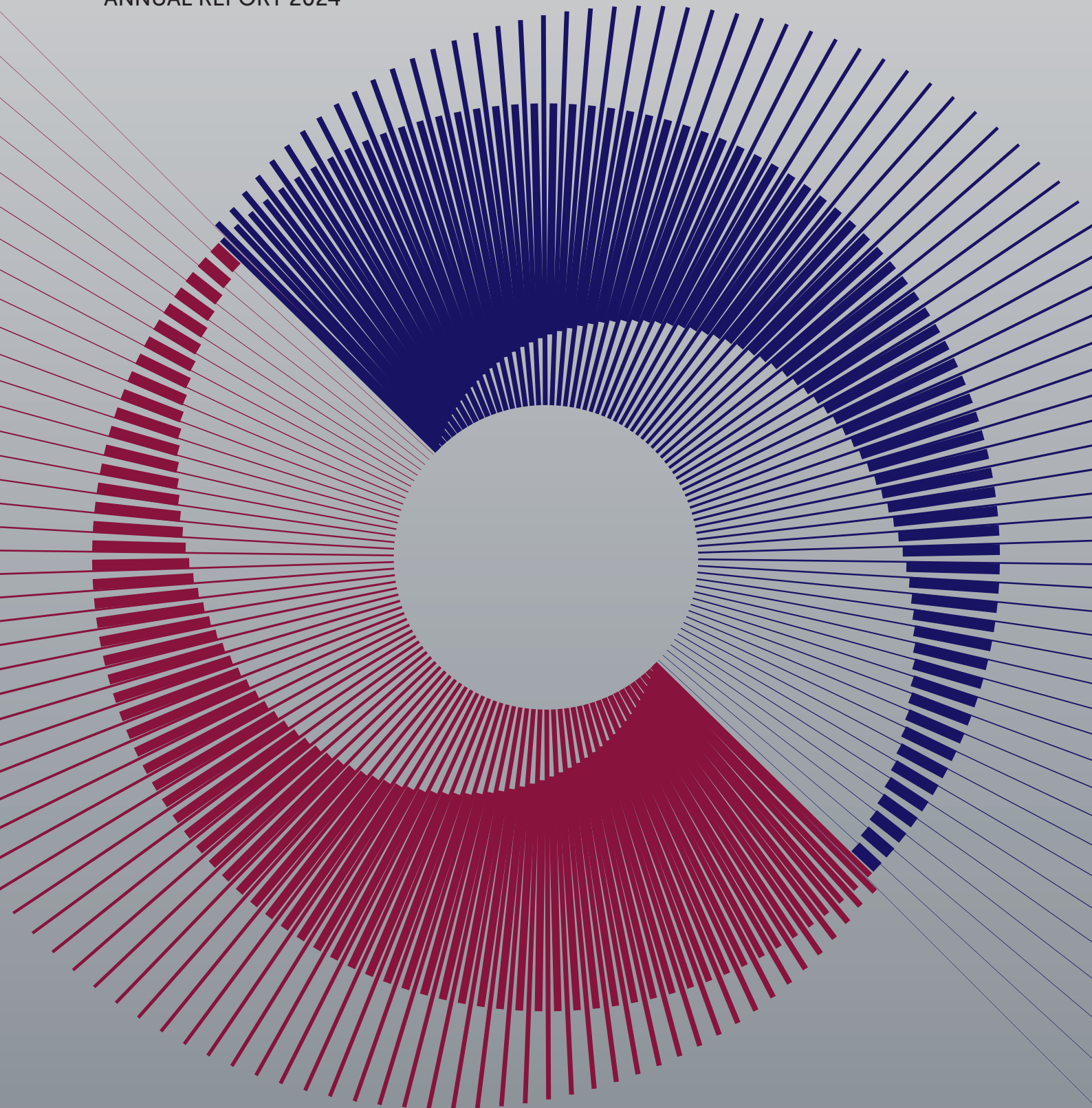




YOUR PARTNER IN
GROUND
ENGINEERING

FORTITUDE IN STRATEGY

ANNUAL REPORT 2024



FORTITUDE IN STRATEGY





In an era marked by rapid transformation, CSC Holdings exemplifies fortitude through strategic innovation and steadfast commitment. By leveraging our expertise and embracing new technologies, we navigate complex challenges with confidence. Our strategic focus ensures sustainable growth and continued leadership in foundation and geotechnical engineering, driving us forward to build a resilient and dynamic future for our stakeholders.



An aerial photograph of Singapore, showing the dense urban skyline with numerous skyscrapers in the background. In the foreground, there is a large construction site with yellow earth and various pieces of machinery. To the right, a large, modern building with a green facade and the word 'MANDARIN' is visible. The sky is blue with some clouds. A large, semi-circular sunburst graphic with many thin lines radiating from a central point is overlaid on the image, partially obscuring the skyline and construction site.

BUILDING ON STRONG FOUNDATIONS

At CSC Holdings, our unwavering commitment to excellence lays the groundwork for our success. By leveraging our extensive expertise and innovative approaches in foundation and geotechnical engineering, we create robust, reliable solutions. Our solid foundations enable us to tackle complex projects, ensuring sustainable growth and long-term stability for our stakeholders.



DRIVING PROGRESS FOR SINGAPORE'S FUTURE

CSC Holdings actively participates in Singapore's development by integrating technologies and pioneering innovative methods. Our efforts significantly enhance our operational capabilities, allowing us to make substantial contributions to the nation's infrastructural growth. Our dedication to leading the industry in ground engineering solutions ensures that we support sustainable urban development and enhance the quality of life across Singapore.





CREATING LONG-TERM VALUE

Our strategic vision is sharply focused on cultivating sustainable long-term value. Through responsible practices and continual advancements in technology, we laid the foundation for infrastructures designed to endure. CSC Holdings invests deeply in its people and partnerships, ensuring our contributions resonate well into the future, enhancing both the industry and the communities we serve.



CSC HOLDINGS LIMITED AT A GLANCE

CSC Holdings Limited Group of companies ("the Group") is Singapore's leading foundation and geotechnical engineering specialist and the region's leading ground engineering solutions provider for private and public sector works which include residential, commercial, industrial and infrastructure projects. Founded in 1975, it has been listed on the Main Board of the Singapore Exchange Limited since 1998.

The Group operates principally as foundation and geotechnical engineering specialists and offers a full range of capabilities in this field which includes the construction and installation of large diameter bored piles, diaphragm walls, ground improvement works, driven piles, jack-in piles, micro piles, soil investigation, pile testing and instrumentation services and automatic underground tunnel monitoring and engineering survey. With a total regional workforce of around 1,400 employees, the Group currently operates in Singapore and Malaysia.

Backed by strong fundamentals and an experienced management team, the Group's excellent reputation through the years has made professionalism, performance and good corporate governance a trademark of its business.

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SCOPE OF SERVICES



FOUNDATION AND GEOTECHNICAL ENGINEERING WORKS

- Large Diameter Bored Piles
- Contiguous Bored Pile / Secant Piles
- Barrette Piles
- Diaphragm Walls
- Jack-In-Piles
- Driven Piles (Steel Piles, RC Piles and Spun Piles)
- Micro Piles (Bored and Driven)
- Pile caps and basement
- Pile load tests (Compression Load Tests, Tension Load Test and Lateral Load Test)



GROUND ENGINEERING WORKS

- Jet Grouting / TAM Grouting / Fissure Grouting / Base Grouting
- Deep Cement Mixing
- Soil Nails / Ground Anchors
- Cofferdams / Steel Sheet Piles



SOIL INVESTIGATION, INSTRUMENTATION AND SPECIALISED SURVEYING WORKS

- Land and Marine Soil Investigation
- Soil Laboratory Testing, Geotechnical Instrumentation and Monitoring
- Pile Load Test Instrumentation (Conventional Strain Gauge method and Strain Transducer method)
- Automated Structural and Tunnel Deformation Monitoring Survey
- Ground and Topographical Survey
- Geophysical / Resistivity Investigation / Mapping
- Bi-directional Load Testing, Dynamic Pile Testing and Pile Integrity Testing



SALE AND LEASE OF FOUNDATION ENGINEERING EQUIPMENTS AND ACCESSORIES

- Sale and Leasing of hydraulic bored piling rigs, pile driving rigs, jack in piling rigs and other piling rigs
- Sale and Leasing of hydraulic vibrohammers and other foundation engineering equipment
- Sale of parts, accessories and consumables for the foundation engineering industry
- Leasing of steel plates

AWARDS & COMMENDATIONS



SAFETY PERFORMANCE AWARD 1ST QUARTER 2024

At NS Square Project

Presented To
CS Bored Pile System Pte Ltd



PIVOTAL CONTRIBUTIONS TO ACHIEVING 500,000 SAFE PRODUCTIVE MAN-HOURS IN SOITEC – PRI1A PROJECT (2024)

Presented to
CS Bored Pile System Pte Ltd



800,000 MANHOURS INCIDENT & INJURY FREE

At MSD MK-5475 (DPI)
Dry Power Inhaler Project

Presented To
CS Construction & Geotechnical
Pte Ltd



SAFETY PERFORMANCE IN ACHIEVING 500,000 SAFE MAN-HOURS AT OCGT PROJECT

Presented to
CS Bored Pile System Pte Ltd



SAFETY PERFORMANCE AWARD 2023

At The MYST Project

Presented To
CS Construction & Geotechnical
Pte Ltd



OUTSTANDING SUB CONTRACTOR AWARD

Presented to
CS Bored Pile System Pte Ltd



MILLION SAFE MAN-HOURS ACHIEVEMENT ON CR109 PROJECT

Presented to
L&M Foundation Specialist Pte Ltd



1 MILLION SAFE MANHOURS ACHIEVEMENT

At OCGT Project

Presented To
CS Bored Pile System Pte Ltd
CS Construction & Geotechnical
Pte Ltd



BEST SAFETY PERFORMANCE SUB CONTRACTOR AWARD

On HDB Geylang N4 C50 Project
Presented to
L&M Foundation Specialist Pte Ltd



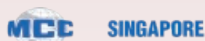
IN RECOGNITION OF EXCELLENT SUPPORT AND CONTRIBUTION TO A SAFE WORKSITE AND COMPLETION OF AMAT@TIC PROJECT (2022–2024)

Presented to
CS Bored Pile System Pte Ltd



IN RECOGNITION OF CONTRIBUTION TOWARDS THE OBTAINMENT OF C821A BSC PROJECT

Presented to
CS Bored Pile System Pte Ltd



CERTIFICATE OF APPRECIATION

For Most Safety Improvement
Contractors 2023 at CR101 –
Design and Construction of
Changi East Depot Project

Presented to
CS Bored Pile System Pte Ltd



EHS AWARD

Presented to
L&M Foundation Specialist Pte Ltd



THE BEST SALES AWARD (2018 TO 2022)

Presented To
THL Foundation Equipment Pte Ltd



CERTIFICATE OF APPRECIATION

On Recognition and Appreciation
of Dedicated Contributions and
Commitment over the years to the
GeoSS as a Corporate Member

Presented To
Soil Investigation Pte Ltd



OUTSTANDING SUB CONTRACTOR AWARD

On Changi ARC Package 3 Project

Presented To
L&M Foundation Specialist Pte Ltd



APPRECIATION AWARD

For Outstanding EHS & Quality
Performance On Siltronic FAB
Next Singapore Project

Presented To
**CS Construction & Geotechnic
Pte Ltd**



YES CONSTRUCTION PTE LTD

In Recognition Towards Contribution
to Safety, Health & Environment
100,000 Safe Man-hours

For Metallocene Catalyst Expansion
Project

Presented To
**CS Construction & Geotechnic
Pte Ltd**



BEST SAFETY PERFORMANCE

For Best Safety Performance
Sub-Contractor at LTA North South
Corridor – Contract N110

In conjunction with 5,000,000
Accident-Free Man-hours Celebration
Awarded To
L&M Foundation Specialist Pte. Ltd.



