ensure compliance with the Listing Manual; and
- reviewing whistle blowing reports and investigations if any, and ensure appropriate follow up action, if required.

The ARC has full authority to investigate any matters within its terms of reference, full access to and co-operation by management and full discretion to invite any Director or management to attend its meetings and has been given reasonable resources to enable it to discharge its functions.

### **Review objectivity and independence of external auditors**

The external auditors, Deloitte & Touche LLP is registered with the Accounting and Corporate Regulatory Authority. They are also the external auditors of all the Company's subsidiaries as well as its associate companies. The Company confirmed its compliance with Rules 712 and 715 of the Listing Manual.

The aggregate fees paid to the Group's external auditor, Deloitte & Touche LLP, for FY2024 were \$143,000, of which the audit fee amounted to \$96,000 and non-audit fees amounted to \$47,000 or 49%, of total audit fees. The ARC has reviewed the amount, nature and extent of such non-audit services rendered to the Group by Deloitte & Touche LLP and concluded that it will not prejudice the independence and objectivity of the external auditors.

Accordingly, the ARC has recommended Deloitte & Touche LLP for re-appointment as external auditors of the Company at the forthcoming annual general meeting of the Company.

### **Whistle-blowing policy**

The Company has in place a whistle-blowing policy that provides staff of the Group direct access to the CEO and/or ARC Chairman to raise concerns about possible improprieties in matters of financial reporting or other matters.

The ARC Chairman is responsible for the oversight and monitoring of any whistle-blowing matters.

All information received will be treated confidentially and the identities and the interests of the whistle-blowers will be protected, so as to enable staff to voice their concerns without any fear of reprisal, retaliation, discrimination or harassment of any kind.

The employees are free to bring complaints to the attention of their supervisors and department heads, the human resources manager, or any of the senior management. They can choose to send the complaint directly to the CEO or ARC Chairman.

All whistleblower complaints will be investigated independently by the ARC and the findings will be reported to the Board. When necessary, external advisors such as lawyers and forensic accountants may be engaged to assist with such investigation.

The Company will not tolerate the harassment or victimisation of anyone reporting a genuine concern. If a whistleblower believes that he or she is being subjected to discrimination, retaliation or harassment for having made a report under the whistle-blowing policy, he or she should immediately report those facts to the CEO or to the ARC Chairman, if the CEO is the subject of the reportable matter.

#### Anti-Bribery Policy

During FY2024, the Group implemented an Anti-Bribery Policy. The Anti-Bribery Policy outlines the roles and responsibilities of the Group, encompassing the Board, management, and employees (collectively, the "Employees"). To ensure comprehensive understanding and adherence to these guiding principles, all Employees will participate in mandatory training sessions. These sessions will emphasize the importance of ethical commitment, the obligation to act with integrity, maintain professionalism, and support the Group's zero-tolerance stance against corruption and bribery.

The Group takes a pro-active position towards bribery risks which involves the identification, assessment and mitigation with tailored policies and procedures. The policies provide clear information and guidance to Employees on recognizing, addressing, resolving, preventing, and reporting any instances of corruption and bribery that may arise during their course of employment. Employees are also required to confirm compliance with the policies on an annual basis. This proactive approach ensures that every Employee is equipped to uphold the highest ethical standards and contribute to the Group's commitment to ethical conduct.

#### **Provision 10.3**

##### **Restriction on ARC membership**

None of the ARC members is a former partner of the Company's existing external auditors, Deloitte & Touche LLP and none of the ARC members holds any financial interest in the external audit firm.

#### **Provision 10.4**

##### **Internal audit function**

The Company's internal auditors, Crowe Horwath First Trust Risk Advisory Pte Ltd is a member of the Institute of Internal Auditors Singapore, and is staffed with professionals with relevant qualifications and experience. The internal auditors carry out its functions according to the standards of the Professional Practice of Internal Auditing set out by The Institute of Internal Auditors, and plans its internal audit schedule in consultation with, but independent of, Management. Its internal audit plan is submitted to the ARC for approval at the beginning of each internal audit cycle. The internal auditors report directly to the Chairman of the ARC on all internal audit matters, and have full access to the company's documents, records, properties and personnel of the Group, including access to ARC.

The primary functions of internal audit are to:

- (a) assess if adequate systems of internal controls are in place to protect the assets of the Group and to ensure whether control procedures are complied with;
- (b) assess if operations of the business processes under review are conducted efficiently and effectively; and
- (c) identify and recommend improvements to internal control procedures, where required.

The internal auditors completed its internal audit review of the Group in FY2024 in accordance with the internal audit plan approved by the ARC. The internal auditors had unfettered access to the relevant documents, records, properties and personnel of the Group. The findings and recommendations of the internal auditors, the management's responses, and the management's implementation of the recommendations have been reviewed and approved by the ARC. The ARC is of the view that the internal audit function is independent, effective and adequately resourced.

**Provision 10.5****Meeting with internal and external auditors without presence of management**

In FY2024, the ARC met with the external auditor and the internal auditor without the presence of management.

The ARC had discussed the key audit matters identified by the external auditor for FY2024. The ARC having reviewed the approach and methodology used, concurred with the basis and conclusions included in the auditor's report with respect to the key audit matters for FY2024.

Please refer to the Independent Auditor's Report on pages 31 to 33 of this annual report on the key audit matters.

**SHAREHOLDER RIGHTS AND ENGAGEMENT****Principle 11: Shareholders to be treated fairly and equitably****Provision 11.1****Shareholders' participation and voting at general meetings**

Every shareholder has the right to receive notices of general meetings and to vote thereat. Notice of a general meeting is sent out at least 14 days before the meeting so that sufficient notice is given to shareholders to attend the meeting or appoint proxies to attend and vote in their stead.

All resolutions at general meetings are required to be voted by poll under the Listing Rules of the SGX-ST. At each general meeting, shareholders will be briefed by the Company on the poll voting procedures at general meetings. Detailed results showing the number of votes cast for and against each resolution and the respective percentages will be announced during the general meetings and subsequent announcement made through SGXNet.

**Provision 11.2****Separate resolutions at general meetings**

The Company will have separate resolutions at general meetings on each distinct issue.

**Provision 11.3****Attendance of Directors and auditors at general meetings**

The Directors, in particular, the Chairman of the Board and the respective Board committee chairmen are present at general meetings to answer shareholders' queries. The external auditors are also present at the annual general meeting to answer shareholders' queries about the conduct of the audit and the preparation and content of the auditors' report.

The Company held one general meeting on 27 July 2023 in respect of FY2023 attended by the Board. The chairmen of the respective Board committees and the external auditors were present.

**Provision 11.4****Absentia voting**

The Company's constitution allows the appointment of proxies for a shareholder who is absent from a general meeting to exercise his vote in absence through his proxy or proxies.

The Company's constitution allows the appointment of up to 2 proxies for a member, who is not a relevant intermediary as defined in Section 181 of the Companies Act 1967. The Companies Act allows relevant intermediaries such as the CPF agent bank nominees to appoint multiple proxies, and empower CPF investors to attend and vote at general meetings of the Company as their CPF agent banks' proxies.

### **Provision 11.5**

#### **Minutes of general meetings**

The Company prepares minutes of general meetings detailing the proceedings and questions raised by shareholders and answers given by the Board and management. Minutes will be taken and published in the Company's corporate website at [www.cil.com.sg](http://www.cil.com.sg).

### **Provision 11.6**

#### **Dividend Policy**

The Company has not formalised a dividend policy, however, it has consistently been paying dividends since FY2006. The Board takes into consideration the Group's operating performance, cash position and planned capital expenditures in its recommendation for dividends.

For FY2024, the Board has recommended a final one-tier tax exempt dividend of 1.5 cents per share subject to shareholders' approval at the annual general meeting to be held on 29 July 2024.

## **ENGAGEMENT WITH SHAREHOLDERS**

### **Principle 12: Regular communication with shareholders**

#### **Provision 12.1**

##### **Avenues for communication between the Board and shareholders**

The Board ensures that shareholders are informed of changes in the Company or its business in a timely manner through:

- (a) SGXNET announcements and news releases;
- (b) Annual Report; and
- (c) Notices of annual general meetings and extraordinary general meetings.

The Company's general meetings are the principal forum for dialogue with shareholders, to gather their views or inputs, and address their concerns, if any. The Company will consider the use of other forums as and when applicable.

#### **Provisions 12.2 and 12.3 Investor relations policy**

The Company's investor relations policy is to communicate with its shareholders and the investment community through the timely and equal dissemination of information and news via announcements to the SGX-ST via SGXNet. In accordance with the Listing Rules of the SGX-ST, information that affects the Group is disclosed in a timely manner through SGXNet and the Company does not practise selective disclosure.

The Company strives to reach out to shareholders and investors via its online investor relations site within its corporate website at [www.cil.com.sg](http://www.cil.com.sg) where it updates shareholders and investors on the latest news and business developments of the Group. Shareholders and investors are also provided with an investor relations contact at [investorrelations@cil.com.sg](mailto:investorrelations@cil.com.sg) which they can send their queries and the Company will respond.

## **ENGAGEMENT WITH STAKEHOLDERS**

### **Principle 13: Balance the needs and interests of material stakeholders**

#### **Provisions 13.1 and 13.2**

##### **Engage with its material stakeholder groups**

The Group's material stakeholders are its shareholders, customers, suppliers, regulators and employees. The Company's focus is on the supply of its products to customers in a safe, sustainable and efficient manner.

The Company engages with the stakeholders through its sustainability initiatives as set out in its Sustainability Report for FY2024 as posted on SGXNet on 12 July 2024.

### **Provision 13.3**

#### **Corporate website to communicate and engage with stakeholders**

The Company maintains a corporate website at [www.cil.com.sg](http://www.cil.com.sg) which shareholders and other stakeholders can access information on the Group. The website provides, inter alia, corporate announcements and profiles of the Group. Shareholders and stakeholders are provided with an investor relations contact at [investorrelations@cil.com.sg](mailto:investorrelations@cil.com.sg) to contact the Company.

#### **DEALINGS IN SECURITIES**

The Company wishes to confirm that it has in place a policy prohibiting dealings in the company's securities by the Company and its Directors and employees of the Group:

- (a) one month before the announcement of its half year and full year unaudited financial statements ("non-dealing period");
- (b) on short term considerations; and
- (c) when in possession of unpublished price-sensitive or trade-sensitive information.

Two weeks before each non-dealing period, the Company Secretary will notify the Directors and CEO of the Company's share trading prohibition policy and the management of the Company will also ensure that employees of the Group are duly informed of the same.

The Company confirms it has complied with the best practice pursuant to Listing Rule 1207(19)(c) in not dealing in its securities during the restricted trading periods.

#### **INTERESTED PERSON TRANSACTIONS**

The Group has adopted an internal policy in respect of any transactions with interested persons and requires all such transactions to be at arm's length and reviewed by ARC. There were no interested person transactions exceeding \$100,000 during the year.

#### **NO MATERIAL CONTRACTS**

There were no material contracts entered into by the Company or any of its subsidiaries involving the interests of the CEO, COO, Director or substantial shareholder.



# BOARD OF DIRECTORS

## **LIM SOO PENG, JP, BBM(L), BBM, PBM**

*Emeritus Chairman, Non-Executive and Non-Independent Director*

Mr Lim Soo Peng founded the Company in response to the Singapore Government's invitation transition from an owner of a leading commodities trading house to a manufacturer of essential chemicals to support Singapore's nascent industrialisation programme in the sixties.

