



LINCOTRADE & ASSOCIATES
HOLDINGS LIMITED



New Horizons Ahead

ANNUAL REPORT 2022

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*This Annual Report has been reviewed by the Company's sponsor, RHB Bank Berhad, through its Singapore branch (the "**Sponsor**") in accordance with Rule 226(2)(b) of the Catalist Rules. It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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About Us

Established since 1991, Lincotrade has expanded into an integrated interior fitting-out solutions specialist with an established track record in commercial, residential premises as well as showflats and sales galleries.

At Lincotrade, we have completed over 200 projects and have consistently and successfully delivered projects to our customers' satisfaction. Our customers include major private property developers and construction companies in Singapore.

Lincotrade is registered with the BCA under the CR06 Workhead with a L6 grade, which permits us to tender for government jobs with no tender limits.

With the growth of our business activities, we purchased an industrial property in Singapore with a gross land area of 4,047.1 m², and set up our own in-house processing facility in May 2015. Our office space and workers' dormitory are also housed within the same premises.

To strengthen and carry out our business strategy of effective project management, and on-time and to-specifications delivery, we added more personnel with different expertise and our team now boasts Project Managers, Project Coordinators, Safety Coordinators, Site Supervisors, Quantity Surveyors, and Architects.

Letter To Shareholders

DEAR SHAREHOLDERS,

On behalf of the board of directors, we would like to once again extend a warm welcome to you as shareholders of Lincotrade & Associates Holdings Limited (“Lincotrade” or the “Company”).

With Fabchem China Limited’s successful acquisition of Lincotrade & Associates Pte Ltd on 3 August 2022, being a reverse takeover, the Company has undergone a name change to Lincotrade, among other key developments that are related to the reverse takeover.

This marks Lincotrade’s inaugural Annual Report for the financial year ended 30 June 2022 (“FY2022”) and it is also our inaugural message to shareholders.

First of all, we would like to highlight that the FY2022 financial results detailed in this annual report have not taken into account the financial performance of Lincotrade & Associates Pte Ltd as the acquisition was only completed after FY2022, on 3 August 2022.

With the injection of new business activities into the Company, we believe that it is important to showcase some key corporate highlights as a specialist in interior fitting-out services so that existing and new shareholders can gain a better understanding and appreciation.

As at 17 June 2022, Lincotrade has an order book of S\$76.7 million that will be generally fulfilled in the next two years.

BUILDING ON DIVERSIFIED, MULTI-PRONGED GROWTH

With more than 30 years of experience and track record in Singapore, Lincotrade specialises in interior fitting-out services, additions and alterations (“A&A”) works and other building construction services primarily for the following three segments:

- (a) commercial premises, such as offices, hotels, shopping malls and food and beverage establishments;
- (b) residential premises such as condominium developments; and
- (c) showflats and sales galleries.

Sustainability is an integral part of our business approach and as part of our sustainability strategy, the Group is committed to implementing environmentally friendly policies to reduce our carbon footprint and environmental impact on the environment, climate and community.

Lincotrade’s environmental system has been certified to ISO 14001 since October 2017 and since 2016, we have been awarded the Singapore Green Label by the Singapore Environmental Council for our Wooden Panel Doors which are made from renewable and sustainable materials. Our Singapore Green Label is currently valid from February 2022 to February 2024.





In recent years, we have also employed the use of environmentally friendly materials, such as laminate and veneer made from reconstructed or recycled material, in our projects to reduce lumbering of forests.

With sustainability becoming a necessity for business enterprises, we intend to build on our current momentum to remain relevant and competitive in our operating markets.

Proven business track record

Lincotrade's proven track record has served as a key competitive advantage in our operating industry when we bid for new projects as these credentials cannot be built overnight.

We are also registered with an L6 grading under the CR06 Workhead that allows us to participate in interior design and planning projects of unlimited value, enabling us to tender for larger scale projects.

Good relationships with suppliers, subcontractors and customers

Lincotrade enjoys good and stable business relationships with our suppliers and subcontractors for many years. With a panel of reliable subcontractors and suppliers, the Company is able to ensure the availability of subcontractors for specialised and general work that we rely on them for, maintain consistency of quality and enjoy better bargaining power and flexibility in procuring these subcontracted services and building materials.

Our commitment to completing projects on-time and to-specification has resulted in Lincotrade accumulating a good number of repeat customers with whom we continue to develop and expand our business together.

In-house processing facilities

Since 2006, Lincotrade has had our own in-house processing facility to process, assemble and manufacture carpentry and joinery products such as wardrobes, cabinets, doors and door frames ("Carpentry Products") to support and complement our interior fitting-out services.

Having our own processing facility allows us to have better control over the quality, time and cost of processing which, in turn, ensures compliance with our customers' specifications and timelines.

Stringent management of quality, workplace safety and health, and environmental impact control

Lincotrade is committed to the management of quality, workplace safety and health, and environmental impact in our business. We have adopted and implemented a quality control system that complies with international standards. Our quality management system has been certified to ISO 9001 since January 2008.

Lincotrade has established an environmental management system to enhance our environmental performance and reduce our impact on the environment.

Letter To Shareholders

In terms of workplace safety and health, Lincotrade's occupational safety and health management system has been certified to OHSAS 18001 since January 2008. OHSAS 18001 has since been replaced by ISO 45001 which Lincotrade obtained in September 2020. Lincotrade has further obtained a bizSAFE Star Certification since April 2009 which is the highest bizSAFE level that may be awarded under the bizSAFE programme organised under the Workplace Safety and Health Council of Singapore.

STRENGTHENING LONG-TERM BUSINESS RESILIENCE

At Lincotrade, we aim to further strengthen our market position and expand our core business while exploring acquisitions, investments and other strategic alliances to diversify our income sources. Hence, we intend to pursue the following business strategies and future plans:

Focusing on larger value projects

Being an established interior fitting-out service provider in Singapore, Lincotrade plans to leverage on our market position to take on larger value projects, such as hotels and commercial buildings, in the near future.

Strengthening our brand identity

Lincotrade plans to further strengthen our brand identity in Singapore by increasing our networking efforts through engagement with developers, main contractors and subcontractors.

Exploring acquisitions, investments, strategic alliances and/or joint ventures

Depending on the market conditions and feasibility, Lincotrade will explore acquisitions, investments, strategic alliances and/or joint ventures with parties in

complementary businesses in Singapore or overseas, should suitable opportunities arise. This will provide opportunities for Lincotrade to potentially expand the scale of our business, enlarge our customer base, lower our operational risks, and/or increase our range of services.

ACKNOWLEDGEMENTS

The successful acquisition of Lincotrade & Associates Pte Ltd, being a reverse takeover, has been another milestone for the Company. This would not have been possible without the support of our shareholders and on this note, on behalf of the board, we would like to express our appreciation for existing and new shareholders of Lincotrade.

Next, we would like to give thanks to the former directors of Fabchem China Limited for their past contributions.

As we embarked on a new chapter with a fresh vision, new directors have joined our board and we look forward to their insights and viewpoints to collectively shape our future ahead.

Last but not least, we would like to extend my appreciation to our employees, partners, customers, professionals and other stakeholders for their trust and support during the year.

We look forward to build on this positive momentum and expand our business growth in the year ahead.

Thank you!

Dr Tan Kok Heng

Independent Non-Executive
Chairman

Mr Tan Jit Meng (Jimmy)

Managing Director

CHANGE OF FINANCIAL YEAR-END

On 28 January 2021, the Company announced a change of financial year end from 31 March to 30 June.

DISPOSAL OF OPERATING SUBSIDIARY

On 5 November 2021, the Company announced the completion of the disposal of Shandong Yinguang Technology Co. Ltd and its subsidiaries (“Yinguang Technology” or “Disposal Group”) to Triple Vision Pte. Ltd., a Controlling Shareholder of the Company (“Disposal”). Following the Disposal, the Company completed the Capital Reduction on 29 November 2021 and Cash Distribution on 21 December 2021 (both as defined in the Company’s Circular dated 22 September 2021). The Company became a cash company on 4 November 2021. Please refer to the Company’s circular dated 22 September 2021 (“Disposal Circular”) and the Company’s announcements on 5 November 2021 and 29 November 2021 for further information on the Disposal, Capital Reduction and Cash Distribution respectively.

COMPLETION OF ACQUISITION OF LINCOTRADE & ASSOCIATES PTE LTD

The acquisition of Lincotrade & Associates Pte Ltd (“Acquisition”) was completed on 3 August 2022 and as at 30 June 2022, the Company does not have any subsidiary.

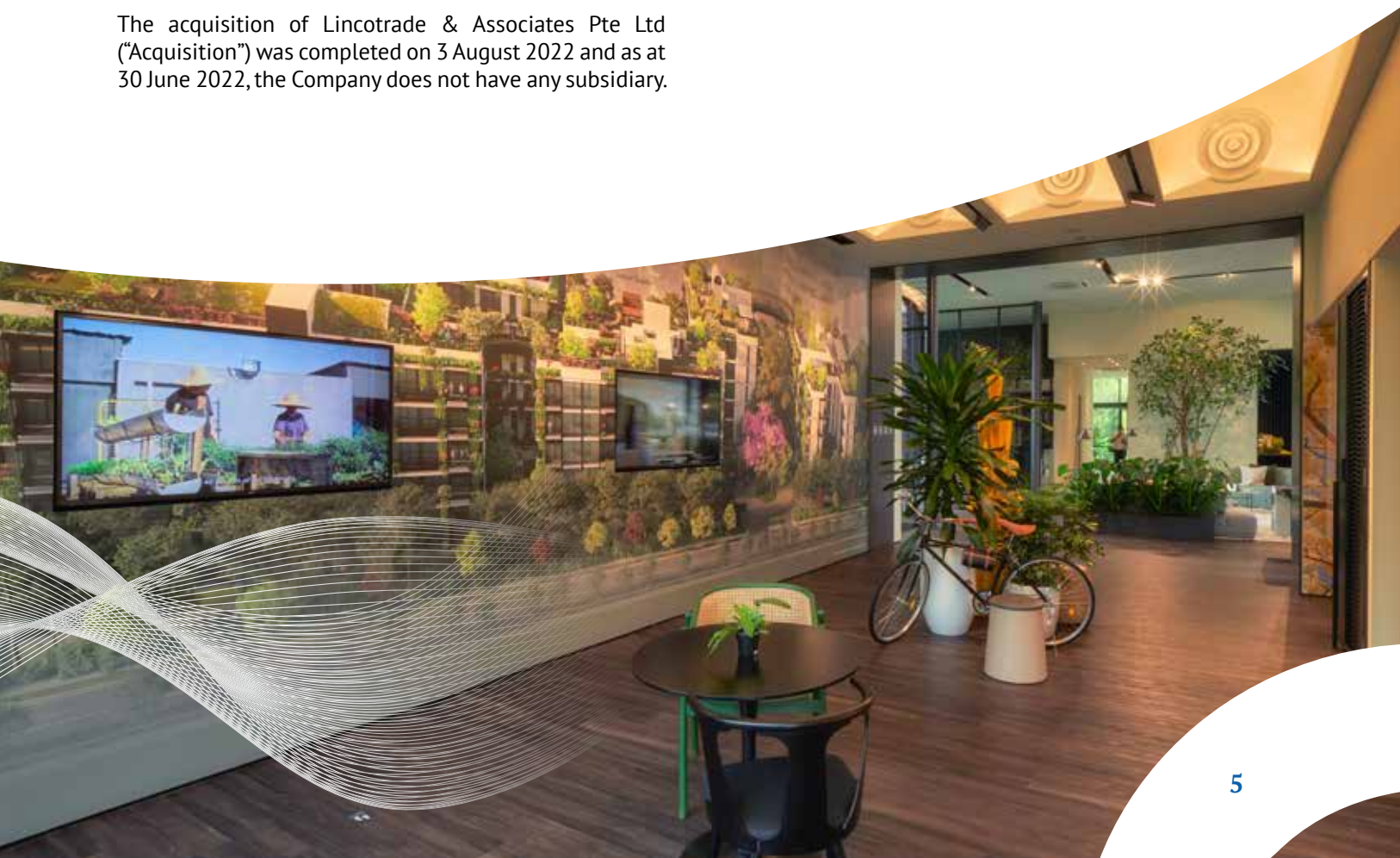
KEY FINANCIAL HIGHLIGHTS FOR FY2022

The Company does not have subsidiary or operating activities as at 30 June 2022 and there was no sales revenue generated during FY2022.

For FY2022, the Company’s dividend income of approximately S\$0.94 million was derived from Yinguang Technology before the completion of the Disposal.

The Company’s administrative expenses increased 32.1% to approximately S\$1.6 million during FY2022, as compared to the previous corresponding period. The increment was mainly due to professional fees incurred for the Disposal, Capital Reduction and the Acquisition during FY2022.

Overall, the Company registered a net loss of approximately S\$0.73 million in FY2022.



Board of Directors



DR TAN KOK HENG

Independent Non-Executive Chairman

Dr Tan is the Independent Non-Executive Chairman of our Company and he is currently the Executive Director and CEO of Sunway RE Capital Pte Ltd (“Sunway”), the real estate investment management arm of Sunway Berhad. At Sunway, Dr Tan oversees the real estate fund management business. His responsibilities include deal origination and fund raising, with an emphasis on setting up listed and unlisted funds, with the objective of building Sunway’s overseas property business as well as growing its recurring income. Prior to joining Sunway, Dr Tan was CEO of Fund Management Business and Head of Property Investment of Sime Darby Property Berhad (“SDPB”) from April 2011 to October 2018. He was instrumental in setting up several private real estate and development funds for SDPB, as well as being involved in numerous joint ventures. Dr Tan also sits on the board of other listed and non-profit organisations.

Dr Tan graduated from the National University of Singapore with a Bachelor of Science (Hons) in Estate Management. He also holds a Graduate Diploma in Financial Management from the Singapore Institute of Management, Master of International Business from the Curtin University of Technology, Australia and Doctorate (Transdisciplinary Studies) from Central Queensland University, Australia. He is also a member of the Singapore Institute of Directors.

MR TAN JIT MENG (JIMMY)

Managing Director

Mr Jimmy Tan is the Managing Director of our Company and he is the co-founder and Managing Director of Lincotrade & Associates Pte Ltd. Prior to co-founding Lincotrade & Associates Pte Ltd in November 1991, he worked as a Foreman for Linco (Private) Limited, which is engaged in the business of providing partition and ceiling works, from July 1987 to September 1991. He co-founded Lincotrade & Associates Pte Ltd in November 1991. Mr Jimmy Tan was later promoted to Deputy Managing Director in January 1998 and Managing Director in July 2000.

Mr Jimmy Tan is responsible for overseeing our operations, including business development, project and financial management.



Board of Directors



MR LU KING SENG

Independent Director

Mr Lu is the Independent Director of our Company and he has more than 24 years of commercial and audit experience. He has been the director of Orion Business Advisory Pte Ltd (principally engaged in providing business management, consultancy and transaction advisory services) since June 2014. He was chief financial officer in SinCo Technologies Pte Ltd from January 2005 to March 2013, where he was primarily responsible for overseeing the financial and accounting functions of the company. Mr Lu obtained his Malaysian Higher School Certificate (equivalent to the General Certificate of Education (Advanced Level)) in 1990. Mr Lu attended Emile Woolf International, London and obtained membership with the Association of Chartered Certified Accountants in 1999 and was subsequently admitted a Fellow of the Association in 2004. Mr Lu was admitted as a member of the Institute of Chartered Public Accountants of Singapore and the Singapore Institute of Directors in 2012. He is also independent director of other companies listed on the SGX-ST and The Stock Exchange of Hong Kong.

MR WEE SHUO SIONG MILTON

Non-Independent Non-Executive Director

Mr Wee is the Non-Independent Non-Executive Director of our Company and he is currently the Head of Marketing at Nature's Farm Retail Pte Ltd ("Nature's Farm"), a health food and supplement distribution Company with a retail presence in Singapore. At Nature's Farm, he oversees the development and execution of marketing strategies, campaigns and events, as well as identification of new market segments and opportunities. Prior to joining Nature's Farm in March 2022, he spent close to 5 years as a Business Development Manager in Imperium Crown Limited from June 2017 to February 2022, a property investment and development Company listed on the Catalist board of the SGX-ST, where he was responsible primarily for the sourcing and evaluation of potential deals as well as studying of industry and market trends. From January 2015 to May 2017, Mr Wee worked in event management companies where he was involved in project management as well as event planning and execution. He graduated from the University of Queensland with a Masters in Business and from the University of Adelaide with a Bachelor of Innovation & Entrepreneurship. He also holds an Advanced Diploma in Business Administration from Macquarie University and is an associate member of the Singapore Institute of Directors.