IN RECOGNITION OF CONTRIBUTION TO THE ACHIEVEMENT OF 1,000,000 SAFE MAN-HOURS AT LTA CONTRACT DE142 PROJECT

Presented To
CS Bored Pile System Pte Ltd



IN RECOGNITION OF EXCEPTIONAL WORK DONE THAT RESULTED IN A SAFE & SECURE WORK ENVIRONMENT

At MSD MK 5475 DPI Project

Presented To
**CS Construction & Geotechnic
Pte Ltd**



APPRECIATION AWARD

Presented To
**CS Construction & Geotechnic
Pte Ltd**
For API Expansion Project

CHAIRMAN'S STATEMENT



Proactivity and prudence were the key considerations in the current financial year. Our operational and financial discipline have stood us well over the years and we will continue to build upon this.

DEAR SHAREHOLDERS,

We started the financial year ended 31 March 2024 ("FY24") with prospects of a better year and were heartened by the increase in construction activity in the first half of FY24. At the onset of the Middle East military conflict, our strong focus on managing operational costs and productivity saw us building a sizeable order book and improving on our year-on-year interim performance.

Unfortunately, with the deepening crises in the Middle East and Eastern Europe, developers and project owners responded by withholding their tender awards to contractors. Amid the dearth in private sector contracts, the situation was compounded by manpower-related challenges, including a reduction in foreign worker quotas in September 2023, a short supply of foreign worker accommodation, as well as an increase in foreign worker levy in January 2024. In order to maintain and retain our lean but skilled workforce, we had to take on a high proportion of lower-margin public sector contracts which helped to defray part of our fixed cost.

As a result, our Group recorded a 15.4% rise in revenue to \$305.3 million in FY24, from \$265.0 million in the preceding financial year ("FY23"). Net loss attributable to shareholders narrowed to \$20.2 million, compared to \$26.7 million in the FY23. Through diligent working capital management and efforts to expedite the collection of receivables, we were able to generate positive operating cash flow.

OPERATIONAL HIGHLIGHTS

The positive returns from private residential and infrastructure projects with good margins that we secured in the first half of FY24 were quickly eroded in the second half as demand for construction services dropped significantly, while operational and finance costs remained high.

Nevertheless, the public projects that we secured and delivered enabled us to generate sufficient cash flow to sustain our operations. In Malaysia, we capitalised on the increase in construction activity to secure and complete more foundation and geotechnical engineering projects, particularly those requiring precast piling services.

Our equipment sale and leasing business attained a decent performance, as a result of improvement in sales in the second half of FY24, especially in India. There was demand for the more affordable Chinese-made equipment towards the end of the year.

THE YEAR AHEAD

This current downturn in the construction cycle has been particularly long drawn. Contracts that can yield positive margins have been few, while operating costs remain high.

Demand for construction services is expected to rise in the year ahead, supported by a combination of public and private residential projects, the expansion of the two integrated resorts, as well as infrastructure projects. In addition, the extensive resources required for the upcoming construction of Changi Airport Terminal 5 will significantly increase the demand for foundation works and construction services. This will consequently reduce the supply of such services to other projects hopefully would improve tender prices.

In Malaysia, demand for precast piling services is expected to remain robust even as demand for bored piling services is likely to languish. Part of the Group's focus going forward will be on re-balancing its resources against the composition of job requirements to maximise returns.

Labour costs will remain high on the back of revised foreign manpower regulations in Singapore and the anticipated increase in demand for additional skilled labour in tandem with rising construction activity. Meanwhile, geopolitical uncertainties from the ongoing wars in Ukraine and Gaza would continue to exert upward pressure raw material and energy costs.

Proactivity and prudence were the key considerations in the current financial year. Our operational and financial discipline have stood us well over the years and we will continue to build upon this. At the same time, we will actively tender for projects with the aim to achieving sustainable margins and generating cash flows, while maintaining a good relationship with our customers. We will also be actively sourcing for cheaper sources of financing.

APPRECIATION

On behalf of the Board of Directors, I want to extend my deepest gratitude to all members of the CSC team for showing resilience and strength amid severe industry challenges. To my fellow Directors, thank you for your time and counsel in the past year. I would like to express our gratitude to Mr Teo Beng Teck, who has decided to step down as Non-Executive Director for reasons of his health, as well as Mr Tan Hup Foi, who will cease to be an Independent Director of the Company with effect from the conclusion of the Annual General Meeting of the Company to be held on 30 July 2024, in line with Rule 210(5)(d)(iv) of the Listing Manual of the Singapore Exchange Securities Trading Limited limiting the tenure of independent directors to nine years. We wish them all the best. We also welcome Mr Koo Chung Chong to the Board as Executive Director, in addition to his roles as Deputy Group Chief Executive Officer, Group Chief Operating Officer and Chief Sustainability Officer of the Company.

The committed trust and support of our shareholders, customers, business partners and associates have kept us moving forward during these trying times. We wish to sincerely thank everyone for your unstinting support.

DR LEONG HORN KEE

Independent Non-Executive Chairman



主席致辞

积极和谨慎是集团在本财政年度的主要考量。我们在运营和财务方面的纪律使我们屹立不倒，集团会继续着重提升这两方面的管理。

尊敬的股东：

我们对截至2024年3月31日的新一财政年度（“2024财年”）的前景充满期待，也因建筑活动在2024财年的首6个月有所回升而备受鼓舞。中东军事冲突爆发期间，我们凭借对运营成本和生产力的严格管理获得了可观的订单量，并且提高了同比中期业绩。

然而，随着中东和东欧危机越演越烈，许多发展商和业主延迟将项目授予承包商。在私人领域项目匮乏的情况下，接踵而来的劳动力相关的挑战如2023年9月起减少外劳配额、外劳宿舍短缺以及2024年1月提高的外劳税收，导致业内情况雪上加霜。为了维持并留住规模虽小但熟练的技术员工，我们不得已承接了更多利润率较低的公共项目，以支付集团部分的固定成本。

因此，本集团的营业额从2023财年的2亿6500万元上升15.4%至2024财年的3亿530万元。股东应占净亏损从2023财年的2670万元减少至2020万元。集团凭着严谨的资本管理及加快回收应收款项的努力实现了良好的运营资金流量。

营运要点

集团在2024财年上半年获得了一些利润率较高的私人住宅和基础设施项目让我们取得了不俗的表现。然而下半年市场对建筑服务需求大幅度下降，加上居高不下的营运和财务成本，影响了集团的整体表现。

尽管如此，我们所获得并完成的建筑项目带来足够的现金流让集团得以维持运营。在马来西亚，因建筑活动的回升让集团获得并完成了更多的地基和岩土工程项目，尤其是预制桩服务的项目。

我们的设备销售与租赁业务在2024财年里取得了不俗的业绩。这主要归功于我们在印度市场的销售量有所改善和在临近年底时市场对于更实惠的中国制造设备的需求。

来年展望

此次建筑业的低迷期尤其漫长，能带来可观利润的建筑合同少之又少，而运营成本仍居高不下。

未来的一年里，在公共和私人住宅项目、两个综合度假胜地的扩建项目以及基础设施项目的共同带动下，建筑服务需求有望提高。即将来临的樟宜机场第五搭客大厦建筑项目预计将需要大量的建筑资源，从而提高地基工程和建筑服务的需求，可支配的建筑资源将减少分配至其他项目，这样的现象有望提高其他项目的整体投标价格。

在马来西亚，预制桩服务的需求预计将保持强劲，而钻孔桩服务的需求则或有所下降。集团今后会专注如何在当地的资源与服务需求之间取得平衡，从而获取更大的回报。

劳动力成本预计将居高不下，这可归因于新加坡政府修改外劳人力管理条例以及建筑活动上升，从而提高了市场对技术劳工的需求。与此同时，乌克兰和加沙持续不断的战争所带来的地缘政治不确定性将继续给集团带来原材料和能源成本上的压力。

积极和谨慎是集团在本财政年度的主要考量。我们在运营和财务方面的纪律使我们屹立不倒，集团会继续着重提升这两方面的管理。在与客户保持良好关系的同时，我们会继续以实现可持续的利润和增加现金流为目标，积极的进行项目投标。我们会继续努力寻找更便宜的融资渠道。



致谢

我谨代表董事会向集团全体人员表示最深的谢意,感谢他们在面临业内艰难的挑战时展现出强韧、富有冲劲的精神。感谢董事们在过去的一年里贡献的时间与指导。在此我们要向张铭德先生以及陈合火先生表达谢意。张先生因健康原因决定卸下非执行董事的职位,而陈先生则为遵循新加坡交易所上市条例210(5)(d)(iv)限制独立董事的任期至九年的规定,也将在来临2024年7月30日公司的常年股东大会结束后停止担任公司的独立董事。我们欢迎邱俊昌先生担任执行董事,邱先生目前兼任集团副首席执行官、集团首席运营官兼公司首席可持续发展官的职务。

股东、客户、合伙人以及伙伴们坚定的信任和支持让集团在艰苦的时刻继续勇往直前。我们真挚的感谢大家给予集团无限的支持。

梁汉基博士

独立非执行主席

OUR PROJECTS IN SINGAPORE

MAJOR FOUNDATION AND GEOTECHNICAL ENGINEERING WORKS AWARDED TO CSC GROUP (SINGAPORE PROJECTS)

PREVIOUS FINANCIAL YEARS (BEFORE FINANCIAL YEAR ENDED 31 MARCH 2024)

Infrastructure projects

Mass Rapid Transit (MRT) Stations of:

- Cross Island Line Changi East MRT Depot (CR101) (Zone 1), Tampines North Station (CR109) and Serangoon North Station (CR113)
- Riviera Interchange (Cripple Siding) for Punggol Extension Line
- Construction of DLN Ramp and Tunnel at Bulim
- North-South Corridor - Contracts N106, N110 & N111
- Kim Chuan Depot Extension for Circle Line 6
- Lifts Shaft to existing Pedestrian Overhead Bridges (Contract DE 117)
- Additions & Alterations to existing Bishan Depot at 300 Bishan Road
- Contract T316 at Airside E5 Aircraft Parking Stand

Residential projects

Public Housing Developments at:

- Jurong West N3C31 & C32,
- Kallang Whampoa C52 & C55, Kallang Whampoa & Park C52
- Pasir Ris N5 C26 & C27,
- Queensway C1,
- Tengah Drive & Tengah Park Ave/Tengah Park C8, Tengah Garden Waterfront I and II (C3 & C7),

and other townships in Singapore

- Private Housing Developments at Ang Mo Kio Avenue 1 (AMO Residence), Braddell Road, Canberra Drive, Canberra Link, Clementi Avenue 1 (CLAVON), Fernvale Lane, Handy Road, Holland Road, Irwell Hill Residences at Irwell Bank Road, Kampong Java Road, Northumberland Road, Serangoon North Ave 1 and Tembusu Grand at Jalan Tembusu
- Executive Condo Development at Yishun Close (North Gaia)

Industrial projects

- AMAT Semiconductor equipment manufacturing plant at Tampines Industrial Crescent
- SOITEC Singapore Fab Extension at Pasir Ris Industrial Drive 1
- General Industrial Factory Building at 50 Tuas Crescent (GETH)
- General Industrial Development at Woodlands Industrial Park E9 (Ardentec)
- SOAR Project at Jurong Island
- CRISP Existing Site Project at Jurong Island
- Evonik Methionine Facility Expansion Project at 101 Bayan Avenue
- 2-Storey Single User Factory at 16 Chin Bee Avenue
- 4-Storey Single-User General Industrial Factory at 457 Jalan Ahmad Ibrahim
- 5-Storey Ramp-up Warehouse Development at 36 Tuas Road

Commercial projects

- 5-Storey Single User Industrial Building (E-Business) at 29 New Industrial Road

Institutional projects

- Special Education School at Tampines Street 91 (Pathlight School)
- Dieppe Barrack at Sembawang Road (Mandai Planning Area)

CURRENT FINANCIAL YEAR ENDED 31 MARCH 2024

Infrastructure projects

- Elias MRT Station on the Cross Island Line-Punggol Extension Line
- Nanyang Gateway and Nanyang Crescent Stations and associated viaduct on the Jurong Region Line (J113)
- Changi East MRT Depot (Zone 3 of Contract CR101)

Residential projects

- Public housing developments at Ang Mo Kio N7C30, Bukit Batok N4C28, Geylang C50, Kallang Whampoa C45 A/B, Queensway C2, Serangoon North C21, Tanglin Halt C1, Woodland N2C19A and other townships in Singapore
- Private housing developments at 800 Upper Bukit Timah Road (The MYST), Clementi One Residences at 403 Clementi Avenue 1 and Lentor Mansion at Lentor Garden

Industrial projects

- Wuxi Biologics Manufacturing Facility at Tuas South Ave 3/7/10
- Sembcorp Cogen Pte Ltd's Combine Cycle Power Plant (CCP4) Project on Jurong Island
- AbbVie Singapore Biologics Manufacturing Facility Expansion
- Air Liquide Singapore J11B on Jurong Island
- DB Schenker Red Lion2 4-storey warehouse at Greenwich Drive
- 9-Storey Single-User Ramp-Up Warehouse at 15 Benoi Sector
- DSV Pearl built-to-suit warehouse facility at Tukang Innovation Drive
- Micron Semiconductor Asia Pte Ltd's FAB 10A expansion (Phase 3)
- Meranti Power Pte Ltd's Open Cycle Gas Turbine Generating Station Stage 1A (OCGT Tank) on Jurong Island

Institutional projects

- DSTA NS Square at Raffles Ave
- Tengah Garden Primary School at Tengah Garden Avenue
- Nursing home development at Jalan Tembusu
- ACS International School at Jalan Hitam Manis

OUR PROJECTS IN MALAYSIA

PROVISION OF FOUNDATION ENGINEERING SERVICES IN MALAYSIA.

PREVIOUS FINANCIAL YEARS (BEFORE FINANCIAL YEAR ENDED 31 MARCH 2024)

Infrastructure projects

- Bukit Ria Mass Rapid Transit (MRT) Station and Klang Valley MRT (KVMRT) – Intervention Shaft at KL Sentral
- Earthwork, Retaining Wall, Main Drainage System, Flood Detention Pond for Eaton International School at Shah Alam, Selangor

Residential projects

- Service Apartments in Kuala Lumpur such as The Pano and Genting Highlands, Pahang for LBS Bina Group
- Mixed Developments at Selangor such as Equine Residence (Phases 1 & 2) and Alam Damai, Selangor such as GuoccoLand Malaysia (Phases 3 & 4)
- I-Santorini Condo at Tanjung Tokong, Penang
- Condominiums at Klang Valley area such as Alix Residence, Pixel City Sentral (Parcels X, Y & Z), Trion 1 & 2, Altris (Plot 4), Alam Suria, Ruby SeaPark, Residensi Permai, Berlian Setapak 2 Residence and Condominium at Cheras, Kuala Lumpur for Matrix Concept Group
- Metro Cheras, a Transit Oriented Development at Selangor
- Cassia Residence at PutraJaya
- Residensi Pitta, a Mixed Development at Kuala Lumpur
- Mixed Developments at Jalan Sungai Besi, Kuala Lumpur for Radium Development Berhad

Industrial projects

- Petronas Rapid Project in Pengerang
- Head-Quarters for Kossan Rubber Industries Sdn Bhd

Commercial project

- Mixed Development at Kuala Lumpur such as Trion @ Sungei Besi
- Condominium in Selangor such as Emerald 9 @ Cheras
- IKEA Tebrau in Johor Bahru
- Sunway Healthcare Medical Center
- Luxury Suite at Ampang for Platinum Victory Group
- Commercial Development at Klang Valley area such as Suria Garden and Alira @ Tropicana MetroPark
- Centro @ JBCC, a Commercial Strata Development at Jalan Yahya Awal, Johor Bahru
- Suite for Academy Staff (EduSentral Phase 4) at Setia Alam, Selangor

Institutional projects

- Sunway International School
- Sports Arena at Seremban, Negeri Sembilan

CURRENT FINANCIAL YEAR ENDED 31 MARCH 2024

Infrastructure projects

- Piling work for retaining wall, main infrastructure works & other associated works at Precinct 4, 7, 8 & 9, at Alam Impian Town, Shah Alam, Selangor

Residential projects

- Milla Residences at Wangsa Maju, Kuala Lumpur
- Riana Trees Residences at Pantai Sentral, Kuala Lumpur

PROPERTIES OF THE GROUP

AS AT 31 MARCH 2024

NO.	PARTICULARS	TENURE	SITE AREA (SQ M)	APPROX BUILD-UP AREA (SQ M)
1.	Leasehold land on Lot 04812A Mukim 7 at 15 Tuas South Street 6, Singapore 636913	20 years 9 months w.e.f 17 Feb 2015	4,700.0	3,178.5
2.	Leasehold industrial building on Lot MK7-672K at No. 13, Pioneer Sector 2, Singapore 628374	32 years w.e.f 1 Sep 1997	3,037.1	694.1
3.	Leasehold industrial warehouse unit at 33 Ubi Avenue 3, #03-08 Vertex, Singapore 408868	60 years w.e.f. 1 Jan 2007	651	651
4.	Leasehold industrial building on Lot MK7-1461V at 4 Benoi Place, Singapore 629925	30 years w.e.f. 16 Jun 2001	7,501.1	4,314.8
5.	Freehold industrial land held under individual title GM 4789, Lot 808, Tempat Sungei Liam, Mukim Ulu Yam, Daerah Hulu Selangor, Malaysia	Freehold	21,549.0	21,549.0

CORPORATE INFORMATION

BOARD OF DIRECTORS

Non-Executive

Dr Leong Horn Kee
(Chairman, Independent Director)

Ong Tiew Siam
(Independent Director)

Tan Hup Foi @ Tan Hup Hoi
(Independent Director)

Ng San Tiong

Executive

See Yen Tarn
(Group Chief Executive Officer)

Koo Chung Chong
(Deputy Group Chief Executive Officer)

AUDIT COMMITTEE

Ong Tiew Siam
(Chairman)

Dr Leong Horn Kee

Tan Hup Foi @ Tan Hup Hoi

Ng San Tiong

NOMINATING COMMITTEE

Tan Hup Foi @ Tan Hup Hoi
(Chairman)

Dr Leong Horn Kee

See Yen Tarn

REMUNERATION COMMITTEE

Tan Hup Foi @ Tan Hup Hoi
(Chairman)

Dr Leong Horn Kee

Ong Tiew Siam

Ng San Tiong

RISK MANAGEMENT COMMITTEE

Ong Tiew Siam
(Chairman)

See Yen Tarn

Tan Hup Foi @ Tan Hup Hoi

COMPANY SECRETARIES

Hazel Chia Luang Chew

Juliana Tan Beng Hwee

REGISTERED OFFICE

2 Tanjong Penjuru Crescent, #06-02,
Singapore 608968

Tel: (65) 6262 6266

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Email: corp@cschl.com.sg

Website: <http://www.cschl.com.sg>

SHARE REGISTRAR & SHARE TRANSFER OFFICE

B.A.C.S. Private Limited

77 Robinson Road,

#06-03 Robinson 77,

Singapore 068896

Tel: (65) 6593 4848

AUDITORS

KPMG LLP

Public Accountants and
Chartered Accountants
12 Marina View, #15-01,
Asia Square Tower 2,
Singapore 018961

Audit Partner-in-Charge

Karen Lee Shu Pei

Appointed since financial year ended
31 March 2020

PRINCIPAL BANKERS

United Overseas Banking Limited

Oversea-Chinese Banking
Corporation Limited

DBS Bank Ltd

Maybank Singapore Limited

RHB Bank Berhad

CORPORATE MILESTONES



1975

Founding of Ching Soon Engineering Pte Ltd.

1981

Incorporation of CS Construction & Geotechnic Pte Ltd.

1996

Incorporation of CS Bored Pile System Pte Ltd and CS Geotechnic Pte Ltd.

1997

Incorporation of CSC Holdings Limited.

1998

Listing of CSC Holdings Limited on the main board of the Singapore Exchange Limited.

2002

Acquisition of THL Engineering Pte Ltd.

2004

Joint Venture with Tat Hong Group's subsidiary, Tat Hong HeavyEquipment Pte Ltd to form THL Foundation Equipment Pte Ltd.

2006

Acquisition of L&M Foundation Specialist Pte Ltd.

Incorporation of L&M Ground Engineering Sdn Bhd.

2007

Acquisition of G-Pile Sistem Sdn Bhd and Soil Investigation Pte Limited.

2008

Incorporation of CSC Ground Engineering Sdn Bhd and L&M Foundation Specialist (Vietnam) Limited Company.

Acquisition of 70% equity stake in Wisescan Engineering Services Pte Ltd.

2009

Incorporation of GPSS Geotechnic Sdn Bhd.

2010

Acquisition of 30% stake in DW Foundation Pte Ltd.

2011

Acquisition of 70% stake in ICE Far East Pte Ltd and additional 40% stake in DW Foundation Pte Ltd.

2012

Incorporation of ICE Far East (Thailand) Co., Ltd.

Acquisition of remaining 30% stake in CSC Ground Engineering Sdn Bhd and remaining 30% stake in DW Foundation Pte Ltd.

2013

Incorporation of CS Ground Engineering (International) Pte Ltd.

Investment of 5% in Joint Venture Company, THAB Development Sdn Bhd.