Mr Lim Soo Peng was appointed to the Board since its inception on 16 March 1962. He was the Chairman and Managing Director up to 13 August 2020. He was instrumental in conceiving and effecting the succession and corporate transformation strategy of the company to a professionally managed company whereupon he relinquished his various executive roles for the rejuvenation of the Board in line with the strategy, first as Executive Chairman, then as Managing Director and as Executive Director.

16 March 1962 to 13 August 2020	- Chairman and Managing Director
14 August 2020 to 30 September 2021	- Managing Director and Executive Director
1 October 2021 to 31 December 2021	- Executive Director
1 January 2022 to 28 July 2022	- Non-Executive Director
W.e.f. 28 July 2022	- Emeritus Chairman, Non-Executive and Non-Independent Director

Mr Lim is a Justice of Peace since his appointment in 1966 and a former Member of Parliament in Singapore's 1st Parliament from 8 December 1965 to 8 February 1968 and 2nd Parliament from 6 May 1968 to 16 August 1972.

For over four decades, he served on a number of Government Committees and Statutory Boards. For his public service contributions, he received the following awards:

1977	The Public Service Medal
2001	The Public Service Star
2014	The Public Service Star (Bar)

In 2015, the Singapore Chinese Chamber of Commerce & Industry conferred on him the SG50 outstanding Chinese Business Pioneers Award.

<b>Date of first appointment as a Director:</b>	<b>Present Directorship other than the Company (SGX Listed Company):</b>
16 March 1962	Nil
<b>Date of last re-election as a Director:</b>	<b>Principal Commitments:</b>
27 July 2023	<ul style="list-style-type: none"><li>• Director of Subsidiaries of Chemical Industries (Far East) Limited</li></ul>



## YEO HOCK CHYE

*Chairman, Non-Executive and Independent Director*

Mr Yeo Hock Chye was appointed to the Board on 1 July 2019 and subsequently appointed as Independent Chairman with effect from 14th August 2020.

He has more than 50 years of experience in the financial services industry, of which he has served in senior positions in a global bank in Singapore, and in regional banks in Thailand and Laos. He has also provided consulting for listed entities and SMEs in Singapore and Vietnam, for banks and other financial institutions including micro-finance and leasing companies in Thailand, Laos and Cambodia, and for a listed poultry company in Thailand.

Mr Yeo graduated with a Bachelor of Arts (Hons) degree, from the University of Singapore. He is a Qualified Listed Entity Director and holds an Executive Diploma in Directorship from SMU-SID. He is an Accredited Director with the Singapore Institute of Directors (SID).

**Date of first appointment as a Director:**

1 July 2019

**Board Committee Membership:**

- Chairman of Audit and Risk Committee
- Member of Nominating & Remuneration Committees

**Date of last re-election as a Director:**

21 July 2022

**Present Directorship other than the Company (SGX Listed Company):**

**Academic & Professional Qualifications:**

Nil

- Bachelor of Arts (Honours), University of Singapore
- Executive Diploma in Directorship – SMU-SID

**Principal Commitments:**

Nil

## LIM YEW NGHEE

*Deputy Chairman, Non-Executive and Non-Independent Director*

Mr Lim Yew Nghee was appointed to the Board on 27 December 2019 and subsequently appointed as Deputy Chairman with effect from 1 November 2023. He is currently Founding Principal at Taxise Asia LLC, the Singapore member firm of WTS Global, a leading international tax network with operations in over 100 countries. In his over 20-year career, Mr Lim has advised some of the largest U.S., European and Asian multinationals and Singapore headquartered conglomerates with significant investments in Asia and globally on their strategic and complex value chain structures.

He currently serves as the Co-Chairman of the Tax & Trust Committee of the Law Society of Singapore. He was previously a Board member of the Tax Academy of Singapore and head of Baker McKenzie's Tax, Trade and Wealth Management practice in Singapore and Chair of Baker McKenzie's Asia Pacific Trade & Commerce and Indirect Tax Practices.

Mr Lim is recognised for his excellence in tax and trade law in various legal and tax directories such as International Tax Review, Chambers & Partners, Legal 500 and AsiaLaw Profiles. He was also awarded International Trade Lawyer of the Year (2021) by the Asian Lawyer.

**Date of first appointment as a Director:**

27 December 2019

**Board Committee Memberships:**

- Member of Nominating, Audit and Risk & Remuneration Committees

**Date of last re-election as a Director:**

21 July 2022

**Present Directorship other than the Company (SGX Listed Company):**

**Academic & Professional Qualifications:**

Nil

- Bachelor of Law (Honours), University of Singapore
- Master of Law, International and Comparative Law, McGill University

**Principal Commitments:**

- Founding Principal of Taxise Asia LLC

## LIM CHEE SAN

*Non-Executive and Independent Director*

Mr Lim Chee San was appointed to the Board on 28 September 2021.

He is currently practising law, as a partner in his law firm, mainly in the area of civil litigation and corporate advisory work. He has been an accountant, a banker and a lawyer at different times during the last 41 years. Before he started his current law practice, he was the Head of Banking Operations in a large regional bank. He also has many years of experience as an auditor in large international accounting firms. He is a barrister-at-law, a chartered certified accountant, and a chartered information technology professional. He was among the top candidates in his accountancy and law examinations.

**Date of first appointment as a Director:**

28 September 2021

**Date of last re-election as a Director:**

21 July 2022

**Academic & Professional Qualifications:**

- Fellow of the Association of Chartered Certified Accountants
- Chartered Accountant, Singapore
- Barrister-at-Law
- Bachelor of Law (Hons)
- Chartered Information Technology Professional

**Board Committee Membership:**

- Chairman of Remuneration Committee
- Member of Audit and Risk & Nominating Committees

**Present Directorship other than the Company (SGX Listed Company):**

- Gallant Venture Ltd
- Singapore Kitchen Equipment Limited
- Blackgold Natural Resources Limited

**Principal Commitments:**

- Partner of Tanlim Partnership

## GOH KOON ENG

*Non-Executive and Independent Director*

Mr Goh Koon Eng retired from Chevron in August 2023 after spending 32 years with the company. In the 32 years with Chevron, Mr Goh had assumed multiple roles in Chevron with increasing responsibilities. He had assumed leadership roles in Supply Chain, Manufacturing, Global Technology and Global Commercial.

Mr Goh had also spent many years as a board member in the Singapore Chemical Industry Council (SCIC) before departing as Vice Chairman (SCIC).

Mr Goh had also contributed in the development of Chemical Industry Transition Map as part of the Ministry Trade and Industry led Future Economy Committee - Manufacturing.

**Date of first appointment as a Director:**

20 May 2024

**Date of last re-election as a Director:**

Nil

**Academic & Professional Qualifications:**

- Bachelor in Electrical and Electronics Engineering (1<sup>st</sup> Class) - NUS
- Masters in Business Administration - NUS

**Board Committee Memberships:**

- Chairman of Nominating Committee
- Member of Audit and Risk & Remuneration Committees

**Present Directorship other than the Company (SGX Listed Company):**

Nil

**Principal Commitments:**

Nil

# SENIOR MANAGEMENT

## **YEOH BENG CHAI**

*Acting CEO  
Plant & Technical Director*

Mr Yeoh joined the Group in August 2021 as a Plant and Technical Director and has been appointed as an Acting CEO effective from 1 April 2024.

He is responsible for overall plant management and operations which includes safety, production, product quality, cost & productivity. He started his career as QA/QC Engineer in Applied Engineering Pte Ltd. He went on to join food manufacturing and specialty chemical manufacturing companies as Regional/Senior Operations Manager. Prior to joining the Group, he was a Plant Manager of NSL OilChem Waste Management Pte Ltd.

Mr Yeoh has more than 20 years of plant and operations management experience, and is Green-Belt certified.

Mr Yeoh holds an MBA from The University of Nottingham, a Master Degree of Science (Mechanics and Processing of Materials) & Bachelor Degree of Engineering (Mechanical) from Nanyang Technological University.

## **MICHELLE YEAP MAY LIN**

*Group Financial Controller*

Ms Yeap joined the Group in October 2020.

She is responsible for the Group's finance, compliance and internal control functions. She started her career in the audit and corporate restructuring division with KPMG LLP in Singapore. She went on to join a F&B company as a Group Financial Controller. Prior to joining the Group, she was a Group Financial Controller in a listed company.

Ms Yeap is a fellow member of Association of Chartered Certified Accountant, United Kingdom (FCCA), a non-practising member of Institute of Singapore Chartered Accountants (ISCA) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA).

## **YEO SZE CHIAT**

*Chief Executive Officer*

Mr Yeo was appointed as Chief Executive Officer ("CEO") in September 2022 until he resigned effective 31 March 2024.

## **LOI KHENG SEONG**

*Chief Operating Officer*

Mr Loi was appointed as Chief Operating Officer ("COO") in September 2022 until he resigned effective 11 April 2024.

## **YAP YOKE WOO**

*Sales and Marketing Director*

Mr Yap joined as a Sales and Marketing Director in December 2022 and was appointed as a key management personnel on 3 April 2023 until he resigned effective 29 February 2024.

# DIRECTORS' STATEMENT

The directors present their statement together with the audited consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2024.

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 34 to 69 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

## 1. DIRECTORS

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

Lim Soo Peng	(Emeritus Chairman)
Yeo Hock Chye	(Chairman)
Lim Yew Nghee	(Deputy Chairman)
Lim Chee San	
Goh Koon Eng	(Appointed on 20 May 2024)

## 2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

## 3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967, except as follows:

Name of directors and company in which interests are held	Shareholdings registered in the name of directors		Shareholdings in which directors are deemed to have an interest		Shareholdings registered in the name of directors		Shareholdings in which directors are deemed to have an interest	
	At beginning of year	At end of year	At beginning of year	At end of year	At 21 April 2024	At 21 April 2024	At 21 April 2024	At 21 April 2024
<b>Chemical Industries (Far East) Limited. (Ordinary shares)</b>								
Lim Soo Peng	665,000	-	36,507,750	37,172,750	-	-	37,227,150	-
Yeo Hock Chye	-	-	10,000	10,000	-	-	10,000	-
Lim Yew Khang Cecil (Resigned on 25 May 2023)	14,000	14,000	-	-	-	-	-	-

By virtue of Section 7 of the Companies Act 1967, Mr Lim Soo Peng is deemed to have an interest in all the related corporations of the Company.

#### 4. SHARE OPTIONS

(a) *Options to take up unissued shares*

During the financial year, no options to take up unissued shares of the Company or any corporation in the Group were granted.

(b) *Options exercised*

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) *Unissued shares under options*

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

#### 5. AUDIT AND RISK COMMITTEE

The Audit and Risk Committee of the Company consists of non-executive and independent directors, Mr Yeo Hock Chye (Chairman), Mr Lim Chee San, Dr Tay Kin Bee (until 29 February 2024) and Mr Goh Koon Eng (from 20 May 2024) and non-executive and non-independent director, Mr Lim Yew Nghee. The Audit and Risk Committee has met two times since the last Annual General Meeting ("AGM") and has reviewed the following, where relevant, with the CEO, Acting CEO and external and internal auditors of the Company:

- a) the audit plan and results of the internal auditor's examination and evaluation of the Group's system of internal accounting controls;
- b) the Group's financial and operating results and accounting policies;
- c) the audit plans of the external auditors;
- d) the financial statements of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and external auditor's report on those financial statements;
- e) the half-yearly and annual announcements as well as the related press releases on the results and financial position of the Company and the Group;
- f) the co-operation and assistance given by the management to the Group's external auditors; and
- g) the re-appointment of the external auditors of the Group.