Key Management

MR SOH LOONG CHOW JACKIE

Business Development Director

Mr Soh is the Business Development Director of our Company and the co-founder of Lincotrade & Associates Pte Ltd. Prior to co-founding Lincotrade & Associates Pte Ltd in November 1991, he worked as a Foreman for Linco (Private) Limited from October 1987 to September 1991. Mr Soh is responsible for all our Company's marketing and business development matters. Mr Soh obtained his Singapore-Cambridge General Certificate of Education (Ordinary Level) in 1984.

MR TAN CHEE KHOON

Operations Director

Mr Tan is the Operations Director of our Company and he joined Lincotrade & Associates Pte Ltd in March 1999 as a Junior Site Supervisor and was subsequently promoted to Site Supervisor in August 1999, Site Coordinator in January 2000, Project Manager in September 2005, General Manager in January 2008 and became a shareholder and a director in July 2015. Mr Tan is responsible for all our Company's tendering and project management matters. Mr Tan obtained his Diploma in Civil Engineering from the Federal Institute of Technology (Malaysia) in 1997.

MR KWEK WEI LEE

Chief Financial Officer

Mr Kwek is the Chief Financial Officer of our Company. He was previously the Finance Manager (Group Accounts) of Fabchem China Limited and is responsible for the financial, accounting, budgeting and taxation matters of the Group. Prior to joining Fabchem China Limited in April 2005, he was an Audit Senior with Ernst & Young, Singapore, an international audit firm, from January 2003 to March 2005, where he was involved in the audit of public listed companies and multinational companies. From December 2000 to December 2002, he was a Senior Audit Assistant with BDO LLP (formerly known as BDO International), Singapore, an international audit firm. Mr Kwek obtained a Diploma with Merit in Accountancy from Ngee Ann Polytechnic in June 1998. He is a Chartered Accountant of Singapore and fellow member of the Association of Chartered Certified Accountants in UK.



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Corporate Governance Report

On 5 November 2021, Fabchem China Limited (the “Company”) announced the completion of the disposal of Shandong Yinguang Technology Co. Ltd and its subsidiaries to Triple Vision Pte. Ltd., a Controlling Shareholder of the Company (“Disposal”). Following the Disposal, the Company completed the Capital Reduction on 29 November 2021 and Cash Distribution on 21 December 2021 (both as defined in the Company’s Circular dated 22 September 2021).

The acquisition of Lincotrade & Associates Pte Ltd was completed on 3 August 2022 (“Acquisition”) and the Company’s name was changed from Fabchem China Limited to Lincotrade & Associates Holdings Limited on 3 August 2022.

The Company was transferred from Mainboard to Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 8 August 2022.

The board of directors (the “Board” or the “Directors”) and management (the “Management”) are committed to ensuring that high standards of corporate governance are practiced through the Company and its subsidiaries (the “Group”), as a fundamental part of its responsibilities to protect and enhance shareholders’ value and the financial performance of the Group.

This report outlines the Group’s corporate governance practices that were in place during the financial year ended 30 June 2022 (“FY2022”) with specific reference made to the Principles of Code of Corporate Governance 2018 (“Code”) and the disclosure guide developed by SGX-ST in January 2015 (the “Guide”). The Group has complied with the principles and provisions set out in Code save for the following where the deviations and explanations are provided:

- (i) Provision 2.4 – Board Diversity Policy
- (ii) Provision 8.1 – Disclosure on Remuneration

The Group also ensures that all applicable laws, rules and regulations including the Securities and Futures Act 2001 of Singapore (“Securities and Futures Act”) and the SGX-ST Listing Manual Section B: Rules of Catalist (“Catalist Rules”) are duly complied with.

BOARD MATTERS

THE BOARD’S CONDUCT OF AFFAIRS

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

The primary role of the Board is to protect and enhance long-term shareholders’ value. While the Board is collectively responsible for the success of the Company, the Board works hand in hand with the Management of the Company towards achieving this end. The Board reviews Management’s performance and Management remains accountable to the Board. Key roles of the Board include providing entrepreneurial leadership, approving the Company’s objectives, major strategic directions and corporate policies, monitoring and reviewing financial and operating performance, approving annual budgets, major funding and investment proposals, risks assessment and management and appointing any new member to the Board and key personnel. Matters which require Board’s decision include interested person transactions, material acquisitions and disposal of assets, corporate and financial restructuring, issuances of shares, dividends and other returns to shareholders. The Board manages the Group in the best interests of shareholders as well as the interest of other stakeholders and pursues the continual enhancement of the long-term shareholder value.

All Directors exercise due diligence and independent judgment, and are obliged to act in good faith and consider at all times the best interests of the Company.

To assist the Board in the execution of its responsibilities, various Board Committees, namely the Audit Committee (“AC”), Remuneration Committee (“RC”) and Nominating Committee (“NC”) have been constituted with clearly defined terms of reference. Minutes of the Board Committees meetings are available to all Board members.

All the Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group.

Corporate Governance Report

Please refer to Table 1 – Board and Board Committees.

The Board conducts regular scheduled meetings. Additional meetings may be convened as and when circumstances require. The Company's Constitution provides for meetings to be held via telephone and video conferencing. The Board and Board Committees may also make decisions through circulating resolutions.

Please refer to Table 2 – Attendance at Board and Board Committees meetings.

The Board's approval is required for the following matters that are likely to have a material impact on the Group's operations as well as matters other than in the ordinary course of business:

1. Major investment and funding
2. Interested Person Transactions
3. Material acquisition and disposal of assets
4. Corporate strategic direction and strategic action plans
5. Issuance of policies and key business initiatives
6. Issuance of shares
7. Declaration of interim dividends and proposal of final dividends
8. Announcement of the Group's half year and full year results and the release of the Annual Reports

The Board has adopted a set of internal controls which sets out authorization and approval limits governing operating and capital expenditure and investments and divestments.

A formal letter will be sent to newly-appointed Directors upon their appointment explaining their duties and obligations as Director. New Directors, upon appointment, will be briefed on the business and organisation structure of the Group, key areas of the Company's operations and on their duties and obligations as Directors.

Directors of the Company will also be updated from time to time of any news or changes to companies and securities legislation, rules and regulations. The Directors also received updates on the business of the Group through regular scheduled meetings and ad-hoc Board meetings.

The Company has an on-going budget for all Directors to attend appropriate courses, seminars and conferences for them to stay abreast of the relevant business developments. These include programmes organized by the Singapore Institute of Directors or other training institutions.

All Directors have unrestricted access to the Company's records and information. From time to time, they are furnished with accurate and detailed information in a timely manner concerning the Group to enable them to be fully cognisant of the decisions and actions of the Group's executive Management.

As a general rule, detailed Board papers prepared for each meeting are normally circulated in advance of each meeting. This is to give Directors sufficient time to review and consider the matters to be discussed so that discussion can be more meaningful and productive. However, sensitive matters may be tabled at the meeting itself or discussed without papers being distributed. The Board papers include sufficient background explanatory information from the Management on financial, business and corporate issues to enable the Directors to be properly briefed on issues to be considered at Board and Board Committees meetings. Such explanatory information may also be in the form of briefings to provide additional insights to the Directors or formal presentations made by senior management staff in attendance at the meetings, or by external consultants engaged on specific projects.

The Board has separate and independent access to the Company Secretary and to other senior management executives of the Group at all times in carrying out their duties.

The Management provides to the Board members with the management accounts on a quarterly basis, as well as adequate information prior to Board meetings and updates on initiatives and developments of the Group's business whenever possible, on an on-going basis.

Corporate Governance Report

The Board members have separate and independent access to the Company's senior management. The Board members (whether individually or as a group) have, in the furtherance of their duties, access to independent professional advice, if necessary, at the Company's expense.

The Company Secretary or her nominee administers and attends all Board and Board Committee meetings of the Company and prepares minutes of meetings. She is responsible for, among other things, ensuring that Board procedures are observed and that applicable rules and regulations are complied with. The Company Secretary also assists the Chairman of the Board ("Chairman") and the Board in implementing and strengthening corporate governance practices and processes.

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

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Please refer to Table 1 – Board and Board Committees.

The NC reviews the size and composition of the Board and ensures that the Board has an appropriate balance of Independent Directors and that the size of the Board is conducive to effective discussions and decision-making. The Board currently comprises four Directors which include one Executive Director, one Non-Executive Non-Independent Director and two Independent and Non-Executive Directors. The Chairman is an Independent and Non-Executive Director and is not part of the Management team. All directors are also not related to each other.

The NC and the Board assess the independence of each Director in accordance with the guidance provided in Code as well as Rule 406(3)(d) of the Catalist Rules. An Independent Director is one who is independent in conduct, character and judgement and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of the Company.

On an annual basis, each Independent Director is required to complete and submit a "Confirmation of Independence" form to confirm his independence. The said form was drawn up based on the definitions and guidelines set forth in the Code. In addition, the Directors are required to disclose to the NC and the Board any such relationship that could interfere or be reasonably perceived to interfere with the exercise of his independent business judgement in the best interests of the Company as and when it arises and the Board will state the reasons if it determines that a director is independent notwithstanding the existence of a relationship or circumstances which may appear relevant to the Board's determination.

The NC has examined the different relationships identified by the Code that might impair each Independent Director's independence and objectivity and concluded that all the Independent Directors are able to exercise independent business judgement in the best interests of the Company and its shareholders. The Independent Directors have confirmed their independence and the Board has determined, taking into account the views of the NC, that all Independent Directors are independent. There is no Director who is deemed to be independent by the Board notwithstanding the existence of a relationship set out in the Code, that would otherwise deem him not to be independent.

Pursuant to Rule 406(3)(d)(iii) of the Catalist Rules which take effect from 1 January 2022, the continued appointment of an independent director who has served on the Board for an aggregate period of nine or more years will be subject to the approval of (i) all shareholders; and (ii) all shareholders, excluding shareholders who are directors and Chief Executive Officer of the Company (and their associates). Currently, none of the Independent Directors has served on the Board for an aggregate of more than nine years from his first date of appointment.

The NC is of the view that the Independent Directors, as a whole, represent a strong and independent element on the Board which is able to exercise objective judgement on corporate affairs independently from the non-independent and executive director(s).

Corporate Governance Report

All Directors have equal responsibility for the Group's operations. The role of the two Independent Directors (Dr Tan Kok Heng and Mr Lu King Seng) are particularly important in ensuring that all the strategies and objectives proposed by the Management are fully discussed and examined, and that they take into account the long-term interests of the Group and the shareholders.

Provision 2.2 of the Code recommends that independent directors make up a majority of the Board where the Chairman is not independent and Provision 2.3 of the Code recommends that non-executive directors make up a majority of the Board. In the case of the Company, the Chairman is independent and he is not part of the Management team. The Independent Directors make up half of the Board and all members of the Board Committees, thus providing a strong independent element on the Board, and there are adequate safeguards and checks in place to ensure that decision making process by the Board is independent.

Notwithstanding that there is no formal Board diversity policy in place for FY2022, the NC and the Board are cognizant of the recommendations as set out under Provision 2.4 and Practice Guidance 2 of the Code. The Board's aim in identifying nominees for the Board is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender. The Board is mindful that diversity is not specific to gender or certain personal attributes and would strive to ensure the diversity would enhance the long-term success of the Group. The objective of the Board, when identifying nominees, is to avoid groupthink and foster constructive debate and ensure that composition is optimal to support the Group's needs in the short and long term.

The Board has reviewed the present Board size and is satisfied that the current size facilitates effective decision making and is appropriate for the nature and scope of the Group's operations. The Board's composition is reviewed annually by the NC to ensure that the Board has the appropriate mix of expertise and experience. The NC is of the view that the current Board and Board committees comprise high caliber individuals who are qualified with the appropriate mix of expertise, knowledge, skills and experience in areas relating to finance, accounting, relevant business experience, sustainability, corporate governance and business strategy which provide for the effective functioning of the Board. The NC is of the view that no individual or small group of individuals dominate the Board's decision-making.

Annually, the NC will discuss and agree on the measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption. The Board may, at any time, seek to improve one or more aspects of its diversity and measure progress accordingly. The Company believes that a diverse Board will contribute to the achievement of its strategic and commercial objectives, including to:

1. drive business results;
2. make corporate governance more effective;
3. enhance quality and responsible decision-making capability;
4. ensure sustainable development; and
5. enhance the reputation of the Company.

The Independent Directors communicate regularly to discuss matters such as the Group's financial performance, corporate governance initiatives, board processes, succession planning as well as leadership development.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Board had adopted the recommendation of the Code to have separate persons who are not related to each other in any manner, appointed as Chairman and the Chief Executive Officer ("CEO"). This is to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

Corporate Governance Report

There is a clear division of the roles and responsibilities of the Chairman and the Managing Director (“MD”) (equivalent to the position of a CEO). Different individuals assume the Chairman and the MD functions and the posts are, and will remain, separate. Dr Tan Kok Heng is the Chairman of the Board and Mr Tan Jit Meng is the MD, they are not related to each other and do not have any business relationship with each other.

Dr Tan Kok Heng assumes responsibility among others, in leading the Board to ensure its effectiveness and promoting high standards of corporate governance. The MD, Mr Tan Jit Meng assumes the executive responsibilities of the day-to-day management of the Company. This division of responsibilities has been agreed among the Board members.

The Board is of the view that there are sufficient safeguards and checks to ensure that the process of decision making by the Board is independent and based on collective decisions without any individual exercising any considerable power or influence. Further, the AC, RC and NC are chaired by Independent Director.

Dr Tan Kok Heng will be available to shareholders where they have concerns for which contact through the normal channels of the MD has failed to resolve or is inappropriate. In addition, the Chairman will coordinate and lead the Independent Directors to provide a non-executive perspective and contribute to a balance of viewpoints on the Board. Where necessary, the Chairman will chair meeting with Independent Directors without Executive Director being present so as to facilitate well-balanced viewpoints to the Board.

BOARD MEMBERSHIP

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

Please refer to Table 1 – Board and Board Committees – on the composition of the NC.

The NC will be responsible for (a) the selection and appointment of any new Directors and re-nomination of the Directors having regard to the Director’s contribution and performance, (b) determining annually whether or not a Director is independent and (c) deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director.

In recommending new Directors to the Board, the NC takes into consideration the skills, experience required and the current composition of the Board, and strives to ensure that the Board has an appropriate balance of Independent Directors as well as Directors with the right profile of expertise, skills, attributes and ability. Further, the NC takes into consideration a variety of factors such as attendance, preparedness, participation and candor in evaluating a Director’s contribution and performance for the purpose of re-nomination.

The principal functions of the NC is to establish a formal and transparent process for:

- (a) making recommendations to the Board on all board appointments (including alternate directors, if any), including re-nominations, having regard, to the Director’s competencies, commitment, contribution and performance;
- (b) reviewing the structure, size and composition (balance of skills, knowledge, experience, independence, and diversity) of the Board and the Board Committees;
- (c) making recommendations to the Board in respect of its review of Board succession plans for Directors training and professional development programmes for the Board and the Directors, and the process and criteria for evaluation of the performance of the Board, the Board Committees and the Directors;
- (d) determining on an annual basis, whether or not a Director is independent and providing its views to the Board for the Board’s consideration;
- (e) reviewing the performance of Directors having multiple board representations on various listed companies and other principal commitments, deciding whether or not such Director is able to and/or has been adequately carrying out his or her duties as Director;

Corporate Governance Report

- (f) assessing the performance and effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Chairman of the Board and each individual Director to the Board, including the proposal of the objective performance criteria; and
- (g) generally undertaking such other functions and duties as may be required by statute, the SGX-ST Catalist Rules and/or the Code as may be amended, varied or supplemented from time to time.

We believe that Board renewal must be an ongoing process, to ensure good governance and to maintain relevance to the business and changing needs of the Company. The Company's Constitution requires at least one-third of the Directors to retire and subject themselves to re-election by shareholders at every Annual General Meeting ("AGM"). In other words, no Director stays in office for more than three years without being re-elected by shareholders.

Pursuant to Rule 720(4) of the Catalist Rules, all Directors must submit themselves for re-nomination and re-appointment at least once every three (3) years. Pursuant to Article 117 of the Company's Constitution, at each AGM, at least one-third of the Directors for the time being are required to retire by rotation and submit themselves for re-election at each annual general meeting of the Company at regular intervals and at least once every three (3) years. In addition, pursuant to Article 122 of the Company's Constitution, new Directors appointed during the financial year, either to fill a casual vacancy or as an additional Director, are required to submit themselves for re-election at the next AGM.

On the nomination of re-election of retiring Directors, the NC would assess the performance and contribution of the Director and subject to the NC's satisfactory assessment, the NC would recommend the proposed re-appointment of the Directors to the Board for its consideration and approval.