2014

Signing of the Framework Investment Agreement with New Hope Singapore Pte Ltd in connection with the acquisition and development of leasehold industrial land at Tuas South Street 9.

2015

Incorporation of CS Industrial Properties Pte Ltd, a wholly owned subsidiary of the Company, as the investment holding company for the joint venture with New Hope Singapore Pte Ltd.

Acquisition of additional 15% stake in ICE Far East Pte Ltd, making it an 85% owned subsidiary of THL Foundation Equipment Pte Ltd.

Investment of 49% in NHCS Investment Pte Ltd in relation to the joint venture with New Hope Group for the acquisition and development of leasehold industrial land at Tuas South Street 9.

Obtained shareholders' approval in the Extraordinary General Meeting for the diversification of business of the Group to include the property business.

Completion of renounceable non-underwritten rights cum warrants issue – (1) 1 rights issue share for 3 existing shares at 3 cents per rights share; (2) 5 free warrants for 1 rights share, exercise price at 1 cent per warrant share.

Incorporation of IMT-THL India Private Limited, a wholly owned subsidiary of THL Foundation Equipment Pte Ltd.

2016

Incorporation of CS Real Estate Investments Pte Ltd.

Acquisition of remaining 35% stake in GPSS Geotechnic Sdn Bhd, making it a wholly owned subsidiary of the Group.

Incorporation of THL Foundation Equipment (Philippines) Inc, a wholly owned subsidiary of THL Foundation Equipment Pte Ltd.

Investment of 40% in Top3 Development Sdn Bhd in connection with a proposed commercial development in Seremban, Negeri Sembilan, Malaysia.

Investment in a property development in Hertford via a 21% investment in Coriolis Hertford Limited ("CHL"), a company incorporated in Hong Kong. CHL has a 40% stake in Railway Street Hertford Limited, the property development company which carried out the development in Hertford.

Incorporation of THL Foundation Equipment (Myanmar) Company Limited, a 90% owned subsidiary of THL Foundation Equipment Pte Ltd.

2017

Dilution of equity interest in WB Top3 Development Sdn Bhd ("WB Top3") (formerly known as Top3 Development Sdn Bhd) from 40% to 19% resulting from the introduction of WB Land Sdn Bhd as a new joint venture partner in WB Top3.

2018

Incorporation of Coldhams Alliance Pte Ltd, 2TPC Pte Ltd and 2TPC Investments Pte Ltd.

2019

Incorporation of Changsha THL Foundation Equipment Co. Ltd.

2020

Dilution of equity interest in 2TPC Investments Pte Ltd ("2TPC Inv") from 100% to 51% resulting from the introduction of LSLV 5 Project 6 Pte Ltd and LSLV 2 General Partner as joint venture partners in 2TPC Inv to jointly redevelop 2 Tanjong Penjuru Crescent, Singapore 608968, an existing four-storey industrial property into a modern six-storey ramp up warehouse.

2021

Incorporation of THL Vietnam Company Limited.

Acquisition of additional 15% stake in ICE Far East Pte Ltd, making it a 100% owned subsidiary of THL Foundation Equipment Pte Ltd.

Acquisition of remaining 52.5% stake in Coldhams Alliance Pte Ltd.

2022

Completion of the 2 Tanjong Penjuru Crescent ramp up warehouse whereby CSC headquarters is based in.

GROUP CEO'S STATEMENT



Operationally, we have right-sized our workforce and equipment fleet for better efficiency and productivity, while maintaining sufficient resources to meet an uptick in demand.

DEAR SHAREHOLDERS,

The vibrancy in construction demand and activity in the first half of FY24 was unfortunately short-lived, as global supply chains and industry sentiments suffered the impact of the conflicts in the Middle East and Ukraine. At CSC, our years of experience enabled us to withstand the challenging operating conditions that led to the exit of several other established industry players.

FINANCIAL REVIEW

Our 15.4% increase in revenue to \$305.3 million in FY24, compared to the \$264.6 million in FY23, was recorded on the back of higher business activity in the foundation and geotechnical engineering business segment.

In light of this increase, and taking into account higher productivity, gross profit rose to \$14.4 million, from \$6.3 million in FY23. This translated to higher gross margin of 4.7% versus 2.4% a year ago. The higher margins achieved in the first half of FY24 were partially eroded by lower-margin projects undertaken in the second half of the year, as well as elevated costs of raw materials and energy due to the impact of geopolitical conflicts on global supply chains.

Other income rose 25.2% to \$2.2 million, from \$1.7 million in the preceding financial year, due to higher gain on disposal of aged equipment. In spite of the increased business activity, we managed to reduce operating expenses by 3.7% to \$29.6 million, from \$30.8 million in FY23, due to lower distribution expenses and depreciation of right-of-use assets with regard to our Company headquarters. The lower operating expenses also factored in a smaller foreign exchange loss arising from the depreciation of Malaysian Ringgit against the Singapore Dollar, as well as a \$1.3 million recovery of certain long-outstanding bad debts.



Net finance expenses increased to \$6.6 million, compared to \$4.6 million a year ago, taking into account higher net interest expenses from the higher utilisation of project financing facilities in the second half of the year, and floating interest rate facilities in FY24.

We also recorded our share of revaluation loss of \$1.1 million, following a revaluation of an associate company's investment property as at December 2023.

On account of the above, we narrowed net loss attributable to shareholders by 24.4% to \$20.2 million, compared to \$26.8 million in FY23. Nevertheless, our earnings before interest, tax, depreciation and amortization (EBITDA) improved to \$9.2 million, compared to \$2.9 million a year ago.

We held cash and cash equivalents of \$18.8 million as at 31 March 2024, contributed by net operating cash inflow from diligent working capital management and collections of receivables. Loans and borrowings stood at \$96.7 million at the end of FY24, with 61% of that being floating interest rate loans. We had drawn down more trade facilities to finance our operations during the year, amid higher level of construction activity and slower collections from certain customers. As at 31 March 2024, our gearing ratio stood at a relatively healthy 0.92 times.

In a bid to reduce our borrowing costs, we launched a \$20.0 million multi-series unsecured commercial paper facility programme (SDAX CP Facility Programme) and issued \$11.6 million in unsecured commercial papers in FY24. The first series, which closed in December 2023, was fully subscribed and fully redeemed in March 2024. The second series closed in March 2024 and was also fully subscribed. Interest payable on maturity for these commercial papers ranges from 5.7% to 5.9% per annum.

The 5.9 million ordinary shares that we bought back for \$0.05 million during the year were added to our treasury. Consequently, our total number of treasury shares as at 31 March 2024 stood at 76.9 million, with a carrying value of \$3.1 million. As at the end of FY24, the Group equity stood at \$105.3 million, compared to \$124.4 million as at 31 March 2023. Net asset value per ordinary share was 3.0 cents at end-FY24, versus 3.5 cents at end-FY23.

OPERATIONS REVIEW

The spike in construction activity in the first half of FY24 was driven by the lifting of a nine-month heightened safety period on 31 May 2024 by the Ministry of Manpower and the post-pandemic stabilisation of material costs as project backlogs were progressively cleared. During this period, we were able to ride the tailwinds to secure and complete several projects at better and more sustainable margins.

However, the tides were quickly turned in the second half of FY24, when rising raw material costs and economic uncertainties triggered by the wars in the Middle East and Ukraine caused developers and project owners to delay the award of tenders for several projects.

As we operate with a very lean team, it was vital for us to retain our skilled workforce by keeping them engaged to ensure that we would not face a manpower crunch when business conditions turn for the better. In light of this, we took on more public residential projects, even though margins for such projects are generally lower. As a result, we were able to maintain full workforce employment and equipment utilisation during the year. In Malaysia, as demand for construction services remained healthy, we were able to complete more projects, comprising mainly private residential and commercial developments.



GROUP CEO'S STATEMENT

Leveraging our capabilities and track records, we were able to secure \$240 million worth of projects in FY24. Some of the notable projects that we secured in Singapore and Malaysia in FY24 include:

Infrastructure projects

- Elias MRT Station on the Cross Island Line-Punggol Extension
- The Nanyang Gateway and Nanyang Crescent Stations and associated viaduct on the Jurong Region Line (J113)
- Changi East MRT Depot (Zone 3 of Contract CR101), which serves the Cross Island Line
- Piling work for retaining wall, main infrastructure works and other associated works at Precinct 4, 7, 8 and 9, at Alam Impian Town in Shah Alam, Selangor, Malaysia

Residential projects

- Public housing developments at Ang Mo Kio N7C30, Bukit Batok N4C28, Geylang C50, Kallang Whampoa C45 A/B, Queensway C2, Serangoon North C21, Tanglin Halt C1, Woodland N2C19A and other townships in Singapore
- Clementi One Residences at 403 Clementi Avenue 1
- Lentor Mansion at Lentor Garden
- The MYST at 800 Upper Bukit Timah Road
- Milla Residences at Wangsa Maju, Kuala Lumpur, Malaysia
- Riana Trees Residences at Pantai Sentral, Kuala Lumpur, Malaysia

Industrial projects

- AbbVie Singapore Biologics manufacturing facility expansion in Tuas Biomedical Park
- Air Liquide Singapore J11B on Jurong Island
- Sembcorp Cogen Pte Ltd's combine cycle power plant (CCP4) project on Jurong Island
- Meranti Power Pte Ltd's open cycle gas turbine generating station Stage 1A (OCGT Tank) on Jurong Island
- DB Schenker Red Lion2 four-storey warehouse at Greenwich Drive
- DSV Pearl built-to-suit warehouse facility at Tukang Innovation Drive
- Micron Semiconductor Asia Pte Ltd's FAB 10A expansion (Phase 3)
- Wuxi Biologics' manufacturing facility at Tuas South Ave 3/7/10
- Nine-storey single-user ramp-up warehouse at 15 Benoi Sector



Institutional projects

- DSTA NS Square at Raffles Avenue
- Tengah Garden Primary School at Tengah Garden Avenue
- ACS International School at Jalan Hitam Manis
- Nursing home development at Jalan Tembusu

Our equipment sale and leasing business maintained relatively healthy business activity, particularly in the second half of the year, with higher sales volume in India and more leasing activity in Vietnam.

THE YEAR AHEAD

In the year ahead, demand for construction services is expected to improve, with the public sector contributing the majority of it. According to the Building Construction Authority, this includes public housing and infrastructure projects such as the Cross Island MRT Line second phase contracts, as well as extensive infrastructure works for the large-scale Changi Airport Terminal 5 and Tuas Port projects. Private-sector demand is expected to come from residential developments arising from government land sales and the expansion of the two integrated resorts, among others. On the other hand, the consequent increase in demand for skilled labour is expected to drive up higher labour costs. Regulations in Singapore relating to foreign manpower, including higher levy and a quota on such labour, will further compound the situation. Meanwhile, with the wars still raging in the Middle East and Ukraine, we expect raw material and energy costs to remain high.