The Audit and Risk Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit and Risk Committee.

The Audit and Risk Committee has recommended to the directors the nomination of Deloitte & Touche LLP for re-appointment as external auditors of the Group at the forthcoming AGM of the Company.

**6. AUDITORS**

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS



**LIM SOO PENG**



**YEO HOCK CHYE**

28 June 2024

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHEMICAL INDUSTRIES (FAR EAST) LIMITED.

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Chemical Industries (Far East) Limited. (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 34 to 69.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)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 31 March 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of changes in equity of the Company for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are the matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Valuation of investment properties

The Group has investment properties stated at fair value, determined based on professional external valuers engaged by the Group, which amounted to \$74.3 million and accounted for 50% of group's total assets as at 31 March 2024.

The valuation process involves significant judgement and estimation. The valuations are dependent on the valuation methodology applied and these are underpinned by a number of assumptions which included price per square feet of market comparables used; location and remaining lease tenure. A change in the key assumptions applied may have a significant impact to the valuation.

### Our audit performed and responses thereon

We considered the objectivity, independence, qualification and competency of the external valuer engaged by the Group.

We considered the appropriateness of the valuation techniques used by the external valuer for the respective investment properties, taking into account the profile and type of the investment properties. We discussed with the external valuer on the results of the work, and compared the key assumptions used in their valuations by reference to publicly available information where applicable and considered whether these assumptions are consistent with the current market environment.

We also considered the adequacy of the disclosures in the financial statements in describing the inherent degree of subjectivity and key assumptions in the estimates.

We found that the external valuer had an appropriate level of qualification and experience. The valuation methodology adopted was in line with generally accepted market practices. The key assumptions used were within reasonable range, taking into account available industry data for comparable markets and properties. We also found the related disclosures in the financial statements to be adequate.

Disclosures on key assumptions and valuation techniques of investment properties are found in Notes 3(a) and 10 to the financial statements.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

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

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

### **Responsibilities of Management and Directors for the Financial Statements**

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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



- a) 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.
- b) 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- e) 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.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year 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 Khor Tee Heng.

Deloitte & Touche LLP  
Public Accountants and  
Chartered Accountants  
Singapore

28 June 2024

# STATEMENTS OF FINANCIAL POSITION

31 March 2024

	Note	Group		Company	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	21,442	29,442	12,714	19,720
Trade and other receivables	7	14,392	18,814	13,989	18,423
Due from subsidiaries	12	-	-	16,867	11,801
Inventories	8	7,427	8,501	7,364	8,072
Total current assets		43,261	56,757	50,934	58,016
<b>Non-current assets</b>					
Property, plant and equipment	9	26,745	20,933	26,296	20,130
Investment properties	10	74,300	64,500	-	-
Subsidiaries	11	-	-	6,303	6,383
Trade and other receivables	7	1,946	2,845	1,946	2,845
Financial assets at fair value through profit or loss ("FVTPL")	13	953	953	953	953
Total non-current assets		103,944	89,231	35,498	30,311
<b>Total assets</b>		<b>147,205</b>	<b>145,988</b>	<b>86,432</b>	<b>88,327</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Trade and other payables	14	6,099	7,695	5,202	6,569
Contract liabilities	15	-	912	-	80
Lease liabilities	16	1,025	995	1,025	995
Provision for onerous contracts	17	318	-	318	-
Income tax payable		299	153	46	-
Total current liabilities		7,741	9,755	6,591	7,644

See accompanying notes to financial statements.

## STATEMENTS OF FINANCIAL POSITION (cont'd)

31 March 2024

	Note	Group		Company	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
<b>Non-current liabilities</b>					
Lease liabilities	16	1,574	2,596	1,574	2,596
Deferred tax liabilities	18	2,305	2,169	2,241	2,062
<b>Total non-current liabilities</b>		<b>3,879</b>	<b>4,765</b>	<b>3,815</b>	<b>4,658</b>
<b>Capital and reserves</b>					
Share capital	19	75,945	75,945	75,945	75,945
Translation reserve	20	129	20	-	-
Accumulated profits		59,511	55,503	81	80
<b>Total equity</b>		<b>135,585</b>	<b>131,468</b>	<b>76,026</b>	<b>76,025</b>
<b>Total liabilities and equity</b>		<b>147,205</b>	<b>145,988</b>	<b>86,432</b>	<b>88,327</b>

See accompanying notes to financial statements.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2024

	Note	Group	
		2024	2023
		\$'000	\$'000
<b>Revenue</b>	21	72,583	100,034
<b>Cost of sales</b>		(66,870)	(93,105)
<b>Gross profit</b>		5,713	6,929
Other income			
Fair value gains on investment properties	10	9,800	6,400
Others (net)	22	1,593	2,821
Distribution expenses		(5,742)	(6,218)
Administrative expenses		(5,611)	(5,799)
Finance costs		(88)	(67)
<b>Profit before tax</b>		5,665	4,066
Income tax expense	23	(518)	(512)
<b>Profit for the year attributable to owners of the company</b>	24	5,147	3,554
<b>Other comprehensive income, net of tax</b>			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		109	29
<b>Total comprehensive income for the year attributable to owners of the company</b>		5,256	3,583
<b>Earnings per share</b>			
Basic and diluted	26	6.78 cents	4.68 cents

See accompanying notes to financial statements.

# STATEMENTS OF CHANGES IN EQUITY

Year ended 31 March 2024

	Note	Share capital \$'000	Translation reserves \$'000	Accumulated profits \$'000	Total \$'000
<u>Group</u>					
Balance at 1 April 2022		75,945	(9)	54,455	130,391
<u>Total comprehensive income for the year</u>					
Profit for the year		-	-	3,554	3,554
Other comprehensive income		-	29	-	29
Total		-	29	3,554	3,583
Dividends paid, representing transactions with owners, recognised directly in equity	25	-	-	(2,506)	(2,506)
Balance as at 31 March 2023		75,945	20	55,503	131,468
<u>Total comprehensive income for the year</u>					
Profit for the year		-	-	5,147	5,147
Other comprehensive income		-	109	-	109
Total		-	109	5,147	5,256
Dividends paid, representing transactions with owners, recognised directly in equity	25	-	-	(1,139)	(1,139)
Balance as at 31 March 2024		75,945	129	59,511	135,585

See accompanying notes to financial statements.

## STATEMENTS OF CHANGES IN EQUITY (cont'd)

Year ended 31 March 2024

	Note	Share capital \$'000	Accumulated profits \$'000	Total \$'000
<i>Company</i>				
Balance at 1 April 2022		75,945	1,341	77,286
Profit for the year, representing total comprehensive income for the year		-	1,245	1,245
Dividends paid, representing transactions with owners, recognised directly in equity	25	-	(2,506)	(2,506)
Balance as at 31 March 2023		75,945	80	76,025
Profit for the year, representing total comprehensive income for the year		-	1,140	1,140
Dividends paid, representing transactions with owners, recognised directly in equity	25	-	(1,139)	(1,139)
Balance as at 31 March 2024		75,945	81	76,026

See accompanying notes to financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2024

	Group	
	2024	2023
	\$'000	\$'000
<b>Operating activities</b>		
Profit before tax	5,665	4,066
Adjustments for:		
Write down of inventories to net realisable value	300	141
Provision for onerous contracts	318	-
(Reversal of) Loss allowance on trade receivables	(197)	258
Depreciation of property, plant and equipment	5,973	4,781
Fair value gains on investment properties	(9,800)	(6,400)
Write off of property, plant and equipment	34	-
Fair value loss on financial assets at FVTPL	1	56
Loss (Gain) on disposal of property, plant and equipment	19	(4)
Dividend income	(51)	(37)
Interest expense	88	67
Interest income	(562)	(384)
Foreign exchange differences	19	238
Operating cash flows before movements in working capital	1,807	2,782
Trade and other receivables	5,349	(3,515)
Inventories	774	1,326
Trade and other payables	(1,436)	(5,979)
Contract liabilities	(912)	704
Cash generated from (used in) operations	5,582	(4,682)
Dividends paid	(1,139)	(2,506)
Income tax paid	(247)	(1,867)
Interest received	562	384
Dividends received	51	37
Net cash generated from (used in) operating activities	4,809	(8,634)

See accompanying notes to financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

## (cont'd)

Year ended 31 March 2024

	Group	
	2024	2023
	\$'000	\$'000
<b>Investing activities</b>		
Proceeds on disposal of property, plant and equipment	23	25
Purchase of property, plant and equipment	(11,861)	(5,755)
Net cash used in investing activities	(11,838)	(5,730)
<b>Financing activity</b>		
Repayment of lease liabilities, representing net cash used in financing activity	(1,080)	(1,054)
Net decrease in cash and cash equivalents	(8,109)	(15,418)
Cash and cash equivalents at beginning of year	29,442	44,977
Effect of foreign exchange rate changes	109	(117)
<b>Cash and cash equivalents at end of year</b>	<b>21,442</b>	<b>29,442</b>

See accompanying notes to financial statements.



# NOTES TO FINANCIAL STATEMENTS

31 March 2024

## 1 GENERAL

The Company (Registration No. 196200046K) is incorporated in Singapore with its principal place of business and registered office at 3, Jalan Samulun, Singapore 629127. The Company is listed on the mainboard of the Singapore Exchange Securities Trading Limited. The financial statements are expressed in Singapore dollars.

The principal activities of the Company are investment holding and the manufacture and sale of chemicals.

The principal activities of the subsidiaries are disclosed in Note 11 to the financial statements.

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the year ended 31 March 2024 were authorised for issue by the Board of Directors on 28 June 2024.

## 2 BASIS OF PREPERATION AND MATERIAL ACCOUNTING POLICY INFORMATION

**BASIS OF PREPARATION** - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ('SFRS(I)s').

**ADOPTION OF NEW AND REVISED STANDARDS** - In the current year, the Group and the Company have applied all the new and revised SFRS(I)s that are mandatorily effective for an accounting period that begins on or after 1 April 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements except as below.

### Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*

The Group and the Company have adopted the amendments to SFRS(I) 1-1 *Presentation of Financial Statements* for the first time in the current year. The amendments change the requirements in SFRS(I) 1-1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in SFRS(I) 1-1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Group and the Company have applied materiality guidance in SFRS(I) Practice Statement 2 in identifying material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy information'.

**STANDARDS ISSUED BUT NOT EFFECTIVE** - At the date of authorisation of these financial statements, the Group and Company have not applied the following relevant SFRS(I) pronouncements that have been issued but are not yet effective:

Effective for annual periods beginning on or after 1 January 2024

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*
- Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*

Effective for annual periods beginning on or after 1 January 2025

- Amendments to SFRS(I) 1-21: *Lack of Exchangeability*

Management anticipates that the adoption of the above amendments to SFRS(I)s in future periods will not have a material impact on the financial statements in the period of their initial adoption.

**SUBSIDIARIES** - Subsidiaries are entities controlled by the Group. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. Details of the Group's significant subsidiaries and composition of the Group are disclosed in Note 11.

Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Company and its subsidiaries. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with the those of the Group. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the group are eliminated on consolidation. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

Non-controlling interests in subsidiaries are identified separately from the Group's equity and are initially measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to the acquisition date, the carrying amounts of non-controlling interests are adjusted for the non-controlling interests' share of changes in equity. Losses are attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Company's separate financial statements

Investments in subsidiaries in the Company's separate financial statements are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

**FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION** - The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the respective group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

Upon the disposal of the entire interest in a foreign operation during the year, all of the exchange differences accumulated in the foreign exchange translation reserve in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

**FAIR VALUE MEASUREMENT** - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Refer to Notes 10 and 13 for details of non-financial assets and financial instruments that are measured at fair value on basis described above or where such fair values are disclosed.

**FINANCIAL INSTRUMENTS** - Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

#### **Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Financial assets are initially measured at fair value (except for trade receivables that do not have a significant financing component which are measured at transaction price), net of transaction costs that are directly attributable to the acquisition or issue of financial assets (other than those at fair value through profit or loss). Transaction costs directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

### Classification of financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost, fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL') based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Group classifies its financial assets in the following measurement categories. The basis of classification and subsequent measurement of the financial assets are further described in the respective notes.

Measurement category	Criteria	Financial assets
Financial assets at amortised cost	Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI")	Cash and cash equivalents (Note 6) Trade and other receivables (Note 7) Due from subsidiaries (Note 12)
Financial assets at FVTPL	Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL	Quoted equity shares (Note 13)

### Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ('ECL') on trade and other receivables that are measured at amortised cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset. The ECL incorporates forward-looking information and is a probability-weighted estimate of the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. Details about the group's credit risk management are disclosed in Note 4.

### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

## **Financial liabilities and equity**

### Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

#### Financial liabilities at amortised cost

Financial liabilities at amortised cost include trade and other payables. These are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest method.

#### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**CASH AND CASH EQUIVALENTS** - Cash and bank balances comprise cash on hand and on-demand deposits which are subsequently measured at amortised cost.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and bank balances as described above.

**INVENTORIES** - Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**PROPERTY, PLANT AND EQUIPMENT** - Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost of assets, other than assets under construction, over their estimated useful lives, using the straight-line method, on the following bases:

Leasehold land	-	2.2% to 20%
Leasehold buildings	-	3.3% to 10%
Plant and machinery and laboratory equipment	-	5% to 33.3%
Steel cylinders	-	6.66%
Office equipment, furniture and fittings	-	10% to 33.3%
Motor vehicles	-	25%

Construction-in-progress is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the period of the lease term and the useful life of the underlying asset, whichever is shorter.

Fully depreciated assets still in use are retained in the financial statements.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**INVESTMENT PROPERTIES** - Investment properties, which are properties held to earn rentals and/or for capital appreciation are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

## **LEASES**

### The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. A right-of-use asset and a corresponding lease liability are recognised with respect to all lease arrangements, except for short-term leases (those with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the Group's lease liabilities comprise mainly of fixed and variable lease payments over the lease terms.

A right-of-use asset is initially measured at cost comprising the initial lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs and any restoration costs. The right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are depreciated over the lease terms commencing from the date of the lease, and are tested for impairment in accordance with the policy similar to that adopted for property, plant and equipment.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. Lease liability is remeasured by discounting the revised lease payments using a revised discount rate when there is a change in the lease term upon exercising extension options not previously included in the determination of the lease term. A corresponding adjustment is made to the related right-of-use asset. The Group has assessed that there is no indication of impairment for its right-of-use assets.

### The Group as lessor

The Group enters into lease agreements as a lessor with respect to its investment properties and the leases are classified as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

**IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS** - At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**PROVISIONS** - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount can be measured reliably.

**REVENUE RECOGNITION** – Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Revenue from the sale of goods is recognised at the point in time when the group has transferred to the customer control of the asset, generally on delivery of the goods.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

**CONTRACT LIABILITIES** - A contract liability is recognised when the Group has not yet performed under the contract but has made advanced billing to the customer. Contract liabilities are recognised as revenue as the Group performs under the contract.

**RETIREMENT BENEFIT COSTS** - Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.



**EMPLOYEE LEAVE ENTITLEMENT** - Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

## **INCOME TAX**

Income tax expense represents the sum of current and deferred tax. It is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### Current tax

Current tax payable represents the amount expected to be paid to taxation authorities on taxable profit for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous periods. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects the uncertainty related to income taxes.

### Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from (i) initial recognition of goodwill; or (ii) initial recognition of assets and liabilities in a transaction that is not a business combination, and at the time of the transaction affects neither accounting nor taxable profit, and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for deductible temporary differences associated with such investments and interests only if it is probable that future taxable amounts will be available to utilise those temporary differences.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

### Offsetting

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and they relate to income taxes levied by the same taxation authority.



### 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### *Critical judgements in applying the Group's accounting policies*

Management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements apart from those involving estimation uncertainties which are dealt with below.

#### *Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### a) Fair value of investment properties

The Group's investment properties are stated at fair value, based on valuations performed by an independent valuer. The fair values at the end of the reporting period may differ from the prices at which the investment properties could be sold for in future, since actual transaction prices are negotiated between willing buyers and sellers.

The carrying amount of investment properties and information about the valuation techniques and inputs used in determining fair value are disclosed in Note 10.

##### b) Impairment of property, plant and equipment and cost of investment in subsidiary

The Group reviews the carrying amount of its property, plant and equipment and cost of investment in subsidiary to determine whether there are any indications that these assets have suffered an impairment loss. If indicators of impairment exist, the recoverable amount of the assets are estimated to determine the extent of the impairment loss, if any.

The carrying amounts of property, plant and equipment of the Group and Company are disclosed in Note 9. The carrying amount of investment in subsidiaries is disclosed in Note 11.

##### c) Useful lives of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as disclosed in Note 2. Management estimates useful lives by reference to expected usage, repair and maintenance, and technical or commercial obsolescence. Changes to these factors could impact the useful lives and related depreciation charges.

The carrying amount of property, plant and equipment is disclosed in Note 9.

##### d) Allowance for inventories

In determining the allowance for inventories, management compares the net realisable value against the cost of the inventories. This involves estimating future demand and selling prices of the inventories. Changes to these estimates may result in the recognition of additional allowances for inventories.

The carrying amount of inventories is disclosed in Note 8.

#### 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

##### (a) *Categories of financial instruments*

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
At amortised cost	37,311	50,587	45,177	52,493
At fair value through profit or loss ("FVTPL")	953	953	953	953
<b>Financial liabilities</b>				
At amortised cost	6,099	7,695	5,202	6,569
Lease liabilities	2,599	3,591	2,599	3,591

##### (b) *Financial risk management policies and objectives*

The Group's activities expose it to a variety of financial risks. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks. Market risk exposures are measured using sensitivity analysis indicated below.

##### (i) *Foreign exchange risk management*

The Group transacts business in various foreign currencies and therefore is exposed to foreign exchange risk.

At the end of the reporting period, the carrying amounts of significant monetary assets and liabilities denominated in currencies other than the functional currency of the respective group entities are as follows:

	Assets		Liabilities	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Group</b>				
United States dollar	9,690	7,218	1,464	1,230
Myanmar Kyat	-	3,497	-	857
<b>Company</b>				
United States dollar	9,680	7,188	1,449	1,210

#### *Foreign currency sensitivity*

The sensitivity rate used when reporting foreign currency risk exposures internally to key management personnel is 10%, which represents management's assessment of the possible change in foreign exchange rates.

If the United States dollar were to strengthen/weaken by 10% against the Singapore dollar, the Group's and the Company's profit before tax will increase/decrease by \$823,000 respectively (2023 : \$599,000 and \$598,000 respectively).

Management is of the view that exchange rate movements of the Myanmar Kyat against the Singapore dollar will not have a significant impact on the Group's and the Company's profit before tax.

#### (ii) Interest rate risk management

Management is of the view that the Group and Company are not exposed to significant interest rate risk.

#### (iii) Equity price risk management

The Group and Company are exposed to equity price risk arising from financial assets at FVTPL. Financial assets at FVTPL are held for strategic rather than trading purposes. Further details can be found in Note 13 to the financial statements.

#### *Equity price sensitivity*

If the quoted market prices had been 10% higher/lower as at 31 March 2024 while all other variables were held constant, the Group's and the Company's profit or loss would increase/decrease by approximately \$95,000 respectively (2023 : \$95,000).

#### (iv) Credit risk management

The Group's current credit risk grading framework comprises the following categories:

<b>Category</b>	<b>Description</b>	<b>Basis for recognising ECL</b>
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is > 90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The tables below detail the credit quality of the Group's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
<u>Group - 2024</u>						
Trade receivables	7	(i)	Lifetime ECL	11,629	(596)	11,033
Other receivables	7	Performing	12-month ECL	2,890	-	2,890
Accrued revenue	7	(i)	Lifetime ECL	1,946	-	1,946
					<u>(596)</u>	
<u>Group - 2023</u>						
Trade receivables	7	(i)	Lifetime ECL	16,140	(793)	15,347
Other receivables	7	Performing	12-month ECL	2,953	-	2,953
Accrued revenue	7	(i)	Lifetime ECL	2,845	-	2,845
					<u>(793)</u>	
<u>Company - 2024</u>						
Trade receivables	7	(i)	Lifetime ECL	11,474	(596)	10,878
Other receivables	7	Performing	12-month ECL	2,772	-	2,772
Accrued revenue	7	(i)	Lifetime ECL	1,946	-	1,946
Due from subsidiaries	13	Performing	12-month ECL	16,867	-	16,867
		In default	Lifetime ECL	4,236	(4,236)	-
					<u>(4,832)</u>	
<u>Company - 2023</u>						
Trade receivables	7	(i)	Lifetime ECL	16,105	(793)	15,312
Other receivables	7	Performing	12-month ECL	2,815	-	2,815
Accrued revenue	7	(i)	Lifetime ECL	2,845	-	2,845
Due from subsidiaries	13	Performing	12-month ECL	11,801	-	11,801
		In default	Lifetime ECL	4,236	(4,236)	-
					<u>(5,029)</u>	

(i) For trade receivables and accrued revenue, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

The Group performs ongoing credit evaluation of its customers and generally does not require collateral on trade receivables.

There exists concentration of credit risk with respect to trade receivables. Trade receivables are generated primarily from 5 (2023 : 5) customers from the industrial chemicals segment in Singapore. The amounts receivable from these customers represented approximately 32% (2023 : 36%) of the total trade receivables of the Group and 32% (2023 : 36%) of the total trade receivables of the Company. Management believes that the financial standing of these customers which are multinational corporations substantially mitigates the Group's exposure to credit risk.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

Further details of credit risks on trade and other receivables are disclosed in Note 7.

(v) Liquidity risk management

The Group maintains sufficient cash and bank balances and internally generated cash flows to finance its activities.

Apart from fixed deposits, accrued revenue and lease liabilities for which details are disclosed in Notes 6, 7 and 16 respectively, the Group's and Company's financial assets and liabilities with fixed maturity are non-interest bearing and due on demand or within one year.

(vi) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments. Management is of the view that the carrying amount of accrued revenue and lease liabilities approximates the fair value, as the interest rates used to determine present value approximate prevailing market rates.