The NC, with the respective Director interested in the discussion having abstained from the deliberations, recommended the following Directors to be nominated for re-election pursuant to Article 122 at the forthcoming AGM:

Dr Tan Kok Heng, Mr Tan Jit Meng, Mr Lu King Seng and Mr Wee Shuo Siong Milton be nominated for re-election at the forthcoming AGM pursuant to Article 122, ("Retiring Directors").

All Retiring Directors have offered themselves for re-election at the forthcoming AGM.

The Board had accepted the NC's recommendation and had tabled for shareholders' approval at the forthcoming AGM, the Retiring Directors be nominated for re-election as Directors of the Company. Please refer to the Notice of AGM for the resolutions put forth in relation to the respective re-elections and details of the Retiring Directors including the information required under Appendix 7F of the Catalist Rules are disclosed in this Annual Report.

The Board, with the concurrence of the NC, has also considered Dr Tan Kok Heng and Mr Lu King Seng to be independent for the purposes of Rule 704(7) of the Catalist Rules.

Mr Tan Jit Meng will, upon re-election as a Director of the Company, remain as the Managing Director of the Company.

Dr Tan Kok Heng will, upon re-election as a Director of the Company, remain as the Independent and Non-Executive Chairman of the Company, as well as the Chairman of the Nominating and Remuneration Committees and a member of the Audit Committee.

Mr Lu King Seng will, upon re-election as a Director of the Company, remain as the Independent and Non-Executive Director of the Company, as well as the Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees.

Mr Wee Shuo Siong Milton will, upon re-election as a Director of the Company, remain as the Non-Independent and Non-Executive Director of the Company, as well as a member of the Audit, Nominating and Remuneration Committees.

Dr Tan Kok Heng, Mr Lu King Seng and Mr Wee Shuo Siong Milton being members of the NC, have abstained from making any recommendation and/or participating in any deliberation of the NC in respect of the assessment of his own contributions and/or re-election as a Director.

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Please refer to the Notice of AGM for the resolutions put forth for Directors' proposed re-elections.

New Directors are appointed by way of Board Resolution, after the NC has approved their nomination. In its search and selection process for new Directors, other than through formal search, the NC taps on the resources of Directors' personal contacts and recommendations of potential candidates and appraises the nominees to ensure that the candidates possess relevant experience and have the calibre to contribute to the Group and its businesses, having regard to the attributes of the existing Board and the requirements of the Group.

All Directors are required to declare their board representations and other principal commitments. Although some of the Directors hold directorships in other companies, the NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Company and each Director is able to and has been adequately carrying out his duties as a Director of the Company. Other than as disclosed under Table 2, there was full attendance and participation of the Directors at the Board and Board Committees meetings held in FY2022 and after the Acquisition. Each of the Directors has also confirmed that he can allocate sufficient time and attention to the affairs of the Company.

The NC and the Board are of the standpoint that setting a maximum number of listed company board representations would not be meaningful as the contributions of the Directors would depend on many other factors such as whether they are in full time employment and their other responsibilities or principal commitments. In addition, the board representations presently held by its Directors do not impede the performance of their duties to the Company.

The NC will continue to review from time to time the board representations of each Director to ensure that the Directors continue to meet the demands of the Group and are able to discharge their duties adequately.

Currently, the Company does not have alternate Directors.

The profile of all Board members is set out in the section entitled 'Board of Directors'.

Please refer to Table 3 – Date of Directors' initial appointment and last re-election and their directorships.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Board, through the NC, has used its best efforts to ensure that Directors appointed to the Board, whether individually or collectively, possess the background, experience, knowledge in the business, competencies in finance and management skills critical to the Group's business. It has also ensured that each Director, with his special contributions, brings to the Board an independent and objective perspective to enable sound, balanced and well-considered decisions to be made.

The NC is responsible for assessing the effectiveness of the Board as a whole and the Board committees, and for assessing the contribution of the Chairman and each individual Director to the effectiveness of the Board. The NC has established a review process and proposed objective performance criteria set out in assessment checklists which are approved by the Board. The NC assesses the Board's effectiveness as a whole, which takes into consideration factors such as the Board's structure, conduct of meetings, access to information, risk management and internal control, and the Board's relationship with the Management. The NC also assesses the Board's performance based on a set of quantitative criteria and financial performance indicators as well as share price performance. The NC assesses the individual Directors' performance, which takes into consideration factors such as commitment of time for meetings, level of participation and contribution at such meetings and the technical knowledge of the Directors. In view of the new Board, where circumstances deem it necessary for any of the performance criteria to be changed, the Board will justify such changes.

The Board and the NC have endeavoured to ensure that Directors appointed to the Board possess the background, experience, business knowledge, finance and management skills critical to the Group's business. They have also ensured that each Director, with his special contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

All Directors are requested to complete a Board Assessment Checklist annually to provide their views on the various aspects of the Board's performance so as to assess the overall effectiveness of the Board. The assessment criteria include Directors' attendance records at Board and Committees meetings and the contributions of the Board members. The responses are sent to the NC for review before submitting it to the Board for discussion and for it to determine the areas for improvement and enhancement of the Board's effectiveness. There was no annual assessment conducted by the NC and the Board for FY2022 due to the change of the Board of Directors on 3 August 2022.

The NC Chairman acts on the results of the performance evaluation, and where appropriate, proposes new members to be appointed to the Board or seeks the resignation of Directors, in consultation with the NC members. Each member of the NC shall abstain from voting on any resolution and making any recommendation and/or participating in any deliberation of the NC in respect of an assessment of his performance or re-nomination as Director.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Please refer to Table 1 – Board and Board Committees – on the composition of the RC.

According to the terms of reference of the RC, the role of the RC is to assist the Board with the following key terms:

- (a) review and recommend to the Board for approval a framework of remuneration for the Directors and Executive Officers as well as the specific remuneration packages for each Executive Director and Executive Officer, ensuring that a significant and appropriate proportion of the remuneration is structured so as to link rewards to corporate and individual performance. All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits-in-kind and termination payments shall be covered, with the aim to be fair and avoid rewarding poor performance;
- (b) review annually the remuneration, bonuses, pay increments and/or promotions of employees who are related to the Directors or substantial shareholders to ensure that their remuneration packages are in line with staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities, and review and approve any new employment of related employees and the proposed terms of their employment, and review and recommend to the Board, for endorsement, the specific remuneration packages for each of the Directors and the Executive Officers;
- (c) review the terms of performance-related remuneration or incentive schemes (if any) and determine the eligibility criteria of the employees who can participate in such schemes;
- (d) review the Group's obligations arising in the event of termination of service contracts entered into between the Group and the Directors or Executive Officers, as the case may be, to ensure that the service contracts contain fair and reasonable termination clauses which are not overly generous;
- (e) if necessary, seek expert advice within and/or outside the Group on remuneration matters, ensuring that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants;
- (f) propose, for adoption by the Board, measurable, appropriate and meaningful performance targets for assessing the performance of our key management personnel, individual Directors and of the Board as a whole;

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- (g) perform an annual review of the remuneration packages in order to maintain their attractiveness to retain and motivate the Directors and the Executive Officers, and to align the interests of the Directors and the Executive Officers with the interests of the Shareholders and other stakeholders and promote the long-term success of the Group;
- (h) ensure that the remuneration of non-Executive Directors is appropriate in light of their level of contribution, taking into account factors such as effort, time spent, and responsibilities;
- (i) ensure the remuneration policies and systems of the Group, as approved by the Board, support the Group's objectives and strategies and are consistently being administered and adhered to within the Group;
- (j) reviewing the remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation and the statements in the annual report with a view to achieving clear disclosure of the same; and
- (k) generally undertake such other function and duties as may be required by statute or the Catalist Rules and by such amendments made thereto from time to time.

The RC meets at least once in every financial year.

Each member of the RC shall abstain from reviewing, deliberating and voting on any resolution in respect of his remuneration package or that of any employees who are related to him. In the event that any member of the RC has an interest in a matter being deliberated upon by the RC, such member will abstain from participating in the review and approval process relating to that matter.

No independent consultant is engaged to conduct a review on the remuneration packages of the Company's Directors and key management personnel for FY2022. The Company will seek external expert advice should such a need arises. The Company has no termination benefits.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

In its deliberations, the RC will take into consideration industry practices and norms in compensation in addition to the Company's relative performance to the industry and the performance of the individual Directors. No Director will be involved in deciding his own remuneration.

The level of remuneration is structured such that consideration is given to each Director's corporate and individual performance. The RC ensures that the level of remuneration is appropriate to attract, retain and motivate the Directors to run the Company successfully. The performance related elements of remuneration are designed so as to align the interests of Executive Director with those of shareholders. These elements include (1) fixed component (i.e. basic salary); (2) variable component (i.e. performance bonus); (3) benefits provided are consistent with market practices including medical benefits, car allowance, club benefits and housing subsidy.

The Company has entered into a service contract with the Executive Director for an initial period of 3 years. The RC reviews the compensation commitments for early termination under the service contracts.

Executive Directors do not receive directors' fees.

The Company does not have long-term incentive scheme.

In setting remuneration packages, the Company takes into consideration the remuneration and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of the individuals.

DISCLOSURE ON REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Level and mix of remuneration of directors and key management personnel (who are not also directors or the CEO) for FY2022. Please refer to Table 4 – Remuneration Table.

The Executive Director's remuneration comprises mainly his salary, allowances and, bonuses.

The Company does not have employee share scheme.

The remuneration of the Independent Directors is in the form of a fixed fee. The Directors' fees are based on a scale of fees divided into basic retainer fees as a Director and additional fees for serving on Board Committees and their roles in the various Committees. Directors' fees are subject to the approval of shareholders at the annual general meeting.

Except as disclosed in Table 4 of this report, no Director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

No employee of the Company and its subsidiary is an immediate family member of a Director and whose remuneration was paid more than S\$50,000 during FY2022.

Provision 8.1 of the Code recommends that the Company disclose in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of: (a) each individual Director and the CEO; and (b) at least the top five (5) key management personnel (who are not Directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel, while Provision 8.2 of the Code recommends that the Company disclose the names and remuneration of employees who are substantial shareholders, or are immediate family members of a Director, the CEO or a substantial shareholder, and whose remuneration exceeds S\$100,000 during the year, in bands no wider than S\$100,000, in its annual report, and such disclosure to state clearly the employee's relationship with the relevant Director or the CEO or substantial shareholder.

The Company has not fully adhered to the aforesaid Provisions 8.1 of the Code with respect to the disclosure of remuneration of the Directors (including the MD (equivalent to the position of a CEO)), the key management personnel (who are not Directors or the MD) and related employees. The Board has reviewed the disclosure of the remuneration of the Directors (including the MD), the key management personnel (who are not Directors or the MD) and related employees, and has decided not to disclose (i) the amount and breakdown of the remuneration of each individual Directors (including the MD); and (ii) the amount and breakdown of the remuneration of the key management personnel (who are not Directors or the MD).

The Board believes that such disclosure may be prejudicial to the Group's businesses given the competitive business environment that the Group operates in and the disadvantages that such disclosure may bring. The Board is of the view that the current disclosure of the remuneration presented herein in this Annual Report, which states (a) the level of remuneration (in remuneration bands of S\$250,000) as well as the mix of remuneration (in percentage terms) for each Director (including the MD); (b) the level of remuneration (in remuneration bands of S\$250,000) for the key management personnel (who are not Directors or the MD), as well as the total remuneration paid to the key management personnel (who are not Directors or the MD) is sufficient to provide shareholders information on the Group's remuneration policies, as well as the level and mix of remuneration.

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ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board has overall responsibility to provide a balance and understandable assessment of the Company's performance, position and prospects in respect of the Company's reports and financial statements and other price sensitive information to regulators and shareholders.

In line with the SGX-ST Catalist Rules, the Board has received assurance from the MD and Chief Financial Officer ("CFO") 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.

The Board has also received assurance from the MD and CFO that they have evaluated the adequacy and effectiveness of the Group's risk management and internal control systems and assessed the internal auditors' reports on the Group's operations and external auditors' report on the financial statements and management letter of the Group, and noted that there have been no significant deficiencies in the design or operation of internal controls which could adversely affect the Group's ability to record, process, summarise or report financial information.

The Board and the Board Committees are furnished with management reports containing complete, adequate and timely information, and papers containing relevant background or explanatory information required to support the decision-making process. Management team and the Company's auditors would also provide additional information on the matters for discussion.

AUDIT COMMITTEE

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

The Board is responsible for the overall internal control framework and is fully aware of the need to put in place a system of internal controls within the Group to safeguard shareholders' interests and the Group's assets, and to manage risks. The Board also acknowledges that no cost effective internal control system will preclude all errors and irregularities. A system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board has received assurance from the MD and the CFO that (a) the financial records have been properly maintained and the financial statements for the financial year ended 30 June 2022 give a true and fair view of the Group's operations and finances; and (b) the Group's risk management and internal control systems are adequate and effective to address the financial, operational, compliance and information technology risks in the context of the current scope of the Group's business operations.

Based on the assurance from the MD and the CFO referred to in the preceding paragraph, the framework of risk management and internal controls established and maintained by the Group, the review performed by the Management and the AC, the work performed by the internal auditors and the review undertaken by the external auditors as part of their statutory audit, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems were effective and adequate as at 30 June 2022.

The Company does not have a Risk Management Committee. However, in FY2022, the Management and the internal auditor have reviewed the Company's business and operational activities in order to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. The Management reviews all significant control policies and procedures and highlights all significant matters to the Board and the AC.

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In connection with risk management and setting risk tolerances, the Board determines the nature and extent of the significant risks it is willing to tolerate in achieving its strategic objectives and the conduct of its business activities. The risk appetite is translated into risk tolerances which are determined by establishing target control levels and target residual risk ratings for each identified risk. The decision can then be made to accept/tolerate the resulting residual risk level or implement treatment plans or strategies in addition to those already underway or planned to minimize the risk exposure.

Please refer to Table 1 – Board and Board Committees – on the composition of the AC.

Two members of the AC, Mr Lu King Seng, the AC Chairman and Dr Tan Kok Heng, have relevant accounting or related financial management expertise or experience to discharge the AC's responsibilities.

The AC has explicit authority to investigate any matter within its terms of reference. It has full access to, and the co-operation of the Management and full discretion to invite any Executive Director or key management personnel to attend its meetings. The AC has adequate resources, including access to external consultants and auditors, to enable it to discharge its responsibilities properly. None of the AC members were previous partners or directors of the Company's existing auditing firm or auditing corporation of the Company: (a) within the previous 2 years commencing on the date of their ceasing to be a partner or director of the auditing firm or corporation, and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

The AC will provide a channel of communication between the Board, the Management, the internal auditor and external auditors on matters relating to audit. The AC shall meet periodically to perform the following functions:

- (a) assist the Board in the discharge of its responsibilities on financial reporting matters;
- (b) review the audit plans and scope of work of the external auditors and internal auditors, the results of the external and internal auditors' review and evaluation of the Group's system of internal controls, and their management letters on the internal controls and the management's response, and monitor the implementation of the internal control recommendations made by the external and internal auditors;
- (c) review and report to the Board at least annually on the adequacy and effectiveness of the Group's internal controls (addressing financial, operational, compliance and information technology risks) and risk management systems (such review to be carried out internally or with the assistance of any competent third parties) and discuss issues and concerns, if any, prior to the incorporation of the Board's comments in the Group's annual report;
- (d) review the adequacy, effectiveness, independence, scope and results of the external audit and the Group's internal audit function;
- (e) make recommendations to the Board on establishing an adequate, effective and independent internal audit function (which can be in-house or outsourced to a reputable accounting/auditing firm or corporation), and ensure that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience and that the internal auditors comply with the standards set by nationally or internationally recognized professional bodies;
- (f) review the interim financial results and annual audited financial statements and the external auditor's report on the annual audited financial statements, and review and discuss any significant adjustments, major risk areas, changes in accounting policies and practices, significant financial reporting issues and judgements, compliance with Singapore financial reporting standards as well as compliance with the Catalist Rules and other statutory or regulatory requirements, concerns and issues arising from their audits including any matters which the internal and external auditors may wish to discuss in the absence of management, to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance, before submission to the Directors for approval;
- (g) meet with the external auditor, and with the internal auditor, in each case without the presence of the management, at least annually;

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- (h) review and discuss with the Group's external and internal auditors, and if necessary, commission and review the findings of internal investigations in matters where there is any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and review the management's response thereto;
- (i) review and ensure the co-ordination among the Group's internal auditor, external auditor and management, including assistance given by management to the auditors;
- (j) consider the independence and objectivity of the external auditor, taking into account the non-audit services provided by the external auditor and the fees paid for such non-audit services, if any;
- (k) review and approve transactions within the scope of Chapter 9 of the Catalist Rules (if any);
- (l) make recommendations to the Board on the proposals to the Company's Shareholders with regard to the appointment, re-appointment and removal of the external auditor, and the remuneration and terms of engagement of the external auditor;
- (m) review and approve the Group's hedging policies (if any), and conduct periodic reviews of the hedging policies, together with the transactions and hedging activities undertaken by the Group;
- (n) review the Group's compliance with such functions and duties as may be required by statute or the Catalist Rules or as recommended by the Code of Corporate Governance 2018, including such amendments as may be made thereto from time to time;
- (o) review any potential conflicts of interests and set out a framework to resolve or mitigate such potential conflicts of interests, and monitor compliance with such framework;
- (p) establish and review the policy and arrangements by which employees of the Group or any other persons may safely raise concerns about possible improprieties in financial reporting or other matters and ensure that there are arrangements in place for independent investigation of such concerns and appropriate follow-up actions in relation thereto, and ensure that the Group publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns;
- (q) review the assurance from the Chief Financial Officer on the financial records and financial statements;
- (r) review the Group's financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, with the outcome of such review to be disclosed in the annual reports, or if the findings are material, to be immediately announced via SGXNET;
- (s) review and establish procedures for receipt, retention and treatment of complaints received by the Group, inter alia, criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group;
- (t) review the risk profile of the Group and the appropriate steps to be taken to mitigate and manage risks at acceptable levels determined by the Board;
- (u) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;
- (v) review and approve transactions falling within the scope of Chapter 10 of the Catalist Rules (if any); and
- (w) undertake such other reviews and matters as may be requested by Board and report to the Board its findings from time to time on matters arising therefrom and which require the attention of the AC.