Operationally, we have right-sized our workforce and equipment fleet for better efficiency and productivity, while maintaining sufficient resources to meet an uptick in demand. At the same time, we have exercised prudence in tendering for projects that would at least ensure positive operating cash flow. Financially, we continue to work closely with our customers to facilitate timely collections. We remain well-supported by our banks and have access to sufficient credit lines to help bridge any temporary shortfall in working capital. On 19 June 2024, we issued the third series of our commercial paper under the SDAX CP Facility Programme, which will have an interest rate of 5.7% per annum, and raised \$9.2 million from this issuance.

In Malaysia, we are seeing a shift in demand from bored piling to precast jack-in piling. We are thus progressively reallocating our resources in the country to meet the needs of the market, and to improve cost and operational efficiency in our Malaysia operations.

IN GRATITUDE

I am grateful to my fellow management team members and colleagues for the steadfast comradeship and dedication throughout this extended industry trough, and they have been the driving force of our perseverance and progress. The commitment and counsel of my fellow Directors in support of the Group are also much appreciated. I am thankful to our business partners, customers and shareholders who have stood by us over the years.

With your support, I am confident of executing our plans towards building a sustainable business for all our stakeholders.

SEE YEN TARN

Chief Executive Officer



集团首席执行官致辞

营运方面, 我们已适当调整员工和设备队伍的规模, 以提高效率和生产力, 同时保持足够的资源以应付接下来的需求回升。

尊敬的股东:

在中东和乌克兰发生的严重军事冲突打击了全球供应链和本地的业内氛围, 导致2024 财年上半年原本活跃的建筑需求和业务活动昙花一现。一些老字号业者因严峻的运营环境退出建筑业, 而我们凭借多年的经验成功扛住了严峻的运营挑战。

财务回顾

由于基础和岩土工程业务的活动增加, 我们 2024财年的营业额从 2023 财年的 2亿6460万元增长至 3亿530万元, 增幅达 15.4%。

鉴于营业额的增长以及集团生产率提高的因素, 毛利润从2023财年的 630 万元增至 1440 万元。毛利率则从去年的 2.4% 上升至 4.7%。集团于2024 财年上半年获得的较高利润率因下半年承办利润率较低的项目以及因地缘政治冲突影响全球供应链导致原材料和能源成本上升的因素而被拉低。

其他收入从上一财年的 170 万元提高 25.2% 达 220 万元, 这主要因为出售老旧设备的收益有所增加。尽管业务活动上升, 但我们仍成功地将运营费用从 2023 财年的 3080 万元减少 3.7% 至 2960 万元。这主要因为分销费用减少, 公司总部的使用权资产折旧, 马来西亚令吉兑新加坡元贬值的外汇损失减少, 以及集团成功追讨回130万元的长期坏账。

下半年项目融资贷款利率提高以及 2024 财年的浮动利率贷款导致集团净财务支出从上一财年的 460 万元增至 660 万元。

集团在对一家联营公司的投资性质房地产于 2023 年 12 月进行重新估价后, 记录了 110 万元的重估损失份额。

考虑到上述因素, 股东应占净亏损缩减 24.4% 至 2020 万元, 而 2023 财年则为 2680 万元。尽管如此, 我们的息税折旧摊销前利润 (EBITDA) 从一年前的 290 万元提高至 920 万元。

截至 2024 年 3 月 31 日, 我们持有 1880 万元的现金和现金等价物, 这主要得益于严格的营运资本管理和应收账款的回收。截至 2024 财年末, 贷款和借款为 9670 万元, 其中 61% 为浮动利率贷款。由于建筑活动提高和一些客户延迟付款, 我们在 2024 财年里动用了更多贸易融资作为运营资金。截至 2024 年 3 月 31 日, 我们的负债比率保持在相对健康的 0.92 倍。

为了降低借贷成本, 我们推出了一项价值 2000 万元的多系列无担保商业票据融资计划 (SDAX CP 融资计划), 并于 2024 财年里发行了 1160 万元的无担保商业票据。第一系列于 2023 年 12 月融资结束, 并获全额认购, 于 2024 年 3 月全额赎回。第二系列于 2024 年 3 月融资结束, 也已全额认购。这些商业票据到期应付利息介于 5.7% 至 5.9% 之间。

我们在2024财年以 5 万元回购的 590 万股普通股已被加入为库存股。截至 2024 年 3 月 31 日, 我们的库存股总数为 7690 万股, 账面价值为 310 万元。截至 2024 财年末, 集团股权为 1 亿 530 万元, 而截至 2023 年 3 月 31 日则为 1 亿 244 万元。2024 财年末每股普通股净资产为 3.0 分, 而 2023 财年末则为 3.5 分。

营运回顾

2024 财年上半年建筑活动的激增主要得益于人力部于 2024 年 5 月 31 日解除了为期九个月的加强安全期, 以及在疫情后业内逐渐完成累积项目促使原材料价格趋于稳定。在此期间, 我们得以顺势而为, 以更好、更具持续性的利润率获得并完成了多个项目。

然而, 2024 财年下半年形势迅速恶化, 原材料成本上涨以及因分别于中东与乌克兰进行的战争所引发的经济不确定性导致发展商和业主延迟数项建筑项目的招标。

由于我们的团队已极为精简, 我们必须确保业内状况好转时我们不会面临人力短缺。为了留住技术熟练的员工, 我们承接了更多公共住宅项目, 尽管此项目的利润率普遍较低。因此, 我们在 2024 财年里得以保持充分的劳动就业率和设备利用率。在马来西亚, 由于建筑服务需求仍然稳健, 我们得以完成更多项目, 以私人住宅和商业开发项目为主。

凭借我们的业务能力和业绩记录, 我们在 2024 财年取得了价值 2 亿 4000 万新元的项目合同。我们在 2024 财年在新加坡和马来西亚获得的一些主要项目包括:

基础设施项目

- 跨岛地铁线榜鹅延长线的伊莱雅地铁站
- 裕廊区域地铁线的南洋门和南洋湾地铁站以及相关高架桥 (J113 合同)
- 支持跨岛地铁线的樟宜东地铁列车厂 (CR101 合同之第三区)
- 马来西亚雪兰莪州莎阿南市 Alam Impian 镇第 4、7、8 和 9 区的挡土墙打桩工程、主要基础设施工程和其他相关工程

住宅项目

- 位于宏茂桥 (N7C30合同)、武吉巴督 (N4C28合同)、芽笼 (C50合同)、加冷黄埔 (C45 A/B合同)、女皇道 (C2合同)、实龙岗北 (C21合同)、东陵福 (C1合同)、兀兰 (N2C19A) 等数个市镇的公共住宅项目
- 位于金文泰1道403号的Clementi One Residences 公寓项目
- 位于伦多花园的悦府伦庭 (Lentor Mansion) 公寓项目
- 位于武吉知马路上段800号的秘林嘉园 (The MYST) 公寓项目
- 马来西亚吉隆坡旺沙玛珠的Milla Residences 公寓项目
- 马来西亚吉隆坡Pantai Sentral的Riana Trees Residences 公寓项目

工业项目

- 位于大士生物医药园的艾伯维生物制药厂扩建项目
- 液化空气集团位于裕廊岛的工厂内的新空气分离装置厂 (J11B 合同)
- 胜科热电厂私人有限公司位于裕廊岛的联合循环发电厂项目 (CCP4 合同)
- Meranti Power 私人有限公司位于裕廊岛的开放式循环燃气轮机发电厂第1A阶段
- 德铁信可位于格林威治通道的红狮二期四层楼物流设施
- DSV Pearl 位于都干创新通道的定制仓库设施
- 美光半导体亚洲私人有限公司10A生产基地的第三阶段扩建
- 药明生物位于大士南道3、7、10号的生产厂
- 位于赉耐段15号的九层楼单一用户坡道仓库

机构项目

- 位于莱佛士道的卫国广场
- 位于登加绿苑道的小学校舍
- 位于Jalan Hitam Manis的英华国际学校校舍
- 位于惹兰登布树的养老院设施

我们的设备销售和租赁业务活动保持良好,尤其在财年下半年,在印度取得更高的销售量,在越南则以租赁活动提高为主。

展望未来

未来一年,预计建筑服务需求将有所改善,其中大部分需求将来自公共项目。根据新加坡建筑管理局预测,这些公共项目包含公共住宅和基础设施项目,如跨岛地铁线第二期合同,以及大规模樟宜机场第五搭客大厦和大士港项目的广泛基础设施工程。而私营项目的需求预计将来自政府土地出售有关的私宅项目和两个综合度假村扩建等开发项目。另一方面,建筑业对技术员工的需求提高预计将提高劳动力成本。新加坡实施有关外国劳动力的规定,如征收更高的外劳税和外劳的配额限制,将进一步加剧成本压力。同时,由于中东和乌克兰的战争持续不断,我们预计原材料和能源成本仍将居高不下。

营运方面,我们已适当调整员工和设备队伍的规模,以提高效率 and 生产力,同时保持足够的资源以应付接下来的需求回升。同时,我们在招标项目时采取了审慎态度,以确保良好的运营现金流。在财务方面,我们继续与客户密切合作,以促进及时收款。我们仍然得到银行的大力支持,获得了足够的贷款额度来弥补任何营运资金方面的暂时短缺。除此之外,我们于2024年6月19日通过SDAX CP融资计划发行了第三系列商业票据,年利率为5.7%,并从此次发行筹集了920万元。

在马来西亚,我们已观察到项目需求从钻孔打桩转向预制压入打桩。因此,我们正在逐步重新分配我们在当地的资源,以满足市场需求,并改善成本效率和营运效率。

致谢

我非常感激我的管理层成员和同事们在行业低迷期间展现坚定情谊和奉献精神,他们一直是我们坚持不懈和不断进步的动力。我也要感谢我的董事部成员对集团的支持和建议,也感谢多年来一直支持我们的业务合作伙伴、客户和股东。

有了你们的支持,我有信心执行我们的计划,为大家建立一个可持续发展的企业业务。

薛献凡

集团首席执行官



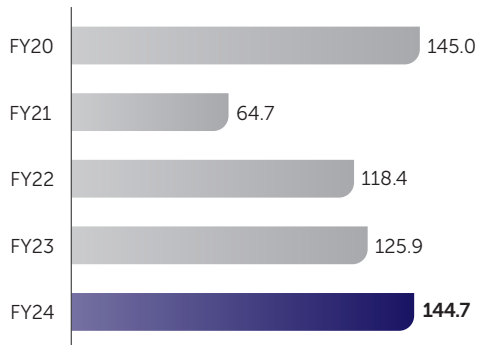
FIVE YEARS FINANCIAL SUMMARY

	FY20	FY21	FY22 Restated	FY23	FY24
Group Profit & Loss (S\$'m)					
Revenue	342.8	178.3	268.7	264.6	305.3
Gross Profit	44.2	10.9	27.7	6.3	14.4
Profit/(Loss) After Tax	7.3	(12.4)	5.8	(27.1)	(20.5)
EBITDA	40.8	15.1	32.4	2.9	9.2
Group Balance Sheet (S\$'m)					
Property, Plant & Equipment	132.5	125.0	128.6	124.7	115.3
Other Non-Current Assets	29.1	24.3	32.0	63.4	56.5
Total Current Assets	203.0	176.2	188.7	194.5	200.5
Total Assets	364.6	325.5	349.3	382.6	372.3
Total Equity	151.6	147.7	150.8	124.4	105.3
Other Non-Current Liabilities	18.0	19.8	39.0	72.2	60.4
Total Current Liabilities	195.0	158.0	159.5	186.0	206.6
Total Equity & Liabilities	364.6	325.5	349.3	382.6	372.3
Per Share Data (Cents)					
Earnings/(Loss) After Tax (Basic)	0.23	(0.37)	0.16	(0.76)	(0.57)
Net Asset Value	5.84	4.14	4.27	3.54	3.00
Financial Ratios					
Return on Equity	4.7%	-9.0%	4.8%	-23.8%	-22.5%
Gross Profit Margin	12.9%	6.1%	10.3%	2.4%	4.7%
Debt/Equity Ratio	58.0%	51.9%	61.0%	75.3%	91.9%
Current Ratio	1.04	1.11	1.18	1.05	0.97