Apart from the financial assets at fair value through profit or loss, for which details are disclosed in Note 13, the Group and the Company have no financial assets and financial liabilities that are measured at fair value on a recurring basis.

(c) *Capital management policies and objectives*

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of share capital, reserves and accumulated profits.

5 RELATED PARTY TRANSACTIONS

Some of the transactions and arrangements are between members of the Group and the effect of these on the basis determined between the parties is reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand.

Other than as disclosed elsewhere in the financial statements, the following related party transactions took place between the Group and related parties during the year on terms agreed by the parties concerned:

*Compensation of directors and key management personnel*

The remuneration of directors and key management personnel during the year was as follows:

	Group	
	2024	2023
	\$'000	\$'000
Short-term benefits	1,946	1,446
Post-employment benefits	83	45
	<u>2,029</u>	<u>1,491</u>

The remuneration of directors and key management personnel is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

6 CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cash at bank	10,623	12,598	6,314	7,163
Fixed deposits	10,809	16,830	6,395	12,546
Cash on hand	10	14	5	11
	21,442	29,442	12,714	19,720

Fixed deposits bear average interest rates of 3.6% to 5.2% (2023 : 3.5% to 4.5%) per annum and have varying tenure of 31 to 365 days (2023 : 181 to 366 days).

7 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade receivables – third parties	11,629	16,140	11,474	16,105
Less: Loss allowance	(596)	(793)	(596)	(793)
	11,033	15,347	10,878	15,312
Other receivables – third parties:				
Sundry debtors	2,789	2,796	2,696	2,764
Rental deposits	2	2	-	-
Prepayments	469	514	339	296
Other deposits	99	155	76	51
	3,359	3,467	3,111	3,111
Accrued revenue – third parties	1,946	2,845	1,946	2,845
	16,338	21,659	15,935	21,268
Classified as:				
Current	14,392	18,814	13,989	18,423
Non-current	1,946	2,845	1,946	2,845
	16,338	21,659	15,935	21,268

As at 1 April 2022, the Group's and the Company's trade receivables amounted to \$16.2 million (net of loss allowance of \$0.6 million) and \$16.0 million (net of loss allowance of \$0.6 million) respectively, and the Group's and the Company's accrued revenue amounted to \$Nil.

Trade receivables

The average credit period on trade receivables is 30 days (2023 : 30 days). No interest is charged on overdue trade receivables.

Loss allowance for trade receivables has always been measured at an amount equal to lifetime ECL. The ECL on trade receivables is estimated using a provision matrix by reference to past default experience. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

The following table details the risk profile of trade receivables from contracts with customers based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer bases.

		<b>Group</b>						
		Trade receivables and accrued revenue - days past due						
		Not past due	< 30 days	31 - 60 days	61 - 90 days	91 - 120 days	Specific provision	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2024</b>								
Estimated total gross carrying amount at default		11,224	1,537	147	78	160	429	13,575
Lifetime ECL		(6)	(5)	(2)	(8)	(146)	(429)	(596)
								<u>12,979</u>
<b>2023</b>								
Estimated total gross carrying amount at default		15,253	2,460	238	253	352	429	18,985
Lifetime ECL		(8)	(8)	(3)	(20)	(325)	(429)	(793)
								<u>18,192</u>
		<b>Company</b>						
		Trade receivables and accrued revenue - days past due						
		Not past due	< 30 days	31 - 60 days	61 - 90 days	91 - 120 days	Specific provision	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2024</b>								
Estimated total gross carrying amount at default		11,143	1,483	127	78	160	429	13,420
Lifetime ECL		(6)	(5)	(2)	(8)	(146)	(429)	(596)
								<u>12,824</u>
<b>2023</b>								
Estimated total gross carrying amount at default		15,218	2,460	238	253	352	429	18,950
Lifetime ECL		(8)	(8)	(3)	(20)	(325)	(429)	(793)
								<u>18,157</u>

The Group does not expect to incur significant loss allowances on trade receivables due from rental income due to the availability of rental deposits placed by tenants.

The movements in credit loss allowance are as follows:

<u>Group and Company</u>	Individually	Lifetime ECL -	Total
	assessed	credit-impaired	
	\$'000	\$'000	\$'000
Balance as at 1 April 2022	459	106	565
Amounts written off	(30)	-	(30)
Change in loss allowance	-	258	258
Balance as at 1 April 2023	429	364	793
Change in loss allowance	-	(197)	(197)
Balance as at 31 March 2024	429	167	596

#### Other receivables

For purpose of impairment assessment, other receivables are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

#### Accrued revenue

Accrued revenue arises from the sale of tanks and pipelines under arrangements whereby consideration is deferred. The revenue is recognised at the point in time when the Group transferred to the customer control of the tanks and pipelines. The consideration receivable is measured at its present value on initial recognition and subsequently carried at amortised cost. Accrued revenue is transferred to trade receivables when billings are issued to the customer.

Management estimates the loss allowance at an amount equal to lifetime ECL, taking into account the historical default experience and the financial position of the counterparties. None of the amounts due from customers at the end of the reporting period is past due. There is no significant ECL recognised on accrued revenue.

## 8 INVENTORIES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Finished goods	4,398	3,058	4,482	3,011
Raw materials and consumables	3,029	5,418	2,882	5,036
Work-in-progress	-	25	-	25
	7,427	8,501	7,364	8,072

During the year ended 31 March 2024, the Group incurred expenses of \$300,000 (2023 : \$141,000) from the write down of inventories to net realisable value. The net realisable value takes into account expected selling prices based on the arrangements with customers.



9 PROPERTY, PLANT AND EQUIPMENT

Group	Construction- in-progress	Leasehold land	Leasehold buildings	Plant and machinery	Steel cylinders	Laboratory and factory equipment	Office equipment, furniture and fittings	Motor vehicles	Total
<b>Cost:</b>									
At 1 April 2022	602	9,122	35,187	118,044	6,626	664	1,902	2,810	174,957
Additions	1,295	-	-	2,385	1,706	-	271	186	5,843
Adjustments	-	(203)	-	-	-	-	-	-	(203)
Disposals/Write-offs	-	-	-	(7,738)	-	(64)	(74)	(121)	(7,997)
At 31 March 2023	1,897	8,919	35,187	112,691	8,332	600	2,099	2,875	172,600
Additions	3,253	-	522	7,741	-	82	221	42	11,861
Transfers	(1,663)	-	1,231	262	-	-	170	-	-
Disposals/Write-offs	(34)	-	(821)	(35,614)	(3,722)	(401)	(735)	-	(41,327)
At 31 March 2024	3,453	8,919	36,119	85,080	4,610	281	1,755	2,917	143,134
<b>Accumulated depreciation:</b>									
At 1 April 2022	-	2,810	28,846	93,646	4,464	528	1,625	1,975	133,894
Depreciation	-	1,042	1,312	1,722	261	27	92	325	4,781
Disposals/Write-offs	-	-	-	(7,723)	-	(64)	(68)	(121)	(7,976)
At 31 March 2023	-	3,852	30,158	87,645	4,725	491	1,649	2,179	130,699
Depreciation	-	941	1,313	2,907	306	26	154	326	5,973
Disposals/Write-offs	-	-	(808)	(35,605)	(3,722)	(385)	(731)	-	(41,251)
At 31 March 2024	-	4,793	30,663	54,947	1,309	132	1,072	2,505	95,421

	Construction- in-progress	Leasehold land	Leasehold buildings	Plant and machinery	Steel cylinders	Laboratory and factory equipment	Office equipment, furniture and fittings	Motor vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group (cont'd)									
Impairment:									
At 1 April 2022,									
31 March 2023 and	39	1,803	2,722	16,158	-	15	74	157	20,968
31 March 2024									
Carrying amount:									
At 31 March 2024	3,414	2,323	2,734	13,975	3,301	134	609	255	26,745
At 31 March 2023	1,858	3,264	2,307	8,888	3,607	94	376	539	20,933

Company	Construction- in-progress \$'000	Leasehold land \$'000	Leasehold buildings \$'000	Plant and machinery \$'000	Steel cylinders \$'000	Laboratory and factory equipment \$'000	Office		Total \$'000
							equipment, furniture and fittings \$'000	Motor vehicles \$'000	
<b>Cost:</b>									
At 1 April 2022	563	7,208	32,322	110,583	6,626	636	1,020	308	159,266
Additions	1,295	-	-	2,364	1,706	-	264	66	5,695
Adjustments	-	(203)	-	-	-	-	-	-	(203)
Disposals/Write-offs	-	-	-	(7,719)	-	(64)	(74)	(121)	(7,978)
At 31 March 2023	1,858	7,005	32,322	105,228	8,332	572	1,210	253	156,780
Additions	3,253	-	522	7,741	-	81	217	-	11,814
Transfers	(1,663)	-	1,231	262	-	-	170	-	-
Disposals/Write-offs	(34)	-	(821)	(35,612)	(3,722)	(401)	(414)	-	(41,004)
At 31 March 2024	3,414	7,005	33,254	77,619	4,610	252	1,183	253	127,590
<b>Accumulated depreciation:</b>									
At 1 April 2022	-	2,699	28,703	91,666	4,464	515	893	306	129,246
Depreciation	-	1,042	1,312	1,643	261	27	60	15	4,360
Disposals/Write-offs	-	-	-	(7,703)	-	(64)	(68)	(121)	(7,956)
At 31 March 2023	-	3,741	30,015	85,606	4,725	478	885	200	125,650
Depreciation	-	941	1,313	2,840	306	25	127	21	5,573
Disposals/Write-offs	-	-	(808)	(35,603)	(3,722)	(385)	(411)	-	(40,929)
At 31 March 2024	-	4,682	30,520	52,843	1,309	118	601	221	90,294
<b>Impairment:</b>									
At 1 April 2022,	-	-	-	11,000	-	-	-	-	11,000
31 March 2023 and	-	-	-	-	-	-	-	-	-
31 March 2024	-	-	-	-	-	-	-	-	-
<b>Carrying amount:</b>									
At 31 March 2024	3,414	2,323	2,734	13,776	3,301	134	582	32	26,296
At 31 March 2023	1,858	3,264	2,307	8,622	3,607	94	325	53	20,130

#### Impairment of property, plant and equipment in Myanmar

Included in property, plant and equipment are leasehold land and plant and equipment that are used for production and sale of chemicals in Myanmar. These items were fully impaired as at 31 March 2023 and 31 March 2024. This reflects management's view that the recoverability of the assets is highly uncertain considering the Group's exposure to political and business risks in Myanmar.

#### Particulars of leasehold buildings held by the Group and the Company

These comprise factory and office buildings situated at 3 Jalan Samulun, Singapore 629127 and 91 Sakra Avenue, Jurong Island, Singapore 627882. The lease expires in December 2025 and June 2027 respectively. The lessor of the office building at 3 Jalan Samulun, Singapore 629127 has given-in-principal agreement, subject to JTC's approval, to extend the lease tentatively till 2031.