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In the review of the financial statement for FY2022, the AC had discussed with the Management the accounting principles that were applied and their judgement of matters that might affect the integrity of the financial statements and also considered the appropriateness of the critical accounting estimates and judgements made in preparing the financial statements. The most significant matters had also been included in the Independent Auditor's Report to the members of the Company under "Key Audit Matters". In assessing the Key Audit Matters, the AC took into consideration the approach, methodology and the key assumptions applied in the review of the Key Audit Matters as provided in the Independent Auditor's Report. The AC concluded that Management's accounting treatment and estimates in the Key Audit Matters were appropriate.

The AC also meets up with the internal and external auditors without any executive of the Company being present at least once on an annual basis and as and when necessary during the year.

The AC has reviewed the independence of the Company's external auditors and is satisfied with the independence and objectivity of the external auditors. The aggregate amount of fees paid to the external auditors of the Group for audit services was S\$30,000. The non-audit services provided by the external auditors for FY2022 was S\$2,600 for tax compliance work and expenses in relation to the acquisition of Lincotrade & Associates Pte Ltd amounting to approximately S\$178,000. The AC is of the opinion that the independence and objectivity of the external auditors would not be impaired by the provision of these non-audit services. The AC has also recommended the re-appointment of the auditors to the Board.

The Company has in place whistle-blowing policies and arrangements by which the staff may, in confidence, raise concerns about possible corporate improprieties in matters of financial reporting or other matters to ensure independent investigation of such matters and for appropriate follow up action, all whistle-blowing reports are to be sent to the Chairman of the Audit Committee, who coordinates all investigations with the legal counsels and other affected areas, both internal and external.

The Company clearly communicates with employees, the existence of the whistle-blowing policy which is in compliance with Catalist Rule 1204(18B) as elaborated below:

- (a) the Company has procedures for raising such concerns to the AC Chairman and has an independent function comprising the AC Chairman who coordinates all investigations with the legal counsels and other affected areas, both internal and external to investigate whistleblowing reports made in good faith;
- (b) the Company has clear channels through which staff and other persons may, in confidence, raise their concerns about possible improprieties, fraudulent activities or malpractices within the Company in a responsible and effective manner;
- (c) the Company has arrangements and processes to facilitate independent investigation of such concerns and for appropriate follow-up action;
- (d) the Company has confidentiality clauses that protect identification of the whistleblower and ensures that the identity of the whistleblower is kept confidential; and
- (e) the Company is committed to ensuring the protection of the whistleblower against any detrimental and unfair treatment, for reports made in good faith and without malice.

There were no reported incidents pertaining to whistle-blowing for FY2022.

The AC has met with the external auditors separately without the presence of Management to review any area of audit concern following the completion of the Acquisition and appointment of the new members of the AC in connection therewith.

The AC is kept abreast by the Management and the external auditors of changes to accounting standards, SGX-ST Catalist Rules and other regulations which could have an impact on the Group's business and financial statements. In FY2022, the Company's external auditors RSM Chio Lim LLP ("RSM") conducted a briefing session for the Board on the changes to the accounting standards, laws and regulations during the AC meetings. Continuing education is also provided to update and enhance the skills and knowledge of members in the AC.

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After considering the adequacy of the resources and experience of the external auditors' firm and the audit partner-in-charge assigned to the audit, the size and complexity of the Group and the number and experience of supervisory and professional staff assigned to the particular audit as well as the standard and quality of work performed by RSM for past financial years, the AC is satisfied with and has recommended to the Board the nomination and re-appointment of RSM as the external auditors for the Company's audit obligations for the financial year ending 30 June 2023, at the forthcoming annual general meeting of the Company.

The Group has complied with Rule 712 of the Catalist Rules with regard to the appointment of the external auditors for the Company. There was no subsidiary as at 30 June 2022.

In FY2022, the Company had an internal audit ("IA") function to provide internal audit services to the Company. The internal auditor was a member of the Institute of Singapore Chartered Accountants and a fellow member of the Association of Chartered Certified Accountants. The IA's function was to institute the function of internal audits and prepare timely reports to the AC. The internal auditor also conducted checks on whether the Company's safety and security measures and procedures were complied with and issued reports to the AC.

The AC approves the hiring, removal, evaluation and compensation of the internal auditor. To ensure the internal auditor's ability to discharge its functions satisfactorily, the internal auditor was given unfettered access to all the Company's documents, records, properties and personnel (including access to the AC).

As at the date of this report, the AC is reviewing IA proposals and plans to appoint an outsourced auditor before the end of FY2023, for the FY2023 IA work.

The AC reviews the adequacy and effectiveness of the Company's internal financial controls, operational and compliance controls, information technology controls and risk management policies and systems established by the Management (collectively "internal controls"). The AC further confirms that the internal audit function is independent, effective, adequately resourced and has appropriate standing within the Company at the AC meeting held on 23 August 2022.

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Company is committed to engaging in regular and timely communication with shareholders as part of the organisation's development to build systems and procedures that will enable the Group to compete internationally. The Company places great emphasis on investor relations and strives to maintain a high standard of transparency and to promote better investor communications. It aims to provide investors with clear, balanced and useful information, on a timely basis, about the Group's performance, financial position and prospects.

The Board supports the Code's principle to encourage shareholder participation. Shareholders are encouraged to attend the AGM and/or general meetings to stay informed of the Company's strategies and goals and take the opportunity and time to air their views and ask the Directors or Management questions regarding the Company.

The Annual Report together with the Notice of AGM for FY2022 will be disseminated to the shareholders via the SGXNET and will also be made available at the Company's corporate website <https://www.lincotrade.com.sg> at least 14 calendar days or 21 calendar days, as the case may be, before the meeting (excluding the date of notice and the date of meeting).

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The Board welcomes questions from shareholders either informally or formally before or at the AGM. The respective Chairman of the AC, RC and NC are available at the meeting to answer those questions relating to the work of the respective Board Committees. The Company's external auditors are also present to assist the Directors in addressing any relevant queries by shareholders. All Directors, Management, Company Secretary, and external auditors attended the Company's AGM via live webcast in respect of FY2021 held on 28 October 2021. The Board views the AGM as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues pertaining to the proposed resolutions and/or ask the Directors or the Management questions regarding the Company and its operations.

Resolutions at general meetings are on each substantially separate issue. All the resolutions at the general meetings are single item resolutions. To promote greater transparency in the voting process and in accordance with the SGX-ST Catalist Rules, all resolutions put forth at the general meetings of the Company are put to vote by way of poll, and their detailed results including the total number and the respective percentage of votes cast for and against each resolution will be announced via the SGXNET.

The Company Secretary prepares minutes of the general meetings which include substantial and relevant comments or queries from shareholders relating to the agenda of the meetings, and responses from the Board and the Management. These minutes are subsequently approved by the Board. On receipt of any request from shareholders, the minutes will also be made available to them at the registered office of the Company during office hours. The minutes of the AGM in respect of FY2022 will be published to the SGXNET and on the corporate website of the Company within one month from the AGM date.

Whilst there is no limit imposed on the number of proxy votes for nominee companies, the Constitution of the Company allows each shareholder who is not a relevant intermediary to appoint up to two proxies to attend the Company's general meetings and vote on their behalf. Voting in absentia, including but not limited to by mail, electronic mail or facsimile may be possible at the Directors' discretion to approve or implement, subject to the security measures as may be deemed necessary or expedient to ensure that the integrity of the information and authentication of the identity of shareholder(s) is not compromised. The Proxy Form is included in the Annual Report and disseminated to all shareholders prior to the AGM via the SGXNET and will also be made available at the Company's corporate website <https://www.lincotrade.com.sg>.

The Group does not have a fixed dividend policy at present. No dividend has been declared/recommended for the current financial year reported on as the Company is making losses.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company believes in engaging a regular, effective and fair communication with its shareholders and is committed to conveying pertinent information to its shareholders on a timely basis. The Company takes care to ensure that information that is made publicly available on a timely basis. Disclosure of information is made through announcements released to the SGX-ST, the Company's annual reports, circulars, press releases, as well as on the corporate website <https://www.lincotrade.com.sg> which has a dedicated investor relations section.

In line with continuous obligations of the Company pursuant to the SGX-ST Catalist Rules and the Companies Act 1967, the Board's policy is that all shareholders should be equally and timely informed of all major developments that will impact the Company or the Group. Information is communicated to shareholders on a timely basis through the SGXNET and the press.

Shareholders and investors are also encouraged to contact the Group's investor relations contact, being Mr Alex Tan, at this email address: alex.tan@8prasia.com or info@lincotrade.com.sg. This channel of communication is designed to facilitate regular and effective communication in an open and non-discriminatory approach on changes to the Company as well as its performance or business developments which would be likely to materially affect the price or value of the shares. The Group's investor relations contact endeavours to respond to shareholder queries promptly and effectively, and usually does so within a week of receiving such queries.

Corporate Governance Report

MANAGING STAKEHOLDERS RELATIONSHIP

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company's engagement with all stakeholders will be set out in detail in the Sustainability Report to be published annually on the Company's corporate website, save for FY2022. The Company announced on 19 September 2022 that SGX-ST had granted the Company waiver in relation to the issuance of the sustainability report for FY2022 on 15 September 2022.

The application for waiver was made due to the Cash Company Status in FY2022 and preparation of the sustainability report for FY2022 would also incur costs for the Company, both financially and in terms of time and resources spent.

The Company takes its corporate social responsibility seriously and it is not involved nor does it have any legal violation pertaining to future generation, employee, customer and community.

The Company's announcements, financial results and annual reports are available on the Company's website at <https://www.lincotrade.com.sg>.

The forthcoming FY2022 AGM will be convened and held physically:

1. Shareholders are informed of AGM through Notice of AGM contained in Annual Report or circular sent to all shareholders. The Notice of AGM is also published in the Company's website and posted onto the SGXNET.
2. If shareholders are unable to attend the AGM, the Constitution allows a shareholder of the Company who is not a relevant intermediary to appoint up to two proxies to attend and vote in place of the shareholder.
3. For CPF or SRS investors who wish to appoint the Chairman of the AGM as their proxy, they should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes at least seven (7) working days before the AGM, i.e. by 3.00 p.m. on Thursday, 13 October 2022.
4. Printed copies of the Notice of AGM will not be sent to shareholders. The electronic copies of the Notice of AGM and the Annual Report are made available on the
 - Company's website at the URL <https://www.lincotrade.com.sg>; and
 - SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.
5. The procedure of proxy form submission and submission of questions in advance of the AGM can be found in the AGM Notice.

OTHER CORPORATE GOVERNANCE MATTERS

DEALING IN SECURITIES

The Company has adopted an internal code on dealings in securities. The Company and the Group's Directors and officers who have access to price sensitive, financial or confidential information, or unpublished price-sensitive information on the Group, are not permitted to deal in the Company's securities during the periods commencing one month before the announcement of the Group's half year and full year financial results and ending on the date of announcement of such results. In addition, the Company, its Directors and officers are advised not to deal in the Company's securities for a short term considerations and are expected to observe the insider trading laws at all times even when dealing in the Company's securities within the permitted trading periods. Directors and officers are to consult with the CFO before trading in Company's securities and to confirm annually that they have complied with and not in breach of the internal code on dealings in securities. The Board is kept informed when a Director trades in the Company's securities.

MATERIAL CONTRACTS

On 26 April 2022, the Company entered into a loan agreement (“Loan Agreement”) with Triple Vision Pte. Ltd. (“Triple Vision”), a controlling shareholder of the Company as at 30 June 2022, for an aggregate amount of up to S\$1.0 million (“Loan”) at any time. The Loan is unsecured, interest-free and is repayable beginning from the maturity date, i.e. 12 months from the date of completion of the acquisition of Lincotrade & Associates Pte Ltd, or any other date as may be agreed upon in writing by Triple Vision and the Company (“Maturity Date”), in 8 equal monthly instalments spread over 8 consecutive calendar months, with the first monthly instalment payable on the Maturity Date.

Other than the above, there are no other material contracts entered into by the Company or its subsidiaries involving the interest, direct or deemed, of the MD or any Director or controlling shareholders (as defined in the SGX-ST Catalist Rules), during FY2022.

INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy in respect of any transactions with interested persons and has set out the procedures for review and approval. The Company did not obtain any general mandate from shareholders of the Company for interested person transactions.

Name of interested person	Nature	Aggregate value of all interested person transaction (excluding transactions less than \$100,000 and transactions conducted under a shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
		FY2022 S\$'000	FY2021 S\$'000	FY2022 S\$'000	FY2021 S\$'000
Triple Vision Pte. Ltd. (“Triple Vision”)	Disposal of Disposal Group ⁽¹⁾	18,000	–	–	–

Note:

- (1) On 19 March 2021, the Company entered into a conditional sales and purchase agreement with Triple Vision for the disposal of 100% equity interest (“Disposal”) in Shandong Yinguang Technology Co., Ltd and its subsidiaries (“Disposal Group”) for a consideration of S\$18.0 million. The Disposal was approved by the shareholders during the Extraordinary General Meeting on 14 October 2021 and was completed on 4 November 2021.

NON-SPONSOR FEES

The Company appointed RHB Bank Berhad, through its Singapore branch (“RHB Singapore”), to act as the Company’s financial adviser and Catalist full sponsor pursuant to Catalist Rules 410(2) and 1015(1)(a) (“Appointment”), in connection with, inter alia, the Acquisition on 5 May 2021. Fees paid to RHB Singapore in connection with the Appointment amounted to approximately S\$161,000 during FY2022. Save as disclosed, with reference to Catalist Rule 1204(21), there were no non-sponsor fees paid to RHB Singapore during FY2022.

Corporate Governance Report

USE OF PROCEEDS

On 29 September 2022, the Company announced the full utilisation of proceeds raised from the placement shares.