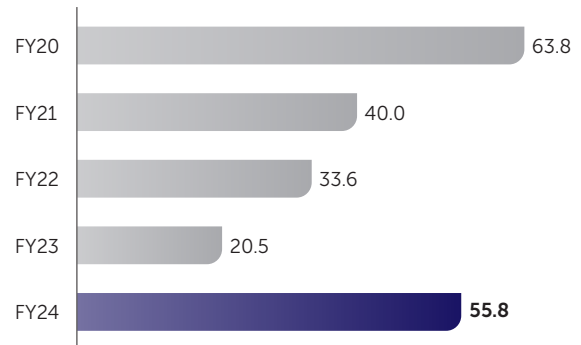


FINANCIAL HIGHLIGHTS

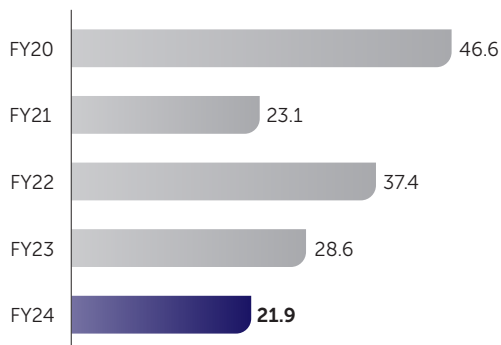
BORED PILES / DIAPHRAGM WALLS



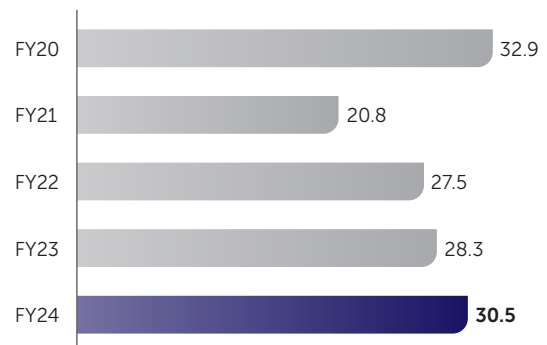
DRIVEN PILES / JACK - IN PILES



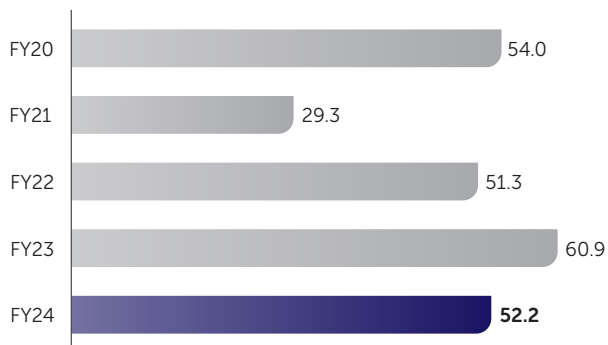
MICRO PILES / OTHER FOUNDATION - RELATED ACTIVITIES



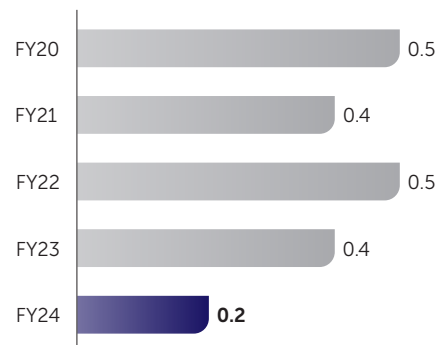
SOIL INVESTIGATION & INSTRUMENTATION WORKS



SALE & LEASE OF FOUNDATION ENGINEERING EQUIPMENT & ACCESSORIES



OTHERS



CORPORATE STRUCTURE

CSC HOLDINGS LIMITED

FOUNDATION AND GEOTECHNICAL ENGINEERING WORKS

SUBSIDIARIES

Singapore

- CS Bored Pile System Pte Ltd
- CS Construction & Geotechnic Pte Ltd
- L&M Foundation Specialist Pte Ltd
- DW Foundation Pte Ltd
- CS Geotechnic Pte Ltd
- THL Engineering Pte Ltd

Malaysia

- Borneo Geotechnic Sdn Bhd
- G-Pile Sistem Sdn Bhd
- GPSS Geotechnic Sdn Bhd
- CS Geo (Malaysia) Sdn Bhd
- L&M Ground Engineering Sdn Bhd
- CSC Ground Engineering Sdn Bhd

Vietnam

- L&M Foundation Specialist (Vietnam) Limited Company

SOIL INVESTIGATION, INSTRUMENTATION AND SPECIALISED SURVEYING WORKS

SUBSIDIARIES

Singapore

- Soil Investigation Pte Limited
- Wisescan Engineering Services Pte Ltd

SALES AND LEASE OF FOUNDATION ENGINEERING EQUIPMENTS AND ACCESSORIES

SUBSIDIARIES

Singapore

- THL Foundation Equipment Pte Ltd
- ICE Far East Pte Ltd

Malaysia

- ICE Far East Sdn Bhd

Hong Kong

- ICE Far East (HK) Limited

Thailand

- ICE Far East (Thailand) Co., Ltd

India

- IMT – THL India Private Limited

Philippines

- THL Foundation Equipment (Philippines) Inc

Myanmar

- THL Foundation Equipment (Myanmar) Company Limited

China

- Changsha THL Foundation Equipment Co., Ltd

Vietnam

- THL Vietnam Company Limited

OTHERS

SUBSIDIARIES

Singapore

- Coldhams Alliance Pte Ltd
- CS Industrial Properties Pte Ltd
- CS Real Estate Investments Pte Ltd
- CS Ground Engineering (International) Pte Ltd

JOINT OPERATIONS

Singapore

- NHCS Investment Pte Ltd
- NH Singapore Biotechnology Pte Ltd

ASSOCIATES

Singapore

- 2TPC Investments Pte Ltd
- 2TPC Pte Ltd

Malaysia

- WB Top3 Development Sdn Bhd

Hong Kong

- Coriolis Hertford Limited

UK

- Railway Street Hertford Ltd
- Allunite Limited

OTHER INVESTMENTS

Malaysia

- THAB Development Sdn Bhd
- THAB PTP Sdn Bhd

BOARD OF DIRECTORS



DR LEONG HORN KEE

DR LEONG HORN KEE
Independent Non-Executive
Chairman

Dr Leong joined the Board as an Independent Non-Executive Chairman in July 2018. He is a member of the Audit, Remuneration and Nominating Committees. He has over 36 years of experience in both the public sector in economic planning, trade and investments, and in the private sector in corporate finance, venture capital, merchant banking, hotels, property development and management. He served as a Member of Parliament for 22 years from 1984 to 2006. Currently, he serves as Singapore Non-Resident Ambassador to Argentina from 2021.

Dr Leong holds a degree (Honours) in Production Engineering from Loughborough University, UK; a degree (Honours) in Economics from the University of London, UK, a degree in Chinese Language and Literature from Beijing Normal University, a Master of Business Administration degree from INSEAD, France as well as a Master in Business Research and a Doctorate in Business Administration from University of Western Australia.

SEE YEN TARN
Executive Director / Group Chief
Executive Officer

Mr See joined the Board as an Independent Director in November 2005. He was appointed Group Chief Executive Officer in August 2006.



SEE YEN TARN

Mr See sits on the Nominating and Risk Management Committees.

He graduated with Bachelor degree in Accountancy from the National University of Singapore in 1981. Mr See worked in London from 1981 to 1985, during which he qualified as a Chartered Accountant (England and Wales) in 1985.

Mr See has more than 38 years of working experience at senior management level in various industries and has held such positions as Chief Financial Officer, Executive Director and Deputy Group Managing Director for both listed and non-listed entities in Singapore, Indonesia, Hong Kong, People's Republic of China and Australia.

KOO CHUNG CHONG
Executive Director / Deputy Group
Chief Executive Officer ("Deputy
Group CEO") / Group Chief
Operating Officer ("Group COO") /
Chief Sustainability Officer ("CSO")

Mr Koo joined the Board as an Executive Director in August 2023. As an Executive Director, Mr Koo will work closely with the Group Chief Executive Officer on corporate development and strategic planning of the Group.

Mr Koo has been with the Group since 1996. He joined the Group as Senior Project Engineer and rose through the ranks of the Group. Mr Koo is also holding the appointments of the



KOO CHUNG CHONG

Deputy Group CEO (since May 2022), Group COO (since June 2016) and CSO (since August 2021). As the Deputy Group CEO, Group COO and CSO, Mr Koo will be responsible for marketing, operational and sustainability matters of the Group.

Mr Koo has over 30 years of management experience in foundation engineering industry in both Singapore and regional market. He also has experience in property development in Malaysia, United Kingdom and Singapore. He was a former Council Member of Singapore Contractor Association (SCAL). He holds a Bachelor degree (Hons) in Engineering (Civil & Structural) from the University of Sheffield, England.

ONG TIEW SIAM
Independent Director

Mr Ong joined the Board as an Independent Director in July 2018. He chairs the Audit and Risk Management Committees and is also a member of the Remuneration Committee. Mr Ong has over 40 years of experience in finance, accounting and administration. Mr Ong also sits on the board of other SGX-listed companies.

Mr Ong holds a Bachelor of Commerce (Accountancy) (Honours) degree in 1975 from the former Nanyang University, Singapore. He is also a lifetime fellow member of the Institute of Singapore Chartered Accountants and a member of the Singapore Institute of Directors.

**ONG TIEW SIAM****TAN HUP FOI @ TAN HUP HOI****NG SAN TIONG**

TAN HUP FOI @ TAN HUP HOI **Independent Director**

Mr Tan joined the Board as an Independent Director in April 2006. He is the Chairman of the Nominating Committee and the Remuneration Committee and is a member of the Audit Committee. He is the Honorary Vice-President of the International Association of Public Transport (UITP) and Honorary Chairman of UITP Asia-Pacific Division.

Mr Tan has over 30 years experience in the transport industry. He was the Chief Executive of Trans-Island Bus Services Ltd from 1994 to 2005 and also the Deputy President of SMRT Corporation Ltd from 2003 to 2005.

A Colombo Plan scholar, Mr Tan graduated from Monash University in Australia with a First Class Honours degree in Mechanical Engineering in 1974 and he obtained a Master of Science (Industrial Engineering) degree from University of Singapore in 1979. Mr Tan was awarded the Pingat Bakti Masyarakat (Public Service Medal) in 1996 and Bintang Bakti Masyarakat (Public Service Star) in 2008 by the President of Republic of Singapore.