#### Information relating to significant right-of-use assets included within property, plant and equipment

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Carrying amount of right-of-use assets (Leasehold land)	2,323	3,264	2,323	3,264
Depreciation of right-of-use assets (Leasehold land)	941	1,042	941	1,042

#### 10 INVESTMENT PROPERTIES

	Total
	\$'000
<u>Group</u>	
Balance at 1 April 2022	58,100
Fair value gains included in profit or loss	6,400
Balance at 31 March 2023	64,500
Fair value gains included in profit or loss	9,800
Balance at 31 March 2024	74,300

The fair values of the Group's investment properties have been determined on the basis of valuations carried out at the year-end date by an independent valuer with a recognised and relevant professional qualification and experience in the location and category of the properties being valued, and not related to the Group. The fair values were determined based on transacted prices for similar properties, adjusted for comparability. Such adjustments relate to differences in location and remaining lease tenure of the comparable properties, amongst other factors. As these adjustments constitute significant unobservable inputs, the fair value measurement of the investment properties is categorised into Level 3 of the fair value hierarchy. There were no transfers between the respective levels during the year.

In estimating the fair value of the properties, the highest and best use of these properties is their current use. There has been no change to the valuation technique during the year.

The property rental income from the Group's investment properties which are leased out under operating leases amounted to \$1,606,000 (2023 : \$1,301,000). Direct operating expenses (including repairs and maintenance) arising from the rental-generating investment properties amounted to \$254,000 (2023 : \$233,000).

The Group considers the transacted price per square foot used by the independent valuers, ranging from \$1,211 to \$5,649 (2023 : \$1,198 to \$4,951), as sensitive to the fair value measurements of the investment properties. The higher (lower) the transacted price per square foot, the higher (lower) the fair value.

The investment properties held by the Group as at 31 March 2024 and 2023 are as follows:

Locations	Description	Tenure
a) 19 Carpenter Street Singapore 059908 Lots 99677C, 99675X, and 99674N of Town Subdivision 7	5 storey commercial building with gross floor area of 23,286 square feet	Lot 99677C 99 years lease commencing from 1 January 1951  Lots 99675X and 99674N Freehold
b) 17 Upper Circular Road Singapore 058415 Lots 99776K, 99771W, and 99766C of Town Subdivision 7	5 storey commercial building with gross floor area of 23,151 square feet	99 years lease commencing from 1 January 1951

## 11 SUBSIDIARIES

	Company	
	2024	2023
	\$'000	\$'000
Unquoted equity shares – at cost	13,179	13,179
Less: Impairment loss recognised	(6,876)	(6,796)
	<u>6,303</u>	<u>6,383</u>

The following table shows the movement of impairment losses that has been recognised for the respective financial years:

	Company	
	2024	2023
	\$'000	\$'000
Balance at beginning of year	6,796	6,796
Impairment loss recognised during the year	80	-
Balance at end of year	<u>6,876</u>	<u>6,796</u>

During the financial year, an impairment loss of \$80,000 (2023 : \$Nil) was recorded against an investment in a subsidiary.

Details of the Company's subsidiaries are as follows:

Name of subsidiary, country of incorporation and place of operations	Principal activity	Proportion of ownership interest and voting power held	
		2024	2023
		%	%
Chem Transport Pte Ltd * (Singapore)	Distribution and transportation services.	100	100
Kimia Trading Pte. Ltd. * (Singapore)	General merchant, importer and exporter of chemicals.	100	100
Chemical Industries (Myanmar) Limited ** (Republic of the Union of Myanmar)	Manufacture and wholesale of sodium hypochlorite.	100	100
Juta Properties Private Limited * (Singapore)	Proprietor of commercial buildings.	100	100

\* Audited by Deloitte & Touche LLP, Singapore.

\*\* Audited by Myanmar Vigor & Associates Limited, Myanmar.

## 12 DUE FROM SUBSIDIARIES

	Company	
	2024	2023
	\$'000	\$'000
Due from subsidiaries	21,103	16,037
Less: Loss allowance	(4,236)	(4,236)
	16,867	11,801

Management has taken into account the financial position of the subsidiaries and determined that no additional loss allowance is necessary as at 31 March 2024 and 2023.

## 13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	Group and Company	
	2024	2023
	\$'000	\$'000
Quoted equity shares	953	953

Investments in quoted equity shares offer the Company and the Group the opportunity for returns through dividend income and fair value gains. They have no fixed maturity or coupon rate. The fair value of these securities is based on the quoted closing market prices on the last market day of the financial year. The fair value measurements are categorised into Level 1 of the fair value hierarchy, and there were no transfers between the respective levels.

14 TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade payables	1,960	3,163	1,448	2,500
Accrued expenses:				
- Staff-related costs	1,200	748	1,001	702
- Directors' fees	568	623	568	623
- Utilities charges	1,374	2,213	1,374	2,213
- Other accruals	928	833	742	461
Sundry creditors	69	115	69	70
	6,099	7,695	5,202	6,569

The average credit period on purchases of goods is 30 days (2023 : 30 days). No interest is charged on overdue trade payables.

15 CONTRACT LIABILITIES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Contract liabilities	-	912	-	80

As at 1 April 2022, the Group's and the Company's contract liabilities amounted to \$0.2 million.

Contract liabilities mainly represent amounts billed to customers in advance.

The following table shows how much of the revenue recognised in the current reporting period relates to brought-forward contract liabilities. There was no revenue recognised in the current reporting period that related to performance obligations that were satisfied in a prior year.

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Sale of goods	912	208	80	208

16 LEASE LIABILITIES (The Group and Company as lessee)

	Group and Company	
	2024	2023
	\$'000	\$'000
Maturity analysis:		
Within one year	1,084	1,082
In the second to fifth years inclusive	1,617	2,697
	2,701	3,779
Less: Unearned interest	(102)	(188)
	2,599	3,591
Analysed as:		
Current	1,025	995
Non-current	1,574	2,596
	2,599	3,591

The Group does not face a significant liquidity risk with regard to its lease liabilities.

**Changes in liabilities arising from financing activities**

Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities. The Group's liabilities arising from financing activities comprise lease liabilities.

	Beginning of year	Financing cash flows	Non-cash changes			End of year
			Adjustments	Additions	Interest accruing	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2024						
Lease liabilities	3,591	(1,080)	-	-	88	2,599
2023						
Lease liabilities	4,693	(1,054)	(203)	88	67	3,591

17 PROVISION FOR ONEROUS CONTRACTS

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of year	-	-	-	-
Increase in provision	318	-	318	-
Balance at end of year	318	-	318	-

An onerous contract is considered to exist when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Management has determined certain sales contracts to be onerous. The provision at year end represents the net costs of meeting the Group's and the Company's obligations under those contracts.



18 DEFERRED TAX LIABILITIES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
At beginning of year	2,169	1,906	2,062	1,799
Charge to profit or loss (Note 23)	136	263	179	263
At end of year	2,305	2,169	2,241	2,062

Deferred tax balances mainly relate to differences between tax and book depreciation of property, plant and equipment.

19 SHARE CAPITAL

	Group and Company			
	2024	2023	2024	2023
	Number of ordinary shares		\$'000	
Issued and paid up: At the beginning and end of the year	75,945	75,945	75,945	75,945

Fully paid ordinary shares which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

20 TRANSLATION RESERVE

Exchange differences relating to translation from the functional currencies of the Group's foreign subsidiaries into Singapore dollar are recorded under currency translation reserve.

21 REVENUE

Segment revenue	Timing of revenue recognition	Group	
		2024	2023
		\$'000	\$'000
Industrial Chemicals: Sale of goods, tanks and pipelines	At a point in time	70,977	98,733
Properties: Rental income	Over time	1,606	1,301
		72,583	100,034

22 OTHERS (NET)

	Group	
	2024	2023
	\$'000	\$'000
Dividend income	51	37
Interest income	562	384
Net foreign exchange loss	(1,027)	(288)
(Loss) Gain on disposal of property, plant and equipment	(19)	4
Fair value loss on financial assets at FVTPL	(1)	(56)
Government grants	207	389
Storage income	1,000	1,568
Delivery, transport and handling income	269	126
Others	551	657
	<u>1,593</u>	<u>2,821</u>

23 INCOME TAX EXPENSE

	Group	
	2024	2023
	\$'000	\$'000
Current tax expense	266	153
Under provision in prior years	116	96
Deferred tax expense (Note 18)	136	263
	<u>518</u>	<u>512</u>

Domestic income tax is calculated at 17% (2023 : 17%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The total expense for the year can be reconciled to the accounting profit as follows:

	Group	
	2024	2023
	\$'000	\$'000
Profit before income tax	<u>5,665</u>	<u>4,066</u>
Income tax expense calculated at 17% (2023 : 17%)	963	691
Non taxable items - net	(664)	(258)
Effect of tax concession	(49)	(25)
Effect of different tax rate of subsidiary operating in another jurisdiction	120	(66)
Under provision in prior years	116	96
Others	32	74
Income tax expense	<u>518</u>	<u>512</u>

## 24 PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging (crediting):

	Group	
	2024	2023
	\$'000	\$'000
Depreciation of property, plant and equipment	5,973	4,781
Loss (Gain) on disposal of property, plant and equipment	19	(4)
Directors' fees	568	623
Employee benefits expense (including directors' remuneration)	12,274	10,897
Costs of defined contribution plans included in employee benefits expense	699	688
Audit fees paid to auditors of the company		
Current year	96	87
Underprovision in prior year	4	14
Non-audit fees paid to auditors of the company	47	35
Cost of inventories recognised as an expense	29,535	44,816
Write down of inventories to net realisable value	300	141
(Reversal of) Credit loss allowance on trade receivables	(197)	258
Net foreign exchange loss	1,027	288

## 25 DIVIDENDS PAID

During the financial year, the Company paid a final one-tier tax exempt dividend in respect of the previous financial year of 1.5 cents per share (2023 : 1.5 cents per share and a special dividend of 1.8 cents per share to commemorate the Group's 60th anniversary). The total dividends paid amounted to \$1,139,000 (2023 : \$2,506,000).

In respect of the financial year ended 31 March 2024, the directors propose a final dividend of 1.5 cents per share. The dividends are subject to approval by shareholders at the Annual General Meeting and have not been included as a liability in these financial statements. The total estimated dividend to be paid is \$1,139,000.

## 26 EARNINGS PER SHARE

Earnings per share has been calculated based on the profit for the year attributable to owners of the Company of \$5,147,000 (2023 : \$3,554,000) and 75,945,000 shares (2023 : 75,945,000 shares).

## 27 SEGMENT INFORMATION

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is organised into two operating segments - Industrial Chemicals and Properties.

The Industrial Chemicals segment is involved in the manufacture and sales of chemicals. The Properties segment is involved in the business of managing and renting of commercial properties.

### Segment revenue and results

	Revenue		(Loss) Profit	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Industrial Chemicals	70,977	98,733	(5,905)	(3,598)
Properties	1,606	1,301	11,045	7,310
Total	72,583	100,034	5,140	3,712
Interest income			562	384
Dividend income			51	37
Finance costs			(88)	(67)
Profit before income tax			5,665	4,066
Income tax expense			(518)	(512)
Consolidated revenue and profit for the year	72,583	100,034	5,147	3,554

Revenue reported above represents revenue generated from external customers. There were no intersegment sales.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Segment profit represents profit earned by each segment without allocation of interest income, dividend income, finance costs and income tax.

### Segment assets

	2024	2023
	\$'000	\$'000
Industrial Chemicals	65,677	75,599
Properties	80,575	69,436
Total segment assets	146,252	145,035
Unallocated assets	953	953
Consolidated assets	147,205	145,988

All assets are allocated to reportable segments other than financial assets at FVTPL (Note 13).