TABLE 1 – BOARD AND BOARD COMMITTEES

Upon completion of the Acquisition and as at the date of this Annual Report, the composition of the Board and the Board Committees are as follows:-

Name of Director	Board Membership	Audit Committee	Remuneration Committee	Nominating Committee
Dr Tan Kok Heng*	Independent and Non-Executive Chairman	Member	Chairman	Chairman
Tan Jit Meng*	Managing Director	–	–	–
Lu King Seng*	Independent and Non-Executive Director	Chairman	Member	Member
Wee Shuo Siong Milton*	Non-Executive and Non-Independent Director	Member	Member	Member

* Appointed as a Director of the Company on 3 August 2022

TABLE 2 – ATTENDANCE AT BOARD AND BOARD COMMITTEES MEETINGS

	BOARD		AUDIT		REMUNERATION		NOMINATING	
	No. of Meetings	No of Meetings Attended	No. of Meetings	No of Meetings Attended	No. of Meetings	No of Meetings Attended	No. of Meetings	No of Meetings Attended
Bao Hongwei*	2	1	–	–	–	–	–	–
Wee Phui Gam*	2	2	3	3	1	1	1	1
Prof. Jiang Rongguang*	2	2	3	3	1	1	1	1
Sun Bowen*	2	2	3	3	1	1	1	1

* Ceased to be a Director of the Company on 3 August 2022

Corporate Governance Report

TABLE 3 – DATE OF DIRECTOR’S INITIAL APPOINTMENT & LAST RE-ELECTION & THEIR DIRECTORSHIPS

Name of Director	Age	Appointment	Date of initial appointment	Date of last re-election	Present directorships in listed companies	Past (preceding 3 years) directorships in listed companies	Other principal commitments
Dr Tan Kok Heng*	58	Independent and Non-Executive Chairman	3 August 2022	–	- Elite Commercial REIT (Alternate director)	Nil	Chief Executive Officer of Sunway RE Capital Pte Ltd
Tan Jit Meng*	58	Managing Director	3 August 2022	–	Nil	Nil	Managing Director of Lincotrade & Associates Pte Ltd
Lu King Seng*	52	Independent and Non-Executive Director	3 August 2022	–	- Geo Energy Resources Limited - Taka Jewellery Holdings Limited - Jlogo Holdings Limited	Nil	Managing Director of Orion Business Advisory Pte Ltd
Wee Shuo Siong Milton*	31	Non-Executive and Non-Independent Director	3 August 2022	–	Nil	Nil	Head of Marketing of Nature's Farm Retail Pte Ltd

* Appointed as a Director of the Company on 3 August 2022

TABLE 4 – REMUNERATION TABLE

a) Directors’ remuneration

For competitive reasons, the Company is not disclosing the annual remuneration of each individual Director for FY2022. Instead, we are disclosing the bands of remuneration as follows:

Name of Director	S\$0 to S\$250,000	Directors’ Fees (%)	Fixed Salary (%)	Consulting Fees (%)
Executive Director				
Bao Hongwei *	✓	–	100.0	–
Tan Jit Meng #	–	–	–	–
Independent Directors				
Wee Phui Gam *	✓	100.0	–	–
Prof. Jiang Rongguang*	✓	100.0	–	–
Dr Tan Kok Heng #	–	–	–	–
Lu King Seng #	–	–	–	–
Non-Executive Non-Independent Director				
Sun Bowen *	✓	35.5	–	64.5
Wee Shuo Siong Milton #	–	–	–	–

* Ceased to be a Director of the Company on 3 August 2022

Appointed as a Director of the Company on 3 August 2022

Corporate Governance Report

b) Top Four Key Management Personnel Remuneration

The Group has only four (4) key management personnel (who are not Directors of the Company) during FY2022. Details of remuneration paid to the key management personnel (who are not Directors of the Company) of the Group for FY2022 are set out below. For competitive reasons, the Company is only disclosing the band of remuneration for each key management personnel for FY2022 under review as follows:

Name of Key Management Personnel	Below S\$250,000	Percentage of Variable Remuneration (%)	Percentage of Fixed Remuneration (%)
Sun Qiang *	✓	–	100.0
Yang Xingdong *	✓	–	100.0
Kwek Wei Lee	✓	7.6	92.4
Chen Hongyu *	✓	–	100.0

* Ceased to be a key management personnel of the Group on 31 October 2021

The annual aggregate remuneration paid to the top four key management personnel is approximately S\$189,000.

There are no termination, retirement and post-employment benefits granted to the Directors, the MD and the top four key management personnel (who are not Directors or MD) of the Group.

c) Immediate families of Directors / CEO / substantial shareholders

Sun Qiang, the former Sales and Marketing Manager, is the son of the former Non-Executive Non-Independent Director, Sun Bowen. His remuneration did not exceed S\$50,000 during FY2022. No employee of the Company and its subsidiary is an immediate family member of a Director, the CEO or a substantial shareholder and whose remuneration was paid more than S\$50,000 during FY2022.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Dr Tan Kok Heng, Mr Tan Jit Meng, Mr Lu King Seng and Mr Wee Shuo Siong Milton are the Directors seeking re-election at the forthcoming AGM of the Company to be convened on 26 October 2022 (collectively, the “Retiring Directors” and each a “Retiring Director”).

Pursuant to Rule 720(5) of the Catalist Rules, the following is the information relating to the Retiring Directors as set out in Appendix 7F to the Catalist Rules:

	Dr Tan Kok Heng	Mr Tan Jit Meng
Date of Appointment	03/08/2022	03/08/2022
Date of last re-appointment	–	–
Age	58	58
Country of principal residence	Singapore	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The re-election of Dr Tan Kok Heng as the Independent and Non-Executive Chairman of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his expertise, performance, overall contributions, and competencies in fulfilling his responsibilities.	The re-election of Mr Tan Jit Meng as the Managing Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his expertise, performance, overall contributions, and competencies in fulfilling his responsibilities.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive role.	Executive role. Mr Tan will be responsible for overseeing the operations of the Enlarged Group, including business development, project and financial management.
Job Title (e.g. Lead ID, AC Chairman, AC Member, etc)	Independent Non-Executive Chairman, Chairman of the Nominating and Remuneration Committees, and a member of the Audit Committee	Managing Director
Working experience and occupation(s) during the past 10 years	2011 to 2018: Chief Executive Officer, Sime Darby Real Estate Management Pte Ltd 2018 to Present: Sunway RE Capital Pte Ltd	2000 to Present: Lincotrade & Associates Pte Ltd, Managing Director
Shareholding interest in the listed issuer and its subsidiaries	No	Mr Tan holds an aggregate of 45,454,545 ordinary shares in the capital of the Company.
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil
Conflict of Interests (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes

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	Dr Tan Kok Heng	Mr Tan Jit Meng
Other Principal Commitments* Including Directorships#		
Past (for the last 5 years)	<ul style="list-style-type: none"> - 087 Capital Pte Ltd - Shaw Brothers (M) Sdn Bhd - Darby Park (Vietnam) Limited - Aster Investment Holding Pte Ltd - Aster (Dunearn) Pte Ltd - Aster (Alexandra) Pte Ltd - Aster (Kilang) Pte Ltd - Sime Darby Property (Dunearn) Pte Ltd - Darby Park (Management) Pte Ltd - Darby Park (Singapore) Pte Ltd - Sime Darby Property (Alexandra) Pte Ltd - Sime Darby Property (Amston) Pte Ltd - Sime Darby Property (Kilang) Pte Ltd - Sime Darby Property (Vietnam) Pte Ltd - Sime Darby Property Singapore Ltd - Sime Darby Real Estate Management Pte Ltd - Battersea Project Holding Co, Ltd - Sapphire Industrial Asset Investment Holding Pte Ltd - Sapphire Australian Industrial Asset Investment Holding Pte Ltd 	Convergence Automotive (Pte Ltd)
Present	<ul style="list-style-type: none"> - Sunway RE Capital Pte Ltd - Elite Commercial REIT Management Pte Ltd - Sunway RE Capital Advisors (SG) Pte Ltd - Sunway RE Capital Advisors (UK) Pte Ltd - Sunway Residence (Guernsey) Limited - Sunway Residence (Singapore) Pte Ltd - Sunway Residence (Guernsey) Holdings Ltd - Sunway Residence (Guernsey) 2 Limited - Sunway MBU RE Capital Advisors (UK) Ltd 	<ul style="list-style-type: none"> - Lincotrade & Associates Pte Ltd - Millennium Fiesta Pte Ltd
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

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	Dr Tan Kok Heng	Mr Tan Jit Meng
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(c) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

Corporate Governance Report

	Dr Tan Kok Heng	Mr Tan Jit Meng
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No

Corporate Governance Report

	Dr Tan Kok Heng	Mr Tan Jit Meng
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

Disclosure applicable to the appointment of Director only

Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable as this is for re-election of a director.	Not applicable as this is for re-election of a director.
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	Mr Lu King Seng	Mr Wee Shuo Siong Milton
Date of Appointment	03/08/2022	03/08/2022
Date of last re-appointment	–	–
Age	52	31
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The re-election of Mr Lu King Seng as the Independent and Non-Executive Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his expertise, performance, overall contributions, and competencies in fulfilling his responsibilities.	The re-election of Mr Wee Shuo Siong Milton as the Non-Independent and Non-Executive Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his expertise, performance, overall contributions, and competencies in fulfilling his responsibilities.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive role.	Non-Executive role.
Job Title (e.g. Lead ID, AC Chairman, AC Member, etc)	Independent Non-Executive Director, Chairman of the Audit Committee, and a member of the Nominating and Remuneration Committees	Non-Independent Non-Executive Director and a member of the Audit, Nominating and Remuneration Committees

Corporate Governance Report

	Mr Lu King Seng	Mr Wee Shuo Siong Milton
Working experience and occupation(s) during the past 10 years	2005 to 2013: SinCo Technologies Pte. Ltd., Chief Financial Officer 2014 to Present: Orion Business Advisory Pte Ltd, Managing Director	January 2015 to July 2015: Events and Association Executive, Enterprise Promotion Centre Pte Ltd 2015 to 2016: Experience Executive, Terrapinn Pte Ltd February 2017 to May 2017: Events Manager, SportSanity SG Pte Ltd 2017 to 2022: Business Development Manager, Imperium Crown Limited 2022 to Present: Head of Marketing, Nature's Farm Retail Pte Ltd.
Shareholding interest in the listed issuer and its subsidiaries	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	Mr Wee is the son of Mr Wee Henry, who is a substantial shareholder of the Company, holding 24,665,699 ordinary shares in the capital of the Company.
Conflict of Interests (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* Including Directorships#		
Past (for the last 5 years)	- Swag Ev Pte Ltd	Edgem Pte Ltd
Present	- Geo Energy Resources Limited - Taka Jewellery Holdings Limited - Jlogo Holdings Limited - Orion Advisory Pte Ltd - Orion Business Advisory Pte Ltd - Supreme Wagon Automotive Pte Ltd - Orion Polymer Pte Ltd - Orion Business Consultancy Pte Ltd	Nil
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

Corporate Governance Report

	Mr Lu King Seng	Mr Wee Shuo Siong Milton
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

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	Mr Lu King Seng	Mr Wee Shuo Siong Milton
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No

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	Mr Lu King Seng	Mr Wee Shuo Siong Milton
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only		
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable as this is for re-election of a director.	Not applicable as this is for re-election of a director.

The professional qualifications, working experience and other relevant information of the members of the Board are set out on pages 6 and 7 of the Annual Report.

The Directors' interest in shares are disclosed on page 40 of the Statement by Directors.

Statement by Directors

The directors are pleased to present the financial statements of the Company for the reporting year ended 30 June 2022.

During the Extraordinary General Meeting ("EGM") on 22 July 2022, the shareholders of Fabchem China Limited approved the change of Company's name to Lincotrade & Associates Holdings Limited (the "Company"). The Company's name was subsequently changed on 3 August 2022.

1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position and performance of the Company for the reporting year covered by the financial statements; and
- (b) at the date of the statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

2. Directors

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

Dr Tan Kok Heng (appointed on 3 August 2022)
 Tan Jit Meng (appointed on 3 August 2022)
 Lu King Seng (appointed on 3 August 2022)
 Wee Shuo Siong Milton (appointed on 3 August 2022)

3. Directors' interests in shares and debentures

The directors of the Company holding office at the end of the reporting year had no interests in shares in or debentures of the Company or other related body corporate as recorded in the register of directors' interests in shares in or debentures kept by the Company under section 164 of the Companies Act 1967, ("the Act") except as follows:

Name of Company and directors in which interests are held	At the beginning of the year/period	At the end of the year/period
Deemed interest through corporate shareholders	Number of shares of no par value	
<u>Fortsmith Investments Limited</u>		
Sun Bowen ⁽¹⁾	15,140,000	15,140,000

(1) Sun Bowen resigned as director of the Company on 3 August 2022.

The directors' interests as at 21 July 2022 were the same as those at the end of the reporting year.

By virtue of section 7 of the Act, Mr Sun Bowen is deemed to have an interest in the Company.

4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting period nor at any time during the reporting period did there subsist arrangements to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

5. Options

During the reporting period, no option to take up unissued shares of the Company or other body corporate in the group was granted.

During the reporting period, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting period, there were no unissued shares under option.

6. Report of audit committee

The members of the audit committee at the date of this report are as follows:

Lu King Seng (Chairman)
Dr Tan Kok Heng
Wee Shuo Siong Milton

The audit committee carried out its functions in accordance with section 201B(5) of the Act. Among other functions, it performed the following:

- Reviewed with the independent external auditor their audit plan;
- Reviewed with the independent external auditor their evaluation of the Company's internal accounting controls relevant to their statutory audit, and their report on the financial statements and the assistance given by the Company's officers to them;
- Reviewed with the internal auditor the scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by the management to the internal auditor;
- Reviewed the financial statements of the Company prior to their submission to the directors of the Company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the audit committee are described in the report on corporate governance included in the annual report of the Company. It also includes an explanation of how independent auditor objectivity and independence is safeguarded when the independent auditors provide non-audit services.

The audit committee has recommended to the board of directors that the independent auditors, RSM Chio Lim LLP, be nominated for re-appointment as independent auditors at the next annual general meeting of the Company.

Statement by Directors

7. Independent auditor

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the Company, work performed by the internal auditor and reviews performed by management, other committees of the board and the board, the audit committee and the board are of the opinion that Company's internal controls, addressing financial, operational, compliance risks and information technology controls and risk management systems, were adequate and effective as at 30 June 2022.

9. Subsequent developments

There are no significant developments subsequent to the release of the Company's preliminary financial statements, as announced on 26 August 2022, which would materially affect the Company's operating and financial performance as of the date of this report.

On behalf of the directors

Dr Tan Kok Heng
Director

Tan Jit Meng
Director

21 September 2022

Independent Auditor's Report

to the Members of LINCOTRADE & ASSOCIATES HOLDINGS LIMITED (Formerly known as Fabchem China Limited)

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Lincotrade & Associates Holdings Limited (formerly known as Fabchem China Limited), which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and the Singapore Financial Reporting Standards (International) (SFRS (I)) so as to give a true and fair view of the financial position of the Company as at 30 June 2022 and of the financial performance, changes in equity and cash flows of the Company for the reporting 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 Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) 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 those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current reporting period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Going concern assessment

The Company incurred losses from continuing operations, net of tax of S\$728,000 for the reporting year ended 30 June 2022. As at 30 June 2022, the Company is in a net capital deficit position of S\$403,000.

On 26 April 2022, the Company has entered into a second loan agreement with its ultimate parent company, Triple Vision Pte. Ltd. ("Triple Vision") for a loan facility of up to an aggregate amount of S\$1.0 million to be used for the payment of professional fees incurred for the acquisition of Lincotrade & Associates Pte Ltd ("Lincotrade"). In accordance with the terms of the loan agreement, the loan is unsecured, interest-free and is repayable on the maturity date (i.e. 12 months from the date of completion of the acquisition of Lincotrade) or any other date as may be agreed upon in writing by Triple Vision and the Company, in 8 equal monthly instalments spreading over 8 consecutive calendar months, with the first monthly instalment payable on the maturity date. As at reporting year ended 30 June 2022, the loan amount drawn down was S\$500,000.

The Company has on 3 August 2022, completed the acquisition of the entire issued and paid-up share capital of Lincotrade for an aggregate consideration of S\$25 million, satisfied by the allotment and issuance of 113,636,263 ordinary shares to the vendors of Lincotrade at an issue price of S\$0.22 per ordinary shares. In addition, the Company has also issued 5,455,000 placement shares at S\$0.22 per ordinary shares for cash of S\$1.2 million to provide working capital for the Company.

Independent Auditor's Report

to the Members of LINCOTRADE & ASSOCIATES HOLDINGS LIMITED (Formerly known as Fabchem China Limited)

Key audit matters (cont'd)

Going concern assessment (cont'd)

As disclosed in Note 1, in assessing the cash flow needs of the Company for the next 12 months to operate as a going concern, management has considered the following:

- The Company has cash and bank balances of S\$289,000 as at 30 June 2022;
- The Company has on 26 April 2022, entered into a second loan agreement with Triple Vision to provide loan of up to S\$1.0 million to the Company to meet its obligations for professional fees incurred for the acquisition of Lincotrade. The outstanding loan amount as at 30 June 2022 is S\$500,000;
- The proceeds of S\$1.2 million from the issuance of 5,455,000 placement shares;
- The completion of acquisition of the entire issued and paid-up share capital of Lincotrade on 3 August 2022; and
- The cash flow forecast of Lincotrade for year ended 30 June 2022 and year ending 30 June 2023.

We have reviewed the going concern assessment by management and noted that the Company is capable to continue as a going concern. We identified this as a key audit matter as the going concern assessment involved significant management judgement and estimation.

We designed our audit procedures to be responsive to this risk. As part of our audit:

- We evaluated management's going concern assessment for the Company;
- We reviewed the Company and Lincotrade's cash flow forecasts for the next 12 months from the reporting date prepared based on the budgets approved by the Board of Directors; and
- We assessed the adequacy of the disclosure in the financial statements.