NG SAN TIONG **Non-Executive Director**

Mr Ng joined the Board as a Non-Executive Director in September 2002 for 13 years. Mr Ng re-joined the Board as a Non-Executive Director in August 2021. He is a member of the Audit and Remuneration Committees.

Mr Ng graduated from Loughborough University of Technology, United Kingdom with a Bachelor of Science (Honours) degree in 1976. In the same year, he started his career in Jurong Town Corporation as a Civil Engineer. In 1979, Mr Ng joined Tat Hong and was appointed Group Chief Executive Officer in 1991. Under his stewardship, Tat Hong Group grew into one of the largest crane rental companies in the world. With more than 40 years of experience in the heavy equipment and plant hiring business, Mr Ng bears overall responsibility for Tat Hong Group as well as strategy formulation, corporate planning, business development and potential acquisitions. He also oversees Tat Hong Group's business operations in Australia, the tower crane rental business in China as well as the Group's investment business.

Mr Ng serves in many public and civic institutions in Singapore. He was elected as the Chairman of the Board of Trustees of Chinese Development Assistance Council (CDAC) in June 2022 after serving as a board member for 10 years. Mr Ng was appointed Chairman of the China & North Asia Business Group (CNABG) of Singapore Business Federation on 1 July 2024 after serving as Vice Chairman for 9 years, and has been a member of its International Action Committee since 1 February 2024. In addition, Mr Ng is also a Chairman on the Board of SPH Foundation Limited (SPHF).

Mr Ng was awarded the Public Service Medal (PBM) in 2002, Public Service Star (BBM) in 2010 and Public Service Star (Bar) BBM(L) in 2020 for his significant public service in Singapore. In September 2015, he was appointed a Justice of the Peace (JP). In 2023, he was awarded Business China Excellence Award for his exceptional vision, leadership and success in the development and promotion of sustained growth in the bilateral relationship between Singapore and China, in business, economic, social and/or cultural areas.

Mr Ng served as Singapore's Non-Resident Ambassador to the Democratic Republic of Timor-Leste for 3 years from 2019. Between 2017 and 2022 he was the President of the 59th and 60th Councils of Singapore Chinese Chamber of Commerce & Industry (SCCCI), an apex body of the Chinese business community in Singapore; and was also a member of the Board of Directors of Business China for 9 years from 2013 to 2022. In addition, he also served the Toa Payoh Central Citizens' Consultative Committee as Chairman between 2008 and 2020 and continues to serve the community as its Patron.

KEY MANAGEMENT



SEE YEN TARN



KOO CHUNG CHONG



YEN CHEE LOONG



LIM YEOW BENG



GWEE BOON HONG



MAK CHUNG MUN, MAY



SUN YUEJUN



WAN BAO YUAN, MAX



JI YONGXUN



ANG YANG LING



LOH BOON CHONG



**LIM YONG KENG DANNY
(LIN YONGQING)**



NG KAI FU, JEFFREY



CHUA KENG GUAN



LAWRENCE CHONG JONG AN



NG SUN OH



KAAN CHI LOONG



LIM LEONG KOO



GOH KOK BING

KEY MANAGEMENT

MANAGEMENT

SEE YEN TARN

Executive Director / Group Chief Executive Officer

Mr See is also the Executive Director of the Board of Directors of the Company. Please refer to page 32 of the Annual Report for his profile under the Board of Directors' section.

KOO CHUNG CHONG

Executive Director / Deputy Group Chief Executive Officer / Group Chief Operating Officer / Chief Sustainability Officer

Mr Koo is also the Executive Director of the Board of Directors of the Company. Please refer to page 32 of the Annual Report for his profile under the Board of Directors' section.

YEN CHEE LOONG

Group Chief Financial Officer ("Group CFO")

Mr Yen joined Singapore Foundation Engineering Group ("SFEG") as Assistant Finance Manager in April 2010 and rose through the ranks of the Group. He was promoted to Financial Controller to take charge of SFEG. SFEG accounts for 70% of the Group's business activities. He was subsequently promoted to Deputy Group Chief Financial Officer to assist on the Group's corporate finance activities.

In February 2021, Mr Yen was promoted to the position of Group CFO.

Mr Yen has more than 18 years of working experience in the field of finance, accounting, tax and audit. He holds a Bachelor degree in Accountancy from Nanyang Technological University, Singapore. He is also a qualified Chartered Accountant of Singapore.

CENTRALISED SUPPORT

LIM YEOW BENG

Director, Contracts

Mr Lim joined the Group as General Manager, Contracts & Legal in January 2003. In April 2017, he was appointed as Director, Contracts, overseeing the management of Contract Department as well as advising all legal, insurance and contract related matters of the Group. He has more than 40 years experience in this field.

GWEE BOON HONG

Director, Technical

Mr Gwee joined the Group when the Group acquired L&M Foundation Specialist Pte Ltd in November 2006. He was promoted to Director, Technical in April 2017 overseeing the management and operation of Technical Department.

He holds a Bachelor degree in Engineering (Civil) and a Master degree in Engineering from the National University of Singapore in addition to a Certified Diploma in Accountancy and Finance from ACCA. He is currently a registered Professional Engineer (Civil & Geotechnical) in Singapore. He has more than 29 years of design and construction experience in geotechnical engineering works in Singapore as well as in the South East Asia region.

MAK CHUNG MUN, MAY

Head, Group Human Resource ("HR") & Administration

Ms Mak joined the Group in January 2024 as Head, HR & Administration.

Having a strong passion in people development and management, Ms Mak has more than 20 years of experience in human resource work, especially in centralised recruitment and training functions. She has also led teams with diverse backgrounds to strategise and implement key HR initiatives throughout her career in different industry verticals such as Offshore and Marine, Civil Service, Manufacturing, E-Commerce and Construction.

Ms Mak holds a Bachelor of Business (Human Resources Consulting) from the Nanyang Technological University, Singapore. In addition, she has a Graduate Diploma in Training & Development from Singapore Human Resources Institute (SHRI), Singapore.

SUN YUEJUN**Head, Group Purchasing**

Ms Sun joined the Group as Purchasing Manager in August 2021 and was appointed as the Head, Group Purchasing in January 2022. She heads the Group's Purchasing Department and supports purchasing processes for all subsidiaries.

Ms Sun graduated with a Bachelor Degree from The Ocean University of China in 2007. She has more than 12 years of managerial experience in Procurement held in the Construction industry in Singapore.

WAN BAO YUAN, MAX**Head, Plant & Workshop (Singapore Foundation Engineering Group)**

Mr Wan joined CS Construction & Geotechnic Pte Ltd as Manager, Plant & Machinery in December 2007 and was promoted to Senior Manager, Plant & Machinery in April 2013. His role has been further expanded with his appointment as Head, Plant & Workshop of Singapore Foundation Engineering Group in April 2019.

Mr Max has more than 34 years of experience in the mechanical field designing, making Hydraulic Winches, Power Packs and Rotators for the Building Industry. He holds a Diploma in Mechanical Engineering from Ngee Ann Polytechnic.

JI YONGXUN**Head, Group IT**

Mr Ji joined Group in April 2022 as Head of Group IT. He is responsible for leading IT department to improve Group's efficiency and productivity with digital technologies and provide smooth, secure IT environment for the Group.

Mr Ji has more than 22 years of experience of enterprise digitalisation, IT infrastructure, security and operation management. He holds Master degree in Knowledge Management from Nanyang Technological University, Singapore.

OPERATION**SINGAPORE****BORED PILES DIVISION****ANG YANG LING****Director of CS Bored Pile System Pte Ltd ("CSBP") and DW Foundation Pte Ltd ("DWF")**

Ms Ang joined the Group in February 2008 as Design / Project Engineer of CSBP. In September 2018, she was appointed as Project Director of CSBP and DWF. In November 2020, she was promoted to Deputy General Manager of CSBP and DWF. She was subsequently appointed as General Manager of CSBP and DWF in April 2023. In April 2024, she was promoted to Director of CSBP and DWF overseeing general management matters and operations of CSBP and DWF.

Ms Ang has more than 16 years of experience in the field of geotechnical, foundation and civil engineering / infrastructure works. She obtained her Degree in Bachelor of Engineering (Civil) from Universiti Putra Malaysia (UPM), Malaysia and holds a Master of Science (International Construction Management) from Nanyang Technological University (NTU), Singapore.

DIAPHRAGM WALLS AND SOIL IMPROVEMENT DIVISIONS**LOH BOON CHONG****Director of L&M Foundation Specialist Pte Ltd ("LMFS")**

Mr Loh joined the Group as Deputy General Manager in May 2010. In April 2011, he was promoted as General Manager of CS Construction & Geotechnic Pte Ltd ("CSCG"). In January 2016, he was appointed a Director of LMFS to manage LMFS and all its related business. He was appointed as Director of CSCG, CS Bored Pile System Pte Ltd and DW Foundation Pte Ltd in October 2020.

Mr Loh has more than 28 years of experience in the field of geotechnical, foundation and civil engineering works. He holds a Bachelor Degree in Engineering (Civil) from Nanyang Technological University, Singapore.

KEY MANAGEMENT

DRIVEN PILES / JACK-IN PILES / MICRO PILES

LIM YONG KENG DANNY (LIN YONGQING)

Director of CS Construction & Geotechnic Pte Ltd ("CSCG")

Mr Danny Lim has been with the Group since 1996 when he was a Site Engineer. He was promoted as the General Manager of CSCG on April 2016. In April 2017, he was appointed as Director of CSCG overseeing general management and operations matters of CSCG. He was appointed as Director of CS Bored Pile System Pte Ltd, DW Foundation Pte Ltd and L&M Foundation Specialist Pte Ltd in October 2020.

He has more than 28 years of geotechnical and foundation experience and is currently managing the business operations of Driven Piles, Jack-in Piles and Micro Piles.

He obtained his Diploma in Civil Engineering from the Singapore Polytechnic, and holds a Bachelor of Engineering (Hons) Degree in Civil Engineering from the University of Glasgow, Scotland UK.

SOIL INVESTIGATION AND INSTRUMENTATION

NG KAI FU, JEFFREY

Deputy General Manager of Soil Investigation Pte Limited ("SIPL")

Mr Jeffrey Ng joined the Group in December 2015 as Pile Instrumentation Manager and was subsequently appointed to Instrumentation Manager in April 2018 to oversee the Ground Instrumentation department as well. He was further promoted as Deputy Senior Manager in August 2021 to be responsible for the Site Investigation Department. Currently, he serves as a Deputy General Manager to manage his team for the running of SIPL. His team's mission is to uphold quality and integrity, providing excellence and efficient geotechnical solutions to the industry.

Mr Jeffrey Ng has more than 12 years of experience in geotechnical and civil engineering / infrastructure works. He holds a Bachelor's Degree in Engineering (Civil) from Nanyang Technological University, Singapore.

SPECIALISED SURVEYING WORKS

CHUA KENG GUAN

Managing Director of Wisescan Engineering Services Pte Ltd ("WES")

Mr Chua joined the Group as the Managing Director of WES when the Group acquired WES in April 2008.