### Other segment information

	Industrial Chemicals		Properties	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Capital expenditure	11,861	5,839	-	4
Depreciation	5,948	4,751	25	30
Provision for onerous contracts	318	-	-	-
Write down of inventories to net realisable value	300	141	-	-
Fair value gains on investment properties	-	-	9,800	6,400

#### Information about major customers

53% (2023 : 44%) of the Group's Industrial Chemicals revenue is generated from the top 5 (2023 : 5) customers.

74% (2023 : 90%) of the Group's Properties revenue is generated from the top 5 (2023 : 5) customers.

#### Geographical information

The group operates in two principal geographical areas - Singapore and Myanmar.

	Revenue		Non-current assets	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Singapore	70,763	97,562	103,941	89,226
Myanmar	1,820	2,472	3	5
	<u>72,583</u>	<u>100,034</u>	<u>103,944</u>	<u>89,231</u>

## 28 OPERATING LEASE ARRANGEMENTS

#### The Group as a lessor

Operating leases, in which the Group is the lessor, relate to investment properties owned by the Group with lease terms of between 2 to 4 years.

Maturity analysis of operating lease payments:

	Group	
	2024	2023
	\$'000	\$'000
Year 1	1,629	702
Year 2	1,412	521
Year 3	1,051	506
Year 4	839	372
Total	<u>4,931</u>	<u>2,101</u>

## 29 COMMITMENTS

	Group	
	2024	2023
	\$'000	\$'000
Estimated expenditure contracted for plant and equipment	<u>3,366</u>	<u>1,482</u>

# FINANCIAL PROFILE

	2024	2023	2022	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>	72,583	100,034	85,000	63,002	62,215
Profit before tax	5,665	4,066	5,811	6,844	4,470
Tax (expense) credit	(518)	(512)	989	(1,274)	(1,114)
Profit for the year	5,147	3,554	6,800	5,570	3,356
Attributable to:					
Equity holders of the company	5,147	3,554	6,800	5,570	3,356
<b>ASSETS</b>					
Property, plant and equipment	26,745	20,933	20,095	29,494	36,881
Investment properties	74,300	64,500	58,100	55,800	54,500
Trade and other receivables	1,946	2,845	-	-	-
Financial assets at fair value through profit or loss ("FVTPL")	953	953	1,009	873	657
Current assets	43,261	56,757	73,446	59,247	48,342
Total assets	147,205	145,988	152,650	145,414	140,380
<b>LIABILITIES</b>					
Deferred tax liabilities	2,305	2,169	1,906	2,000	2,355
Non-current liabilities	1,574	2,596	3,801	4,543	5,529
Current liabilities	7,741	9,755	16,552	14,134	11,884
Total liabilities	11,620	14,520	22,259	20,677	19,768
<b>CAPITAL AND RESERVES</b>					
Share capital	75,945	75,945	75,945	75,945	75,945
Reserves	129	20	(9)	(2)	304
Accumulated profits	59,511	55,503	54,455	48,794	44,363
Total equity	135,585	131,468	130,391	124,737	120,612
Per Share:	cts	cts	cts	cts	cts
Earnings before tax	7.46	5.35	7.65	9.01	5.89
Earnings after tax	6.78	4.68	8.95	7.33	4.42
Dividend (net)	1.5	1.5	3.3	1.5	1.5
Net tangible asset per share	179	173	172	164	159

# SHAREHOLDING STATISTICS

AS AT 18 JUNE 2024

ISSUED AND FULLY PAID-UP CAPITAL	S\$
NUMBER OF SHARES ISSUED	75,945,399
CLASS OF SHARE	ORDINARY SHARES WITH EQUAL VOTING RIGHTS
NO. OF TREASURY SHARES AND SUBSIDIARY HOLDINGS	NIL

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF HOLDERS	NO. OF SHARES	% OF SHARES
1 - 99	69	6.81	2,476	0.00
100 - 1,000	233	22.98	136,080	0.18
1,001 - 10,000	456	44.97	2,018,611	2.66
10,001 - 1,000,000	251	24.75	13,148,208	17.31
1,000,001 and ABOVE	5	0.49	60,640,024	79.85
<b>TOTAL</b>	<b>1,014</b>	<b>100.00</b>	<b>75,945,399</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

NAME OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
RAFFLES NOMINEES (PTE) LIMITED	31,865,974	41.96
CITIBANK NOMINEES SINGAPORE PTE LTD	20,470,417	26.95
UOB KAY HIAN PTE LTD	5,973,290	7.87
DBS NOMINEES PTE LTD	1,316,675	1.73
LAU GEOK CHENG	1,013,668	1.34
CHIA KEE KOON	767,000	1.01
NG KEE SENG	508,900	0.67
CHENG HON SANG	484,100	0.64
PHILLIP SECURITIES PTE LTD	456,652	0.60
UNITED OVERSEAS BANK NOMINEES PTE LTD	365,530	0.48
YEE LAT SHING	300,000	0.40
LEE SIOK KUAN	270,000	0.36
THIO DJOE ENG	268,687	0.35
LEE SOON HIAN	258,900	0.34
EST OF YEO TECK KIM, DEC'D	250,050	0.33
OCBC NOMINEES SINGAPORE PTE LTD	248,871	0.33
LIEW PAK CHAN	231,000	0.30
TEO SIOK GHEE	210,122	0.28
GOH CHOON ENG	208,021	0.27
CHUA SUI LENG	176,000	0.23
<b>TOTAL</b>	<b>65,643,857</b>	<b>86.44</b>

#### PERCENTAGE OF SHARES HELD BY THE PUBLIC

Based on information available to the Company as at 18 June 2024, approximately 25.36% of the Company's shares are held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

#### SUBSTANTIAL SHAREHOLDERS AS AT 18 JUNE 2024

(As recorded in the Register of Substantial Shareholders)

NAME OF SUBSTANTIAL SHAREHOLDERS	Direct Interest	%	Deemed Interest	%
S. P. Lim Holdings Pte Ltd	37,227,150 <sup>1</sup>	49.02		
S. P. Lim Trust Limited			37,227,150 <sup>1</sup>	49.02
Lim Soo Peng			37,227,150 <sup>1</sup>	49.02
The Great Eastern Life Assurance Co Ltd	13,429,304	17.68		
Lion Capital Management Ltd			13,429,304 <sup>2</sup>	17.68
Oversea-Chinese Banking Corporation Ltd			13,429,304 <sup>2</sup>	17.68
Great Eastern Holdings Ltd			13,429,304 <sup>2</sup>	17.68
Batu Kawan Berhad	4,976,000	6.55		
Tan Sri Dato' Seri Lee Oi Hian			4,976,000 <sup>3</sup>	6.55
Dato' Lee Hau Hian			4,976,000 <sup>3</sup>	6.55
Arusha Enterprise Sdn Bhd			4,976,000 <sup>3</sup>	6.55
Di-Yi Sdn Bhd			4,976,000 <sup>3</sup>	6.55
High Quest Holdings Sdn Bhd			4,976,000 <sup>3</sup>	6.55
Wan Hin Investments Sdn Berhad			4,976,000 <sup>3</sup>	6.55

<sup>1</sup> S. P. Lim Holdings Pte Ltd ("SPLH") is the investment holding entity under a family trust settled by Mr Lim Soo Peng. The trustee of the trust is S. P. Lim Trust Limited ("SPLT"), whose sole shareholder and sole director is Mr Lim Soo Peng. SPLT, in its capacity as trustee of the trust has a deemed interest in the shares held by SPLH. The sole beneficiary of the trust is Mr Lim Soo Peng who is deemed to be interested in the shares held by SPLH through nominees.

<sup>2</sup> This represents the 13,429,304 shares held by The Great Eastern Life Assurance Co Ltd.

<sup>3</sup> This represents the 4,976,000 shares held by Batu Kawan Berhad.



# CHEMICAL INDUSTRIES (FAR EAST) LIMITED.

(the "Company")

(Incorporated in the Republic of Singapore)

Registration No. 196200046K

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held at the Registered Office of the Company at 3 Jalan Samulun, Singapore 629127, on Monday, 29 July 2024 at 10.30 a.m. for the following purposes:

### A G E N D A

#### As Ordinary Business

1. To receive and adopt the Audited Financial Statements and Directors' Statement of the Company for the financial year ended 31 March 2024 together with the Auditors' Report thereon.  
**(Resolution 1)**
2. To approve Directors' fee of S\$568,165 (2023: S\$622,500) for the financial year ended 31 March 2024.  
**(Resolution 2)**
3. To declare a one-tier tax exempt final dividend of 1.5 cents per share for the financial year ended 31 March 2024 (2023: 1.5 cents per share).  
**(Resolution 3)**
4. To re-elect the following Directors who will retire pursuant to Article 95(2) of the Constitution of the Company:
  - (i) Mr Lim Yew Nghee **(Resolution 4)**
  - (ii) Mr Lim Chee San **(Resolution 5)****(See Explanatory Note 1)**
5. To re-elect Mr Goh Koon Eng retiring pursuant to Article 96 of the Constitution of the Company:  
**(Resolution 6)**  
**(See Explanatory Note 1)**
6. To re-appoint Deloitte & Touche LLP as auditors of the Company to hold office until the next Annual General Meeting and to authorize the Directors to fix their remuneration.  
**(Resolution 7)**

#### AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions as Ordinary Resolutions with or without amendments: -

7. **Authority to allot and issue shares**
  - (a) That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), approval be and is hereby given to the Directors of the Company to:
    - (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or
    - (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,  
  
at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force, provided always that:
- (i) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings), and for the purpose of this Resolution, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be the Company's total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
    - (A) new shares arising from the conversion or exercise of convertible securities;
    - (B) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this Resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
    - (C) any subsequent bonus issue, consolidation or subdivision of the Company's shares,and adjustments in accordance with (A) or (B) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution, and
  - (ii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

**(Resolution 8)**  
**(See Explanatory Note 2)**

8. To transact any other business.

**BY ORDER OF THE BOARD**

FOO SOON SOO  
COMPANY SECRETARY

12 JULY 2024

## EXPLANATORY NOTES:

1(a) Mr Lim Yew Nghee, will upon being re-elected as a Director of the Company, remain as Non-Executive and Non-Independent Deputy Chairman of the Company. He will remain as member of the Nominating Committee, Remuneration Committee and Audit and Risk Committee. He is considered non-independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. Details of Mr Lim Yew Nghee are as follows:

Date of appointment	27 December 2019
Date of last re-appointment	21 July 2022
Age	50
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Lim Yew Nghee as a Director of the Company at the AGM 2024 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Lim's contributions, qualifications, expertise and past experiences.
Whether appointment is executive, if so, the area of responsibility	Non-Executive
Job Title	Non-Executive and Non-Independent Director, member of Nominating, Audit & Risk and Remuneration Committees
Professional qualifications	Bachelor of Law (Honours), University of Singapore Master of Law, International and Comparative Law, McGill University
Working experience and occupation(s) during the past 10 years	Please refer to the Board of Directors section in the Company's 2024 Annual Report
Shareholding interest in the listed issuer and its subsidiaries	None
Any relationship (including immediate family relationships) with any existing director, existing executive office, the issuer and/or substantial shareholder of the listed issuer or of any of its principle subsidiaries	Son of Executive Chairman, Mr Lim Soo Peng
Conflict of interests (including any competing business)	None
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7))	Yes
Other Principal Commitments including Directorship	Founding Principal of Taxise Asia LLC
Mr Lim Yew Nghee had responded negative to items (a) to (k) listed in Appendix 7.4.1. (Announcement of Appointment) of the Listing Manual of the SGX-ST	