Other information

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

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

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

Independent Auditor's Report

to the Members of LINCOTRADE & ASSOCIATES HOLDINGS LIMITED (Formerly known as Fabchem China Limited)

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 the financial reporting standards, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company'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 Company'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 Company'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 Company 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.

We communicate with those charged with governance 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 those charged with governance 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.

Independent Auditor's Report

to the Members of LINCOTRADE & ASSOCIATES HOLDINGS LIMITED (Formerly known as Fabchem China Limited)

Auditor's responsibilities for the audit of the financial statements (cont'd)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company 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 Goh Swee Hong.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

21 September 2022

Engagement partner - effective from year ended 31 March 2019.

Statement of Profit or Loss and Other Comprehensive Income

Year ended 30 June 2022

	Note	01.07.2021 to 30.06.2022 S\$'000	01.04.2020 to 30.06.2021 S\$'000
Revenue		–	–
Cost of sales		–	–
Gross profit		–	–
Other income and gains	5	951	1,230
Administrative expenses		(1,631)	(1,480)
Finance costs	6	(1)	(4)
Other losses	5	–	(4,551)
Loss before tax		(681)	(4,805)
Income tax expense	9	(47)	(62)
Loss, net of tax and total comprehensive loss		(728)	(4,867)
		Singapore cents	Singapore cents
Loss per share			
Basic and diluted	10	(1.56)	(10.40)

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

Statement of Financial Position

As at 30 June 2022

	Note	30.06.2022 S\$'000	30.06.2021 S\$'000
ASSETS			
Non-current assets			
Plant and equipment	11	–	–
Right-of-use assets	12	–	38
Investment in subsidiaries	14	–	–
Total non-current assets		–	38
Current assets			
Assets of disposal group classified as held-for-sale	13	–	18,000
Other receivables	15	–	195
Other non-financial assets	16	44	25
Cash and cash equivalents	17	289	142
Total current assets		333	18,362
Total assets		333	18,400
EQUITY AND LIABILITIES			
Equity			
Share capital	18	6,237	23,459
Accumulated losses		(6,640)	(5,912)
(Net capital deficit) / Total equity		(403)	17,547
Non-current liabilities			
Other financial liabilities	19	500	–
Total non-current liabilities		500	–
Current liabilities			
Trade and other payables	20	236	513
Other financial liabilities	19	–	300
Lease liabilities	21	–	40
Total current liabilities		236	853
Total liabilities		736	853
Total equity and liabilities		333	18,400

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

Statement of Changes in Equity

Year ended 30 June 2022

Company	(Net capital deficit) / Total equity	Share capital	Accumulated losses
	S\$'000	S\$'000	S\$'000
Current period			
At 1 July 2021	17,547	23,459	(5,912)
Changes in equity			
Capital reduction (Note 18)	(17,222)	(17,222)	–
Total comprehensive loss for the year	(728)	–	(728)
At 30 June 2022	<u>(403)</u>	<u>6,237</u>	<u>(6,640)</u>
Previous period			
At 1 April 2020	22,414	23,459	(1,045)
Changes in equity			
Total comprehensive loss for the period	(4,867)	–	(4,867)
At 30 June 2021	<u>17,547</u>	<u>23,459</u>	<u>(5,912)</u>

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

Statement of Cash Flows

Year ended 30 June 2022

	01.07.2021 to 30.06.2022 S\$'000	01.04.2020 to 30.06.2021 S\$'000
Cash flows from operating activities		
Loss before tax	(681)	(4,805)
Adjustments for:		
Depreciation of right-of-use assets	38	51
Impairment allowance on investment in subsidiaries	–	4,542
Interest income	(8)	–
Interest expense	1	4
Operating cash flows before changes in working capital	(650)	(208)
Other receivables	195	139
Other non-financial assets	(19)	17
Trade and other payables	(277)	(111)
Net cash flows used in operations	(751)	(163)
Income taxes paid	(47)	(62)
Net cash flows used in operating activities	(798)	(225)
Cash flows from investing activities		
Proceeds from disposal of assets held for sales, net	17,700	–
Interest received	8	–
Net cash flows from investing activities	17,708	–
Cash flows from financing activities		
Cash distribution to shareholders	(17,222)	–
Loan from a shareholder	500	300
Lease payments	(41)	(56)
Net cash flows (used in)/from financing activities	(16,763)	244
Net increase in cash and cash equivalents	147	19
Cash and cash equivalents at beginning of the year/period	142	123
Cash and cash equivalents at end of the year/period (Note 17)	289	142

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

Notes to the Financial Statements

Year ended 30 June 2022

1. General

Lincotrade & Associates Holdings Limited (formerly known as Fabchem China Limited) (the "Company") is incorporated and domiciled in Singapore with limited liability. The Company is incorporated in Singapore and its registered office is at 39 Sungei Kadut Loop Singapore 729494. The Company is an investment holding company and its principal activity is that of investment holding.

The Company was placed on the Watch-List of the SGX-ST due to the Financial Entry Criteria with effect from 5 December 2018. On 24 November 2021 and 3 March 2022, SGX-ST granted the Company an extension of time from the original deadline of 4 December 2021 to 4 August 2022 to satisfy the criteria needed to exit the Watch-List. The Company completed the Proposed Acquisition of Lincotrade & Associates Pte Ltd and exited from the Watch-List on 3 August 2022.

The financial statements are presented in Singapore dollar ("S\$"). All information in these financial statement are rounded to the nearest thousand (S\$'000) except when otherwise indicated.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The Company is an investment holding company. It is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The principal activities of the subsidiaries are described in Note 14 below.

Going concern assumption

The Company incurred losses from continuing operations, net of tax of S\$728,000 for the reporting year ended 30 June 2022. As at 30 June 2022, the Company is in a net capital deficit position of S\$403,000.

Management is of the opinion that the use of the going concern basis in the preparation of these financial statements is appropriate based on the following considerations:

1. The Company has cash and bank balances of S\$289,000 as at 30 June 2022 (Note 17).
2. The Company has on 26 April 2022, entered into a second loan agreement with Triple Vision Pte. Ltd. to provide loan of up to S\$1.0 million to the Company to meet its obligations for professional fees incurred for the acquisition of Lincotrade & Associates Pte Ltd ("Lincotrade") (Note 19).
3. The proceeds of S\$1.2 million from the issuance of 5,455,000 placement shares.
4. The completion of acquisition of the entire issued and paid-up share capital of Lincotrade on 3 August 2022 (Note 24).
5. The cash flow forecast of Lincotrade for year ended 30 June 2022 and year ending 30 June 2023 prepared for the acquisition of Lincotrade.

The management has also assessed the Company's 12 months cash flow projection from the balance sheet date based on certain assumptions and estimates. Based on the cash flow projection, the Company is expected to be able to meet its commitments as well as repay its debts as and when they fall due within the next 12 months.

Notes to the Financial Statements

Year ended 30 June 2022

1. General (cont'd)

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS (I) s") and the related Interpretations to SFRS (I) ("SFRS (I) INT") as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Companies Act, Chapter 50 and with the International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB").

Accounting convention

The financial statements have been prepared on the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

Basis of preparation of financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Interest income

Interest income is recognised using the effective interest method.

Dividend income

Dividend from equity instruments is recognised in profit or loss only when the entity's right to receive payment of the dividend is established; it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

Notes to the Financial Statements

Year ended 30 June 2022

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The Company's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the Company is contractually obliged or where there is constructive obligation based on past practice.

Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Interest expense is calculated using the effective interest rate method. Borrowing costs are recognised as an expense in the period in which they are incurred except that borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

Income tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Notes to the Financial Statements

Year ended 30 June 2022

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Plant and equipment

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and accumulated impairment losses, if any. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Plant and equipment – 33.3%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent cost are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as office space.

Leases as lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised right-of-use asset is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-of-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. An interest expense is recognised on the lease liability (included in finance costs). For short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard, the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

Notes to the Financial Statements

Year ended 30 June 2022

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Carrying amounts of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting period for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the 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 the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting period, non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification and measurement of financial assets:

- (i) Financial asset classified as measured at amortised cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

Notes to the Financial Statements

Year ended 30 June 2022

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial instruments (cont'd)

Classification and measurement of financial assets: (cont'd)

- (ii) Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income ("FVTOCI"):

There were no financial assets classified in this category at end of the reporting period.

- (iii) Financial asset that is an equity investment measured at FVTOCI:

There were no financial assets classified in this category at end of the reporting period.

- (iv) Financial asset classified as measured at FVTPL:

There were no financial assets classified in this category at end of the reporting period.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Fair value measurement

The 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. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Notes to the Financial Statements

Year ended 30 June 2022

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Fair value measurement (cont'd)

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting period and in the event the fair values are disclosed in the relevant notes to the financial statements.

2B. Other explanatory information

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting period they occur.

2C. Critical judgements, assumptions and estimation uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

As at 30 June 2022, the ultimate controlling party is Wee Henry, a controlling shareholder of the ultimate parent company.

Notes to the Financial Statements

Year ended 30 June 2022

3. Related party relationships and transactions (cont'd)

3A. Members of a group

Name	Relationship	Country of incorporation
Triple Vision Pte. Ltd.	Immediate and ultimate parent company	Singapore

Related companies in these financial statements include the members of the above group of companies.

3B. Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

	01.07.2021 to 30.06.2022 S\$'000	01.04.2020 to 30.06.2021 S\$'000
Advisory fees paid to ultimate controlling party	(19)	(52)
Consideration for disposal of subsidiaries	18,000	–
Dividend income ^(a)	936	1,230

^(a) Dividend income relates to dividend income declared by the Company's former subsidiary, Shandong Yinguang Technology Co., Ltd prior to the disposal as disclosed in Note 13.

Related parties refer to companies in which a director or his immediate family has significant or controlling interest.

3C. Key management compensation

	01.07.2021 to 30.06.2022 S\$'000	01.04.2020 to 30.06.2021 S\$'000
Salaries and other short-term employee benefits	407	585

Notes to the Financial Statements

Year ended 30 June 2022

3. Related party relationships and transactions (cont'd)

3C. Key management compensation (cont'd)

Included in the above amounts are following items:

	01.07.2021 to 30.06.2022	01.04.2020 to 30.06.2021
	S\$'000	S\$'000
Remuneration of directors of the Company	84	180
Fees to directors of the Company	92	92

Further information about the remuneration of individual directors is provided in the report on corporate governance.

The above amounts for key management compensation are for all the directors and other key management personnel, who having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

3D. Other receivables from and other payables to related parties

The trade transactions and the related receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other receivables from and other payables to related parties are as follows:

	Former subsidiaries ^(#)	
	30.06.2022	30.06.2021
	S\$'000	S\$'000
Other receivables:		
At beginning of the year/period	–	292
Declaration of dividends	(936)	(1,230)
Dividends received	936	938
At end of the year/period	–	–

(#) As disclosed in Note 13, the disposal of subsidiaries were completed on 4 November 2021.

4. Financial information by operating segments

The Company does not have any business segment, and all the assets and liabilities of the Company as at 30 June 2022 are in Singapore.

Notes to the Financial Statements

Year ended 30 June 2022

5. Other income and gains and (other losses)

	01.07.2021 to 30.06.2022	01.04.2020 to 30.06.2021
	S\$'000	S\$'000
Dividend income ^(a)	936	1,230
Foreign exchange gains (losses)	6	(9)
Government grant income	1	–
Impairment allowance on investment in subsidiaries	–	(4,542)
Interest income	8	–
Net	<u>951</u>	<u>(3,321)</u>
Presented in profit or loss as:		
Other income and gains	951	1,230
Other losses	–	(4,551)
Net	<u>951</u>	<u>(3,321)</u>

^(a) Dividend income relates to dividend income declared by the Company's former subsidiary, Shandong Yinguang Technology Co., Ltd prior to the disposal as disclosed in Note 13.

6. Finance costs

	01.07.2021 to 30.06.2022	01.04.2020 to 30.06.2021
	S\$'000	S\$'000
Interest on lease liabilities	<u>1</u>	<u>4</u>

7. Employee benefits expense

	01.07.2021 to 30.06.2022	01.04.2020 to 30.06.2021
	S\$'000	S\$'000
Employee benefits expense	507	711
Contributions to defined contribution plans	31	48
Total employee benefits expense	<u>538</u>	<u>759</u>

Notes to the Financial Statements

Year ended 30 June 2022

8. Items in the profit or loss

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this item includes the following charges:

	01.07.2021 to 30.06.2022	01.04.2020 to 30.06.2021
	S\$'000	S\$'000
Expenses in relation to proposed disposal of subsidiaries	166	244
Expenses in relation to acquisition of Lincotrade ^(#) (Note 24)	623	–
Audit fees paid to auditors of the Company	30	97
Non-audit fees paid to auditors of the Company	13	13

^(#) Included in the “expenses in relation to acquisition of Lincotrade” of approximately S\$178,000 which relates to fees paid to auditors of the Company for acting as Reporting Accountant for the acquisition.

9. Income tax

9A. Components of income tax recognised in profit or loss

	01.07.2021 to 30.06.2022	01.04.2020 to 30.06.2021
	S\$'000	S\$'000
Current tax expense:		
Withholding tax expense	47	62

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17.0% (30.06.2021: 17.0%) to loss before tax as a result of the following differences:

	01.07.2021 to 30.06.2022	01.04.2020 to 30.06.2021
	S\$'000	S\$'000
Loss before tax	(681)	(4,805)
Income tax income at the above rate	(116)	(817)
Expenses not deductible for tax purposes	275	1,026
Income not subject to tax	(159)	(209)
Withholding tax expense on foreign dividend income	47	62
Total income tax expense	47	62

There are no income tax consequences of dividends to owners of the Company.

Notes to the Financial Statements

Year ended 30 June 2022

10. Loss per share

The following table illustrates the numerators and denominators used to calculate basic and diluted loss per share of no par value:

	01.07.2021 to 30.06.2022 S\$'000	01.04.2020 to 30.06.2021 S\$'000
Numerators: Loss attributable to equity holders of the Company	(728)	(4,867)
	30.06.2022 No. '000	30.06.2021 No. '000
Denominators: Weighted average number of ordinary shares Basic and diluted	46,800	46,800

The weighted average number of ordinary shares refers to shares in issue outstanding during the reporting period.

The basic and diluted amount per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting period.

The basic and diluted loss per share are calculated by dividing the net loss attributable to owners of the Company, by the weighted average number of ordinary shares for basic earnings per share computation.

There is no dilution of loss per share as there are no shares under options. The denominators used are the same as those detailed above for both basic and diluted earnings per share.

11. Plant and equipment

	Plant and equipment S\$'000
<u>Cost:</u>	
At 1 April 2020 and 30 June 2021	45
Disposal	(9)
At 30 June 2022	<u>36</u>
<u>Accumulated depreciation:</u>	
At 1 April 2020 and 30 June 2021	45
Disposal	(9)
At 30 June 2022	<u>36</u>
<u>Carrying value:</u>	
At 1 April 2020, 30 June 2021 and 30 June 2022	<u>—</u>

Notes to the Financial Statements

Year ended 30 June 2022

12. Right-of-use assets

The right-of-use assets in the statements of financial position are as follows:

	Office space S\$'000
<u>Cost:</u>	
At 1 April 2020, 30 June 2021 and 30 June 2022	130
<u>Accumulated depreciation:</u>	
At 1 April 2020	41
Depreciation for the period	51
At 30 June 2021	92
Depreciation for the year	38
At 30 June 2022	130
<u>Carrying value:</u>	
At 1 April 2020	89
At 30 June 2021	38
At 30 June 2022	–

The depreciation expense is charged to administrative expenses.

For lease of office space, there are restrictions or covenants imposed by the leases to sublet the asset to another party. The right-of-use asset can only be used by the lessee. Typically the leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The lease contract is for a period of 3 years with an extension option. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

13. Discontinued operations and disposal group classified as held-for-sale

On 19 March 2021, the Company entered into a conditional Sales and Purchase Agreement (“SPA”) with Triple Vision Pte. Ltd. (see Notes 3 and 19^(a)) for the disposal of 100% equity interest (“Disposal”) in Shandong Yinguang Technology Co., Ltd and its subsidiaries (“Disposal Group”) for a consideration of S\$18,000,000 (“Disposal Consideration”) (also see Note 14). The Disposal was approved by the shareholders during the Extraordinary General Meeting on 14 October 2021 and was completed on 4 November 2021.

Notes to the Financial Statements

Year ended 30 June 2022

14. Investment in subsidiaries

	30.06.2022	30.06.2021
	S\$'000	S\$'000
<u>Movement in carrying value</u>		
At beginning of the period	–	22,542
Impairment allowance for the period ^(a)	–	(4,542)
Reclassified to disposal asset held-for-sale (see Note 13)	–	(18,000)
At end of the year/period	–	–

^(a) During the 15-month period ended 30 June 2021, an impairment loss of approximately S\$4.5 million was recognised based on the Disposal Consideration of S\$18.0 million.

The subsidiaries held by the Company as at 30 June 2021 are listed below:

Name of subsidiaries, country of incorporation, place of operations and principal activities	Cost of the investment		Percentage of equity held by the Company	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	S\$'000	S\$'000	%	%
<u>Held by the Company</u>				
Shandong Yinguang Technology Co., Ltd. (山东银光科技有限公司) (“YG Tech”) People’s Republic of China Production and sale of commercial explosive products	–	22,542	–	100
<u>Held by YG Tech</u>				
Shandong Jiehua Wenlv Zhiye Co., Ltd. (山东杰化文旅置业有限公司) People’s Republic of China Properties holding and management	–	2,082	–	100

15. Other receivables

	30.06.2022	30.06.2021
	S\$'000	S\$'000
<u>Other receivables:</u>		
Outside parties	–	195

The other receivables shown above are subject to the expected credit loss (ECL) allowance assessment under the financial reporting standard on financial instruments. The other receivables can be graded for credit risk individually. At inception they are recorded net of expected 12 month expected credit losses. At each reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor’s credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates (including the impact of the Covid-19 pandemic).

Notes to the Financial Statements

Year ended 30 June 2022

16. Other non-financial assets

	30.06.2022	30.06.2021
	S\$'000	S\$'000
Deposits to secure services	13	13
Prepayments	31	12
	<u>44</u>	<u>25</u>

17. Cash and cash equivalents

	30.06.2022	30.06.2021
	S\$'000	S\$'000
Not restricted in use	<u>289</u>	<u>142</u>

The interest earning balances are not significant.

17A. Reconciliation of liabilities arising from financing activities:

	30.06.2021	Cash flows	Non-cash changes	30.06.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Lease liabilities, current	40	(41)	1	–
Total liabilities from financing activities	<u>40</u>	<u>(41)</u>	<u>1</u>	<u>–</u>

	31.03.2020	Cash flows	Non-cash changes	30.06.2021
	S\$'000	S\$'000	S\$'000	S\$'000
Lease liabilities, current	41	(56)	55	40
Lease liabilities, non-current	51	–	(51)	–
Total liabilities from financing activities	<u>92</u>	<u>(56)</u>	<u>4</u>	<u>40</u>

Notes to the Financial Statements

Year ended 30 June 2022

18. Share capital

	Number of shares issued	Share capital S\$'000
<u>Ordinary shares of no par value:</u>		
At 1 April 2020 and 30 June 2021	46,800,000	23,459
Capital reduction ^(a)	–	(17,222)
At 30 June 2022	<u>46,800,000</u>	<u>6,237</u>

^(a) On 29 November 2021, the Company announced that it had complied with the publicity requirements under section 78C(1)(c), and the solvency requirements under sections 78C(1)(b) and 78C(3) of the Act, and that no application has been made under section 78D(2) of the Act for the cancellation of the Special Resolution of the Shareholders approving the Capital Reduction at the EGM that was held on 14 October 2021, during the 6 weeks beginning with the date of the Special Resolution. The Company had accordingly lodged with the Accounting and Corporate Regulatory Authority of Singapore, the statements from the Directors pursuant to section 78E(2) of the Act confirming the above, together with a notice containing the reduction information, on 29 November 2021. Following the lodgement, the Capital Reduction had taken effect on 29 November 2021 ("Effective Date").

The ordinary shares of no par value carry no right to fixed income and are fully paid and with one vote per share. The Company is not subject to any externally imposed capital requirements except the only externally imposed capital requirement is that for the Company to maintain its listing on the Singapore Exchange Securities Trading Limited it has to have share capital of at least a free float of at least 10% of the shares. The Company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will automatically continue to satisfy that requirement, as it did throughout the period. Management receives a report from the registrars frequently on substantial share interests showing the non-free float and it demonstrated continuing compliance with the 10% limit throughout the period.

Capital management

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting period. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

The Company has no external borrowings except for loan from the ultimate parent company. The debt-to-adjusted capital ratio therefore does not provide a meaningful indicator of the risk of borrowings.

Notes to the Financial Statements

Year ended 30 June 2022

19. Other financial liabilities

	30.06.2022	30.06.2021
	S\$'000	S\$'000
Loan from ultimate parent company ^(a)	500	300
Presented in the statement of financial position as follows:		
Current	–	300
Non-current	500	–
	500	300

On 23 February 2021, the Company entered into a loan agreement with its ultimate parent company, Triple Vision Pte. Ltd. ("Triple Vision") for an aggregate amount of up to S\$1,000,000 ("First Loan"). Any disbursement will be used for the payment of professional fees and expenses of the Company's corporate actions. The loan is unsecured, interest-free and is repayable at the earlier of the date falling (i) on 30 November 2021, or (ii) on the completion of the Proposed Disposal, or (iii) on any other date as may be agreed upon in writing by the Parties.

As at 30 June 2021, the Company had drawn down S\$300,000 from the First Loan. The Company completed the Disposal during the year ended 30 June 2022 and the loan of S\$300,000 was used to offset against the Disposal Consideration.

On 26 April 2022, the Company entered into another loan agreement with its ultimate parent company, Triple Vision for an aggregate amount of up to S\$1,000,000 ("Second Loan") at any time. Any disbursement will be used for the payment of professional fees and expenses incurred for the Proposed Acquisition of Lincotrade & Associates Pte Ltd ("Proposed Acquisition"). The loan is unsecured, interest-free and is repayable beginning from the Maturity Date, i.e. 12 months from the date of completion of the Proposed Acquisition, or any other date as may be agreed upon in writing by Triple Vision and the Company, in 8 equal monthly instalments spread over 8 consecutive calendar months, with the first monthly instalment payable on the Maturity Date.

As at 30 June 2022, the Company had drawn down S\$500,000 from the Second Loan.

^(a) As disclosed in Note 24, the Proposed Acquisition was completed after the reporting year on 3 August 2022. Subsequent to the date of completion of the Proposed Acquisition, Triple Vision Pte. Ltd. became the Company's former immediate and ultimate parent company.

20. Trade and other payables

	30.06.2022	30.06.2021
	S\$'000	S\$'000
<u>Trade payables:</u>		
Outside parties and accrued liabilities	208	342
Subtotal	208	342
<u>Other payables:</u>		
Outside parties	28	171
Subtotal	28	171
Total	236	513

Notes to the Financial Statements

Year ended 30 June 2022

21. Lease liabilities

Lease liabilities are presented in the statements of financial position as follows:

	30.06.2022	30.06.2021
	S\$'000	S\$'000
Lease liabilities, current	–	40
<u>Movements of lease liabilities:</u>		
At beginning of the year/period	40	92
Accretion of interest	1	4
Lease payments	(41)	(56)
At end of the year/period	–	40

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets. The right-of-use assets are disclosed in Note 12.

The incremental borrowing rate applied to lease liabilities recognised was 5.25% (30.06.2021: 5.25%) per annum.

A summary of the maturity analysis of lease liabilities is disclosed in Note 23E. Total cash outflows for leases for current reporting period are shown in the statement of cash flows.

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above.

At reporting year date there were no commitments on leases which had not commenced.

22. Capital commitments

Estimated amounts committed at the end of the reporting period for future capital expenditure but not recognised in the financial statements are as follows:

	30.06.2022	30.06.2021
	S\$'000	S\$'000
Commitment to acquire Lincotrade & Associates Pte Ltd ^(a)	25,000	25,000

(a) On 22 April 2022, the Company entered into a Sale and Purchase Agreement ("SPA") to acquire the entire issued and fully paid-up capital of Lincotrade & Associates Pte Ltd ("Lincotrade").

Pursuant to the SPA, the aggregate purchase consideration in respect of the Proposed Acquisition is S\$25,000,000, to be fully satisfied by the Company at completion of the Proposed Acquisition by the allotment and issuance of an aggregate 113,636,363 new ordinary shares in the issued share capital of the Company, credited as fully paid-up, to the Vendors at an issue price of S\$0.22 per Consideration Share.

Pursuant to the terms of the Agreement, the Company will also allot and issue 5,681,818 new shares, credited as fully paid-up, at the Issue Price to an unrelated third-party arranger, Prestige Fame Limited, and 454,545 new shares, credited as fully-paid up, at the Issue Price to the financial adviser as part of the financial adviser's fees.

Notes to the Financial Statements

Year ended 30 June 2022

23. Financial instruments: information on financial risks

23A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting period.

	30.06.2022	30.06.2021
	S\$'000	S\$'000
<u>Financial assets:</u>		
Financial assets at amortised cost	289	337
<u>Financial liabilities:</u>		
Financial liabilities at amortised cost	736	853

Further quantitative disclosures are included throughout these financial statements.

23B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate and currency risk exposures. Management has certain practices for the management of financial risks. The guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The guidelines include the following:

1. Minimise interest rate, currency and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposure to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

23C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

Notes to the Financial Statements

Year ended 30 June 2022

23. Financial instruments: information on financial risks (cont'd)

23D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting period. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses ("ECL") on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 17 discloses the maturity of the cash and cash equivalents balances. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

23E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 180 days (2021: 180 days). The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The following table analyses the non-derivate financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows).

	Less than 1 year S\$'000	1 to 3 years S\$'000	Total S\$'000
<u>30.06.2022:</u>			
Trade and other payables	236	–	236
Other financial liabilities	–	500	500
At end of the year	236	500	736
<u>30.06.2021:</u>			
Gross lease liabilities	40	–	40
Trade and other payables	513	–	513
Other financial liabilities	300	–	300
At end of the year	853	–	853

The undiscounted amounts on the bank borrowings with fixed interest rates are determined by reference to the conditions existing at the reporting date.

Notes to the Financial Statements

Year ended 30 June 2022

23. Financial instruments: information on financial risks (cont'd)

23E. Liquidity risk – financial liabilities maturity analysis (cont'd)

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

Loan from ultimate parent company:

	30.06.2022	30.06.2021
	S\$'000	S\$'000
Undrawn borrowing facilities	500,000	700,000

The undrawn borrowing facilities are available for purposes as disclosed in Note 19.

23F. Interest rate risk

The interest rate risk exposure is from changes in interest rates and it mainly concerns financial liabilities. The interest from financial assets including cash balances is not significant. The following table analyses the breakdown of the significant financial instruments by type of interest rates:

	Company	
	30.06.2022	30.06.2021
	S\$'000	S\$'000
<u>Financial liabilities:</u>		
Fixed rates	–	40

There is exposure to interest rate risk as part of its normal business.

Sensitivity analysis: The effect on pre-tax loss is not significant.

23G. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

There is exposure to foreign currency risk as part of its normal business.

Sensitivity analysis: The effect on post tax profit is not significant.

Notes to the Financial Statements

Year ended 30 June 2022

24. Events after the reporting year

During the Extraordinary General Meeting held on 22 July 2022, the shareholders of the Company approved the Proposed Acquisition, proposed listing transfer from the Mainboard of the SGX-ST ("Mainboard") to the Catalist Board of the SGX-ST ("Catalist") and the change of Company's name from Fabchem China Limited to Lincotrade & Associates Holdings Limited.

On 3 August 2022, the Company completed the Proposed Acquisition of Lincotrade ("Completion"). Pursuant to the Completion, Company had:

- (i) acquired all the ordinary shares in the issued and paid-up capital of Lincotrade and became the parent company of Lincotrade;
- (ii) changed its name to Lincotrade & Associates Holdings Limited;
- (iii) allotted and issued 113,636,363 ordinary shares to the shareholders of Lincotrade (namely Tan Jit Meng, Soh Loong Chow Jackie and Tan Chee Khoon), at an issue price of S\$0.22 per share, in full satisfaction of the total consideration of S\$25,000,000;
- (iv) allotted and issued 454,545 ordinary shares to the Company's financial adviser, RHB Bank Berhad as part of the financial adviser's fees for its services in relation to the Proposed Acquisition. Based on the share price of S\$0.196 as at 3 August 2022, the value of these shares issued will amount to approximately S\$89,000 and this will be charged to the income statement in the year ending 30 June 2023;
- (v) allotted and issued 5,681,818 ordinary shares of the Company to the arranger, Prestige Frame Limited. Based on the share price of S\$0.196 as at 3 August 2022, the value of these shares will amount to approximately S\$1.11 million and this will be charged to the income statement in the year ending 30 June 2023; and
- (vi) allotted and issued placement shares of 5,455,000 at the issue price of S\$0.22 per new ordinary share for proceeds of S\$1.20 million. Net proceeds received after deducting direct expenses relating to the placement of approximately S\$26,000 was approximately S\$1.174 million.

On 8 August 2022, the Company transferred the listing from the Mainboard to the Catalist and exited from the watch-list of the SGX-ST.

The Proposed Acquisition is treated as a reverse acquisition ("RTO") for accounting purposes as the shareholders of Lincotrade became the controlling shareholders of the Company upon the completion of the Proposed Acquisition. Based on the fair value of the Company's shares of S\$0.196 per share (Company's last transacted share price prior to RTO completion date on 3 August 2022), the Company will recognise a loss on reverse acquisition of approximately S\$9.17 million and this will be charged to the income statement for the year ending 30 June 2023.

25. Changes and adoption of financial reporting standards

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

SFRS(I) No.	Title
SFRS(I) 16	Covid-19 Related Rent Concessions - Amendment to (effective from 30 June 2020)

Notes to the Financial Statements

Year ended 30 June 2022

26. New or amended standards in issue but not yet effective

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

SFRS(I) No.	Title	Effective date for periods beginning on or after
SFRS(I) 1-1	Presentation of Financial Statements – amendment relating to Classification of Liabilities as Current or Non-current	1 January 2023
SFRS(I) 1-12, SFRS(I) 1	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to	1 January 2023
SFRS(I) 1-16	Property, Plant and Equipment: Proceeds before Intended Use – Amendments	1 January 2022
SFRS(I) 1-37	Onerous Contracts – Costs of Fulfilling a Contract – Amendments	1 January 2022
SFRS (I) 3	Definition of a Business - Reference to the Conceptual Framework – Amendments to	1 January 2022
Various	Amendments to SFRS (I) 1-1 and SFRS (I) Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Various	Annual Improvements to FRSs 2018-2020	1 January 2022

27. Comparative figures

The financial statements for 2021 cover the reporting period from 1 April 2020 to 30 June 2021. The financial statements for 2022 cover the twelve months ended 30 June 2022. Therefore, the comparative amounts for the Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and related notes are not entirely comparable.

For the reporting period ended 30 June 2021, the financial statements were prepared in accordance with SFRS (I) 10 Consolidated Financial Statements, which requires the presentation of consolidated financial statements for the Company and its subsidiaries.

As set out in Note 13 of the financial statements, on 19 March 2021, the Company completed the disposal of 100% equity interest in all its subsidiaries. With the completion of the disposal, the Company does not have any subsidiaries as at the end of the reporting year. As such, only standalone financial statements of the Company are presented. In addition, the Company has changed its presentation currency from Chinese Renminbi to Singapore dollar, which is the Company's functional currency.

Statistics of Shareholdings

As at 16 September 2022

Issued and fully paid-up capital	:	S\$33,613,730
No. of shares issued	:	172,027,726
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share
No. / % of treasury shares	:	Nil
No. / % of subsidiary holdings	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	0	0.00	0	0.00
100 - 1,000	126	28.00	85,200	0.05
1,001 - 10,000	253	56.22	995,100	0.58
10,001 - 1,000,000	65	14.45	7,351,046	4.27
1,000,001 AND ABOVE	6	1.33	163,596,380	95.10
TOTAL	450	100.00	172,027,726	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	TAN JIT MENG	45,454,545	26.42
2	SOH LOONG CHOW JACKIE	45,454,545	26.42
3	TRIPLE VISION PTE. LTD.	24,411,499	14.19
4	TAN CHEE KHOON	22,727,273	13.21
5	IFAST FINANCIAL PTE. LTD.	17,008,518	9.89
6	FORTSMITH INVESTMENTS LIMITED	8,540,000	4.96
7	CITIBANK NOMINEES SINGAPORE PTE LTD	1,000,000	0.58
8	SEOW MING LIANG	805,700	0.47
9	HO WENG KUM	455,000	0.26
10	RHB BANK NOMINEES PTE LTD	454,545	0.26
11	CHUA SEK HOW	281,400	0.16
12	GOH KIAN SOON (WU JIANSHUN)	279,200	0.16
13	LEOW KIM HOW	272,200	0.16
14	NOMURA SINGAPORE LIMITED	254,200	0.15
15	TAN KAY CHENG	236,200	0.14
16	NG CHONG LAY	216,000	0.13
17	FONG LAI FANG	205,000	0.12
18	NG CHONG LIANG	205,000	0.12
19	SIM LAI HEE	199,600	0.12
20	TIGER BROKERS (SINGAPORE) PTE. LTD.	182,100	0.11
	TOTAL	168,642,525	98.03

Statistics of Shareholdings

As at 16 September 2022

SUBSTANTIAL SHAREHOLDERS

Substantial shareholders of the Company (as recorded in the Register of Substantial Shareholders) as of 16 September 2022.