(b) Mr Lim Chee San, will upon being re-elected as a Director of the Company, remain as Chairman of the Remuneration Committee, member of the Nominating Committee and member of the Audit and Risk Committee. He is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. Details of Mr Lim Chee San are as follows:

Date of appointment	28 September 2021
Date of last re-appointment	21 July 2022
Age	64
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Lim Chee San as a Director of the Company at the AGM 2024 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Lim's contributions, qualifications, expertise and past experiences.
Whether appointment is executive, if so, the area of responsibility	Non-Executive
Job Title	Non-Executive and Independent Director, Remuneration Committee Chairman, member of Audit & Risk and Nominating Committees
Professional qualifications	Fellow of Association of Chartered Certified Accountants Chartered Accountant, Singapore Barrister-at-Law Bachelor of Law (Hons) Chartered Information Technology Professional
Working experience and occupation(s) during the past 10 years	Please refer to the Board of Directors section in the Company's 2024 Annual Report
Shareholding interest in the listed issuer and its subsidiaries	None
Any relationship (including immediate family relationships) with any existing director, existing executive office, the issuer and/or substantial shareholder of the listed issuer or of any of its principle subsidiaries	None
Conflict of interests (including any competing business)	None
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7))	Yes
Other Principal Commitments including Directorship	Partner of Tanlim Partnership
<p>Mr Lim Chee San had responded negative to items (a) to (j) listed in Appendix 7.4.1. (Announcement of Appointment) of the Listing Manual of the SGX-ST. For item (k) listed in Appendix 7.4.1, Mr Lim had advised as follows:</p> <p>He has been the subject of a past complaint to the Law Society Singapore about conflict of interest. The complaint was dismissed at the Inquiry Committee Stage in May 2018. Save for the above, there has been no investigation against him. Hence, he has not been the subject of any current or past disciplinary proceeding and has not been reprimanded or issued any warnings by the Monetary Authority of Singapore or any other regulatory authority, SGX-ST, professional body or government agency, whether in Singapore or elsewhere.</p>	

- (c) Mr Goh Koon Eng will upon being re-elected as a Director of the Company, remain as Chairman of the Nominating Committee, member of the Remuneration Committee and member of the Audit and Risk Committee. He is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. Details of Mr Goh Koon Eng are as follows:

Date of appointment	20 May 2024
Date of last re-appointment	Not applicable
Age	64
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Goh Koon Eng as a Director of the Company at the AGM 2024 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Lim's contributions, qualifications, expertise and past experiences.
Whether appointment is executive, if so, the area of responsibility	Non-Executive
Job Title	Non-Executive and Independent Director, Nominating Committee Chairman, member of Audit & Risk and Remuneration Committees
Professional qualifications	Bachelor in Electrical and Electronics Engineering (1st Class) - NUS Masters in Business Administration – NUS
Working experience and occupation(s) during the past 10 years	Please refer to the Board of Directors section in the Company's 2024 Annual Report
Shareholding interest in the listed issuer and its subsidiaries	None
Any relationship (including immediate family relationships) with any existing director, existing executive office, the issuer and/or substantial shareholder of the listed issuer or of any of its principle subsidiaries	None
Conflict of interests (including any competing business)	None
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7))	Yes
Other Principal Commitments including Directorship	None
Mr Goh Koon Eng had responded negative to items (a) to (k) listed in Appendix 7.4.1. (Announcement of Appointment) of the Listing Manual of the SGX-ST	

2. Resolution 8, if passed, will empower the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company of which the total number of convertible securities issued other than on a pro rata basis to existing shareholders shall not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. The total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company for this purpose shall be the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed (after adjusting for new shares arising from the conversion or exercise of convertible securities or share options which are outstanding or subsisting at the time this Resolution is passed and any subsequent bonus issues, consolidation or subdivision of the Company's shares). This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

## NOTES:

### General

1. The AGM is being convened, and will be held physically. All members of the Company are invited to attend the AGM in person. There will be no option for members to participate virtually.
2. Printed copies of this Notice of AGM, accompanying Proxy Form and the Annual Report will be despatched by post to the members of the Company. These documents will also be published on the SGX website at <https://www.sgx.com/securities/company-announcements> and the Company's website at [cil.com.sg](http://cil.com.sg).

### Submission of proxies

3. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.
4. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

"relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

5. A proxy need not be a member of the Company.
6. The instrument appointing a proxy/proxies must be:
  - (i) deposited at the registered office of the Company's share registrar, B.A.C.S Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; and
  - (ii) email to [main@zicoholdings.com](mailto:main@zicoholdings.com) (a clear scanned signed form in PDF) not later than 10.30 am 27 July 2024, being 48 hours before the time set for the meeting.
7. The instrument appointing a proxy/proxies must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy/proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
8. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the Annual General Meeting in order for the Depositor to be entitled to attend and vote at the Annual General Meeting.
9. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his/her votes at the Annual General Meeting if appointed as proxy of his /her CPF and/or SRS Approved Nominee. CPF and SRS Investors who are unable to attend the Annual General Meeting but would like to vote, may inform their respective CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy.

### Submission of questions

10. Members, CPF Investors and SRS Investors may submit substantial and relevant questions related to the resolutions to be tabled at the Annual General Meeting ahead of the meeting by email to [main@zicoholdings.com](mailto:main@zicoholdings.com) or by post to at the registered office of the Company at 3 Jalan Samulun, Singapore 629127 by 10.30 a.m. on 19 July 2024.
11. The Company will endeavour to address all substantial and relevant questions if received by the prescribed deadline in paragraph 8 above and post the answers on SGXNet and the Company's website by 10.30 a.m. on 25 July 2024. For substantial and relevant questions received after the prescribed deadline, the Company will endeavour to address them together with questions raised at the Annual General Meeting. Where substantially similar questions are received, they will be consolidated and not all questions may be individually addressed.

## Minutes of Annual General Meeting

12. The minutes of the Annual General Meeting together with the responses to the substantial and relevant question(s) by the shareholders not already answered and announced, will be posted on the SGXNet and the Company's website within one month after the date of the Annual General Meeting.

### PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

### NOTICE OF RECORD DATE AND DIVIDEND PAYMENT DATE

**NOTICE IS HEREBY GIVEN** that subject to the approval of the shareholders of a one-tier tax exempt final dividend of 1.5 cents per share ("**Final Dividend**") in respect of the financial year ended 31 March 2024, the Company's Share Transfer Book and Register of Members will be closed after 5.00 p.m on 7<sup>th</sup> August 2024 ("**Record Date**") for the purpose of determining shareholders' entitlements to the Final Dividend.

Duly completed registrable transfers received by the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 up to 5.00 p.m. on the Record Date will be registered to determine shareholders' entitlements to the Final Dividend. Depositors whose securities accounts with The Central Depository (Pte) Limited credited with shares in the Company as at 5.00 p.m. on the Record Date will be entitled to the Final Dividend.

If approved by the shareholders at the forthcoming Annual General Meeting, the payment of the Final Dividend will be made on 19<sup>th</sup> August 2024.

### BY ORDER OF THE BOARD

FOO SOON SOO  
Company Secretary  
12 July 2024

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# CHEMICAL INDUSTRIES (FAR EAST) LIMITED.

(Incorporated in the Republic of Singapore)  
Co. Registration No. 196200046K

## PROXY FORM ANNUAL GENERAL MEETING

### IMPORTANT

This Proxy Form is not valid for use by investors who hold shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act 1967) including CPF and SRS Investors. Such investors should approach their relevant intermediary as soon as possible to specify their voting instructions.

### PERSONAL DATA PRIVACY

By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.

I/We, \_\_\_\_\_

of \_\_\_\_\_

being a member/members of Chemical Industries (Far East) Limited. (the "Company"), hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

or failing him/her, the Chairman of the Meeting as my proxy/our proxies, to vote on my/our behalf at the Annual General Meeting ("AGM") of the Company to be held at the Registered Office of the Company at 3 Jalan Samulun, Singapore 629127 on **29 July 2024 at 10.30 a.m** and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specified directions as to voting are given, the \*proxy/proxies will vote or abstain from voting at \*his/her discretion.

Voting will be conducted by poll. If you wish to exercise all your votes "For", "Against" or to "Abstain", please indicate with a tick "✓" or cross "x" within the box provided. Alternatively, please indicate the number of votes as appropriate.

No.	Ordinary Resolutions	No. of Votes or to indicate with a tick[✓] or cross [x]		
		For	Against	Abstain
	<b>Ordinary Business</b>			
1.	To receive and adopt the Audited Financial Statements of the Company			
2.	To approve Directors' fee			
3.	To declare final dividend for the financial year ended 31 March 2024			
4.	To re-elect Mr Lim Yew Nghee as Director			
5.	To re-elect Mr Lim Chee San as Director			
6.	To re-elect Mr Goh Koon Eng as Director			
7.	To re-appoint Deloitte & Touche LLP as Auditors of the Company			
	<b>Special Business</b>			
8.	To authorize Directors to issue and allot shares pursuant to Section 161 of the Companies Act 1967			

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

\_\_\_\_\_  
Signature(s) of Member(s)/Common Seal

Total Number of Shares Held

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**IMPORTANT: PLEASE READ NOTES BEFORE COMPLETING THIS PROXY FORM**

**NOTES:**

1. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.
2. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than two proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the proxy form.  
"relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 (the "Companies Act").
3. A proxy need not be a member of the Company.
4. The proxy form appointing a proxy/proxies, duly completed and signed, must be submitted by:  
(i) registered office of the Company's Share Registrar B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or  
(ii) email to [main@zicoholdings.com](mailto:main@zicoholdings.com) (a clear scanned signed form in PDF) not later than 48 hours before the time fixed for the meeting.
5. The proxy form appointing a proxy/proxies must be signed by the appointor or his/her attorney duly authorised in writing. Where the proxy form appointing a proxy/proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
6. In the case of members whose shares are entered against their names in the Depository Register (as defined in Part IIIAA of the Securities and Futures Act 2001 of Singapore), the Company may reject the proxy form submitted if such members' names do not appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the AGM.
7. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his/her vote(s) at the meeting in person if appointed as proxies of their respective CPF and SRS Approved Nominees. CPF and SRS Investors who are unable to attend the meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the meeting to act as their proxy.
8. Completion and return of this proxy form appointing a proxy or proxies shall not preclude a member from attending and voting at the meeting. Any appointment of a proxy/proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the proxy form of proxy, to the meeting.
9. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with its Constitution and Section 179 of the Companies Act.
10. A member should insert the total number of shares held. If the member has shares entered against his/her name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his/her name in the Register of Members (maintained by or on behalf of the Company), he/she should insert the number of shares. If the member has shares entered against his/her name in the Depository Register and shares registered in his/her name in the Register of Members of the Company, he/she should insert the aggregate number of shares. If no number of shares is inserted, this proxy form will be deemed to relate to all the shares held by the member.
11. Personal data privacy: By submitting this proxy form of proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM.

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fold here

Affix  
Postage  
Stamp

**CHEMICAL INDUSTRIES (FAR EAST) LIMITED.**

c/o B.A.C.S. Private Limited

77 Robinson Road #06-03

Robinson 77

Singapore 068896

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