	Direct Interest	No. of Ordinary Shares		%
		%	Indirect Interest	
Tan Jit Meng	45,454,545	26.42	–	–
Soh Loong Chow Jackie	45,454,545	26.42	–	–
Tan Chee Khoon	22,727,273	13.21	–	–
Triple Vision Pte. Ltd.	24,411,499	14.19	–	–
Wee Henry ⁽¹⁾	–	–	24,665,699	14.34

Note:

- (1) Mr Wee Henry is deemed to be interested in the shares held by Triple Vision Pte. Ltd. by virtue of Section 7 of the Singapore Companies Act. Mr Wee Henry is also deemed to be interested in the shares held by a nominee, Nomura Singapore Limited.

FREE FLOAT

As at 16 September 2022, approximately 16.04% of the issued ordinary shares of the Company was held in the hands of the public (on the basis of information available to the Company).

Accordingly, the Company had complied with Rule 723 of the SGX-ST Listing Manual Section B: Rules of the Catalist.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (“AGM”) of LINCOTRADE & ASSOCIATES HOLDINGS LIMITED will be held at 39 Sungei Kadut Loop Singapore 729494 on Wednesday, 26 October 2022 at 3.00 p.m. for the following purposes: -

AS ORDINARY BUSINESS

- | | | |
|----|---|---------------------|
| 1. | To receive and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2022 together with the Statement by Directors and Auditors’ Report thereon. | Resolution 1 |
| 2. | To re-elect Mr Tan Jit Meng who is retiring under Article 122 of the Company’s Constitution.
<i>(See Explanatory Note 1)</i> | Resolution 2 |
| 3. | To re-elect Dr Tan Kok Heng who is retiring under Article 122 of the Company’s Constitution.
<i>(See Explanatory Note 2)</i> | Resolution 3 |
| 4. | To re-elect Mr Lu King Seng who is retiring under Article 122 of the Company’s Constitution.
<i>(See Explanatory Note 3)</i> | Resolution 4 |
| 5. | To re-elect Mr Wee Shuo Siong Milton who is retiring under Article 122 of the Company’s Constitution.
<i>(See Explanatory Note 4)</i> | Resolution 5 |
| 6. | To re-appoint Messrs RSM Chio Lim LLP, as auditors of the Company and to authorise the Directors to fix their remuneration. | Resolution 6 |
| 7. | To transact any other ordinary business which may be properly transacted at an Annual General Meeting. | |

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution (with or without amendments) as an Ordinary Resolution: -

- | | | |
|----|---|---------------------|
| 8. | <u>AUTHORITY TO ALLOT AND ISSUE SHARES</u> | Resolution 7 |
| | <p>“That pursuant to Section 161 of the Companies Act 1967 (the “Act”) and Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) (“Catalist Rules”), the Directors of the Company be authorised and empowered to:</p> <p>(I) (i) allot and issue shares in the capital of the Company (“Shares”) whether by way of rights, bonus or otherwise; and/or</p> <p>(ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and</p> <p>(II) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force,</p> | |

Notice of Annual General Meeting

provided that:

- (a) 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), shall not exceed one hundred per cent (100%) of the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing members of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below);
- (b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) that may be issued under sub-paragraph (a) above, the percentage of the issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - (i) new Shares arising from the conversion or exercise of any convertible securities;
 - (ii) new Shares arising from the exercise of share options or vesting of share awards which are outstanding and/or subsisting at the time of the passing of this Resolution, provided the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of Shares;Any adjustments made in accordance with sub-paragraphs (b)(i) or (b)(ii) above shall only be made in respect of new Shares arising from convertible securities and Instruments which were issued and outstanding and/or subsisting at the time of the passing of this Resolution.
- (c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act and the Constitution for the time being of the Company; and
- (d) the authority conferred by this Resolution shall, unless revoked or varied by the Company in general meeting, continue to be in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

(See Explanatory Note 5)

BY ORDER OF THE BOARD

Nor Hafiza Alwi
Company Secretary
11 October 2022, Singapore

Notice of Annual General Meeting

Explanatory Notes:

- (1) Ordinary Resolution 2 - Mr Tan Jit Meng will, upon re-election as a Director of the Company, remain as the Managing Director of the Company. Detailed information on Mr Tan Jit Meng can be found in the Annual Report 2022. Save as disclosed therein, there are no other relationships (including immediate family relationships) between Mr Tan Jit Meng and the other Directors of the Company, the Company or its substantial shareholders.
- (2) Ordinary Resolution 3 - Dr Tan Kok Heng will, upon re-election as a Director of the Company, remain as the Independent and Non-Executive Chairman of the Company, as well as the Chairman of Nominating and Remuneration Committees and a member of the Audit Committee. Detailed information on Dr Tan Kok Heng can be found in the Annual Report 2022. Dr Tan Kok Heng is considered by the Board to be independent for the purposes of Rule 704(7) of the Catalyst Rules. There are no relationships (including immediate family relationships) between Dr Tan Kok Heng and the other Directors of the Company, the Company or its substantial shareholders.
- (3) Ordinary Resolution 4 - Mr Lu King Seng will, upon re-election as a Director of the Company, remain as the Independent and Non-Executive Director of the Company, as well as the Chairman of Audit Committee and a member of Nominating and Remuneration Committees. Detailed information on Mr Lu King Seng can be found in the Annual Report 2022. Mr Lu King Seng is considered by the Board to be independent for the purposes of Rule 704(7) of the Catalyst Rules. There are no relationships (including immediate family relationships) between Mr Lu King Seng and the other Directors of the Company, the Company or its substantial shareholders.
- (4) Ordinary Resolution 5 - Mr Wee Shuo Siong Milton will, upon re-election as a Director of the Company, remain as the Non-Independent and Non-Executive Director of the Company, as well as a member of Audit, Nominating and Remuneration Committees. Detailed information on Mr Wee Shuo Siong Milton can be found in the Annual Report 2022. Mr Wee Shuo Siong Milton is considered by the Board to be non-independent for the purposes of Rule 704(7) of the Catalyst Rules. Save as disclosed therein, there are no other relationships (including immediate family relationships) between Mr Wee Shuo Siong Milton and the other Directors of the Company, the Company or its substantial shareholders.
- (5) Ordinary Resolution 7 above, is to authorise the Directors of the Company from the date of the forthcoming AGM until the next AGM of the Company to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 100% of the total number of issued shares excluding treasury shares and subsidiary holdings of which the total number of shares issued other than on a pro-rata basis to existing members shall not exceed 50% of the total number of issued shares excluding treasury shares and subsidiary holdings for such purposes as they consider would be in the interests of the Company. Rule 806(3) of the Catalyst Rules currently provides for the percentage of the total number of issued shares excluding treasury shares and subsidiary holdings to be calculated on the basis of the total number of issued shares at the time that the Resolution is passed (taking into account the conversion or exercise of any convertible securities or employee share options at the time that the Resolution is passed, which were issued pursuant to previous member approval), adjusted for any subsequent bonus issue, consolidation or subdivision of shares. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company.

Notes:

1. Printed copies of this notice of AGM (the "Notice") and the Company's annual report ("AR") will not be sent to members. Instead, this Notice and AR will be sent to members by electronic means via publication on the Company's website at the URL <https://www.lincotrade.com.sg/> and made available on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.
2. A proxy need not be a member of the Company.
3. The instrument appointing a proxy or proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:
 - (a) if sent personally or by post, to the registered office of the Company at 39 Sungei Kadut Loop Singapore 729494; or
 - (b) if submitted by email, be received by the Company at wkwk@lincotrade.com.sg.

A member who wishes to submit an instrument of proxy must first download, print, complete and sign the proxy form, before submitting it by post to the address provided above, or by scanning and sending it by email to the email address provided above. The proxy form for the AGM can be accessed at URLs <https://www.lincotrade.com.sg/> and <https://www.sgx.com/securities/company-announcements>.

4. For investors who hold shares through relevant intermediaries, including CPF and SRS investors, who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes, at least seven (7) working days before the time appointed for the holding of the AGM (ie. by 3.00 p.m. on 13 October 2022). CPF investors and/or SRS investors are requested to contact their respective CPF and/or SRS Operators for any queries they may have with regard to the appointment of the Chairman of the Meeting as proxy for the AGM.
5. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Act, a member entitled to attend and vote at this meeting is entitled to appoint not more than two proxies to attend and vote in his stead.

Notice of Annual General Meeting

6. Where a member appoints more than one proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no percentage is specified, the first named proxy shall be treated as representing 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
7. A member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend and vote at this meeting, but each proxy must be appointed to exercise the rights attached to a different shares held by such member. Where such member appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
8. If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
9. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time appointed for holding the AGM in order for the Depositor to be entitled to attend and vote at the AGM.

IMPORTANT INFORMATION

The AGM is being convened and will be held physically pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (“**Physical Meeting**”).

1. Attendance

Due to the COVID-19 situation, the Company may restrict the number of attendees at the Physical Meeting to such number as the Directors may determine in compliance with the prevailing Ministry of Health advisory.

2. Voting

Voting on the resolutions tabled at the AGM will be by poll in accordance with the Constitution of the Company.

3. Submission of Questions in Advance

Members may submit their questions in relation to the resolutions of the AGM by email to:-

- (a) email to: wlkwek@lincotrade.com.sg; or
- (b) post to the registered office at 39 Sungei Kadut Loop Singapore 729494

All questions must be submitted within 7 calendar days from the date of this Notice of AGM, i.e. by **6.00 p.m. on 18 October 2022** (“**Cut-Off Time**”).

The Company will endeavor to address questions which are substantial and relevant and received from members who are verifiable against the Depository Register or the Register of Members. The Company's responses to members' questions will be posted on the SGXNet and the Company's website not later than 48 hours before the closing date and time for the lodgement of the Proxy Forms, i.e. by **3.00 p.m. on 21 October 2022**.

Verified members and Proxy(ies) attending the Physical Meeting will be able to ask questions in person at the AGM venue. The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNET and the Company's website and the minutes will include the responses to the questions referred to above.

4. Precautionary measures to minimise the risk of COVID-19

The following steps will be taken for the members and others attending the AGM to help to minimise the risk of community spread of the virus:

- (a) All attendees must comply with the prevailing guidelines on safe distancing and wearing of face masks at the AGM Venue are encouraged.
- (b) Members and Proxy(ies) who are feeling unwell on the date of the AGM are advised not to attend the Physical Meeting.
- (c) Members and Proxy(ies) who intend to attend the AGM are advised to arrive at the Physical Meeting earlier, as the measures mentioned above may cause delay in the registration process.
- (d) To reduce close contact, there will not be any food served at the AGM.

The Company seeks the understanding and co-operation of all Members to safeguard public health and safety and minimise the risk of community spread of COVID-19.

Notice of Annual General Meeting

Further Updates

Members should note that the manner of conducting the AGM may be subject to further changes based on the evolving COVID-19 situation, any legislative amendments and any directives or guidelines from government agencies or regulatory authorities. Any changes to the manner of conducting the AGM will be announced by the Company on SGXNET. Members are advised to check SGXNET and the Company's website regularly for any further updates.

Personal Data Privacy

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representatives(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representatives(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representatives(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.

This announcement has been reviewed by the Company's sponsor, RHB Bank Berhad, through its Singapore branch (the "Sponsor") in accordance with Rule 226(2) (b) of the Catalist Rules. It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr. Alvin Soh, Head, Corporate Finance, RHB Bank Berhad, Singapore branch, at 90 Cecil Street, #04-00 Singapore 069531, Telephone: +65 6320 0627.

LINCOTRADE & ASSOCIATES HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200413128G)

PROXY FORM

IMPORTANT:

1. Relevant intermediaries (as defined in Section 181 of the Companies Act 1967) may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy the Company's shares, this Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.

*I/We _____ (NRIC/Passport No.) _____

of _____

being a member/members of the above-mentioned Company, hereby appoint:-

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 39 Sungei Kadut Loop Singapore 729494 on Wednesday, 26 October 2022 at 3.00 p.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for, against or abstain the Resolutions to be proposed at the Meeting as hereunder indicated. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

No.	Ordinary Resolutions	For	Against	Abstain
1.	To adopt the Audited Financial Statements, Directors' Statement and Auditors' Report of the Company for the financial year ended 30 June 2022.			
2.	To re-elect Mr Tan Jit Meng as a Director under Article 122.			
3.	To re-elect Dr Tan Kok Heng as a Director under Article 122.			
4.	To re-elect Mr Lu King Seng as a Director under Article 122.			
5.	To re-elect Mr Wee Shuo Siong Milton as a Director under Article 122.			
6.	To re-appoint RSM Chio Lim LLP as Auditors and authorise Directors to fix their remuneration.			
7.	Approval of Authority to allot and issue shares.			

Dated this _____ day of _____ 2022.

Total no. of Shares in	No. of Shares
(a) Depository Register	
(b) Register of Members	

Signature(s) of member(s)/Common Seal of Corporate member(s)

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES FOR PROXY FORM OVERLEAF



Notes to the Proxy Form

1. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act 1967 (the "**Companies Act**") a member entitled to attend and vote at the Annual General Meeting (the "**Meeting**") is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints more than one proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
3. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
4. Pursuant to Section 181(1C) of the Companies Act, a member who is a Relevant Intermediaries is entitled to appoint more than two proxies to attend, speak and vote at the Meeting provided that each proxy is appointed to exercise the rights attached to different shares held by the member. In such event, the relevant intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such a person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act 1967.
7. The instrument appointing a proxy or proxies, together with the power of attorney (if any) under which it is signed or a notarially certified or office copy thereof, shall be submitted by email, be received by the Company at wkwek@incotrade.com.sg or deposited at the registered office of the Company at 39 Sungei Kadut Loop Singapore 729494, not less than seventy-two (72) hours before the time appointed for the Meeting.
8. Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be for, against or abstain the Resolutions as set out in the Notice of Annual General Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Annual General Meeting.
9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.
10. In the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the Meeting as certified by The Central Depository (Pte) Limited to the Company.
11. 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 vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 October 2022.

Corporate Information

BOARD OF DIRECTORS

Dr Tan Kok Heng

Independent and Non-Executive Chairman

Tan Jit Meng

Managing Director

Lu King Seng

Independent and Non-Executive Director

Wee Shuo Siong Milton

Non-Executive and Non-Independent Director

NOMINATING COMMITTEE

Dr Tan Kok Heng *Chairman*
Lu King Seng
Wee Shuo Siong Milton

REMUNERATION COMMITTEE

Dr Tan Kok Heng *Chairman*
Lu King Seng
Wee Shuo Siong Milton

AUDIT COMMITTEE

Lu King Seng *Chairman*
Dr Tan Kok Heng
Wee Shuo Siong Milton

JOINT COMPANY SECRETARIES

Nor Hafiza Alwi
Loh Mei Ling

REGISTERED AND MAILING ADDRESS

39 Sungei Kadut Loop
Singapore 729494
Tel: (65) 6366 8500
Fax: (65) 6367 7003

CATALIST SPONSOR

RHB Bank Berhad,
through its Singapore branch
90 Cecil Street
#04-00 RHB Bank Building
Singapore 069531

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
10 Marina Boulevard
Marina Bay Financial Centre Tower 2
#47-01
Singapore 018983

Standard Chartered Bank
8 Marina Boulevard
Marina Bay Financial Centre (Tower 1)
Level 23
Singapore 018982

Maybank Singapore Limited
200 Jalan Sultan, #01-02
Textile Centre
Singapore 199018

Oversea-Chinese Banking Corporation Limited
63 Chulia Street, #06-00,
OCBC Centre East,
Singapore 049514

COMPANY REGISTRATION NUMBER

200413128G

REGISTRAR AND SHARE TRANSFER OFFICE

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

INDEPENDENT AUDITORS

RSM Chio Lim LLP
Certified Public Accountants,
Singapore
(Member of RSM International)
8 Wilkie Road
#03-08
Wilkie Edge
Singapore 228095

Partner-in-charge:
Goh Swee Hong
Appointment with effect from
financial year ended
31 March 2019

INVESTOR RELATIONS

8PR Asia Pte Ltd
Alex Tan
Tel: (65) 9451 5252
Email: alex.tan@8prasia.com



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