Mr Chua has over 51 years of experience in the field of Geomatic Engineering. He is the founder of WES and is currently a qualified Registered Surveyor in Singapore, a Fellow member of the Institution of Civil Engineering Surveyors, UK and a Fellow member of the Singapore Institute of Surveyors and Valuers.

SALES AND LEASE OF FOUNDATION ENGINEERING EQUIPMENTS AND ACCESSORIES

LAWRENCE CHONG JONG AN

Managing Director of THL Foundation Equipment Pte Ltd ("THLFE")

Mr Chong was the co-founder and the Managing Director of THLFE since July 1994 where he was in charge of the overall business operations and management of THLFE. He joined the Group when the Group acquired THLFE in June 2002.

He has more than 40 years of experience in the field of civil engineering, particularly in foundation and geotechnical engineering. Mr Chong holds a Bachelor of Science (Hons) degree in Civil Engineering from the Heriot-Watt University, United Kingdom.

NG SUN OH

Managing Director of ICE Far East Pte Ltd

Mr Ng joined the Group in May 2021 as Managing Director of ICE Far East Group which includes subsidiaries in Malaysia, Hong Kong and Thailand where he is responsible for the overall business operation and management of ICE Far East Group.

He has more than 23 years of experience in the heavy equipment industry, particularly the plant hire business in ASEAN which includes strategy formulation and identifying of new business opportunities and markets.

Mr Ng holds a Bachelor of Business Administration (Hons) degree from the University of the Pacific, Stockton California, USA.

KAAN CHI LOONG

**Director of THL Foundation Equipment Pte Ltd
("THLFE")**

Mr Kaan joined THLFE as a sales engineer in June 1994. He was subsequently promoted to General Manager in July 2008. In June 2017, he was promoted to Director of THLFE overseeing general management and overseas expansion of THLFE.

Mr Kaan has more than 33 years of experience in the field of foundation and geotechnical engineering including foundation equipment sales. He holds a Bachelor of Engineering (Civil) from the National University of Singapore.

MALAYSIA**BORED PILES / DIAPHRAGM WALLS DIVISION
DRIVEN PILES, JACK-IN PILES & MICRO PILES DIVISION****LIM LEONG KOO**

**Managing Director of G-Pile Sistem Sdn Bhd ("G-Pile")
and Borneo Geotechnic Sdn Bhd ("BG")**

Mr Lim joined the Group in July 2006 as Senior Manager (International Business/Special Projects). He was subsequently appointed a Director of G-Pile. He was promoted to his current position as the Managing Director of G-Pile in February 2009. In March 2017, he was appointed as Managing Director of BG and is now in charge of the Group's Malaysian operations.

Mr Lim has more than 37 years of experience in the field of geotechnical and foundation engineering in Malaysia and Singapore. He holds a Bachelor Degree (Hons) in Civil Engineering from the Middlesex Polytechnic, UK.

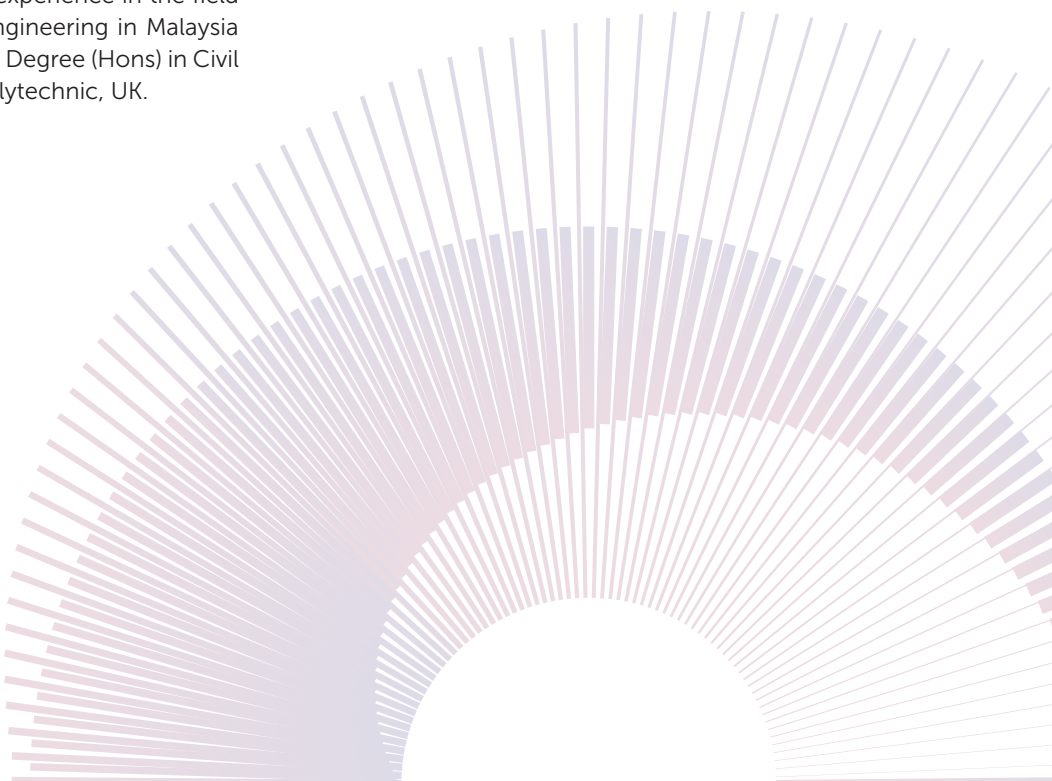
GOH KOK BING

General Manager of G-Pile and BG

Mr Goh joined G-Pile as Assistant Project Manager in November 2012 and was subsequently promoted to Project Manager in August 2014. He was further promoted to Senior Operation Manager of G-Pile in June 2015.

In March 2017, he was appointed as Deputy General Manager of G-Pile. He was subsequently promoted to General Manager of G-Pile and BG in February 2023.

He has more than 15 years working experience in geotechnical, foundation and civil engineering work. He holds a Bachelor Degree (Hons) in Civil Engineering from the University of Malaya, Malaysia. He is a registered Professional Engineer of the Board of Engineers Malaysia. He is also a Corporate Member of the Institute of Engineers, Malaysia.



SUSTAINABILITY HIGHLIGHTS

PERFORMANCE HIGHLIGHTS

BEST SAFETY PERFORMANCE SUBCONTRACTOR AWARD IN FY2024

Awarded as "Best Safety Performance Sub Contractor" on HDB Geylang N4 C50 Project



MOST SAFETY IMPROVEMENT CONTRACTORS

Awarded Certification of Appreciation for Most Safety Improvement Contractors 2023 for CR101 Project – Design & Construction of Changi East Depot

CONTRIBUTION TO 1,000,000 SAFE MANHOURS

Outstanding Performance towards Environmental, Health & Safety in Achieving 1 Million Safe Man-hours on CR109 Project – Design & Construction of Tampines North Station and Tunnels



\$240 million

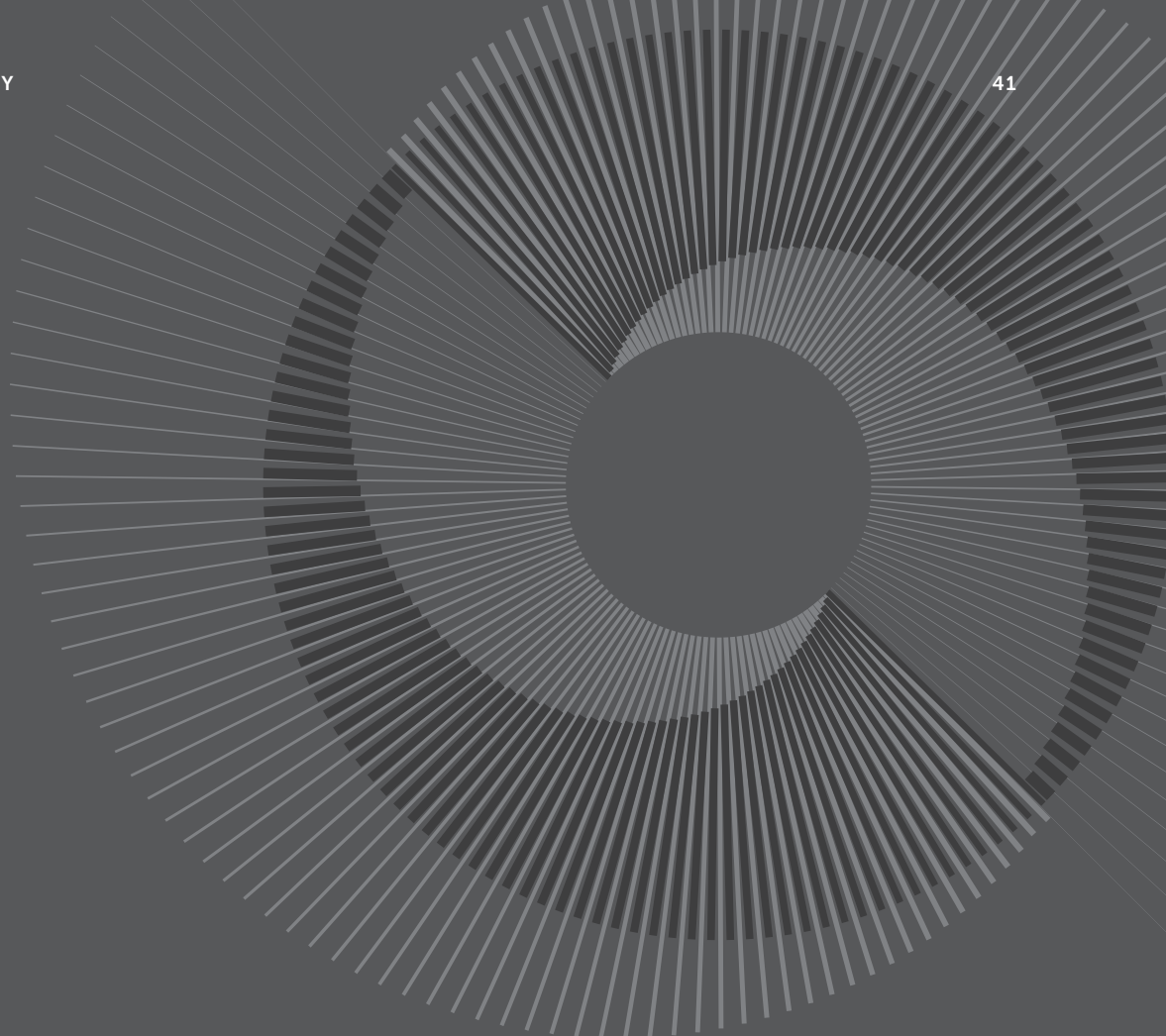
CONTRACT VALUE AWARDED
IN FY2024

FY2024 EMISSIONS

7% REDUCTION IN SCOPE 2 EMISSIONS

AGAINST FY2023





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CORPORATE GOVERNANCE REPORT

CSC Holdings Limited (the “**Company**”) continues to maintain a high standard of corporate governance and confirms its commitment to comply with the Code of Corporate Governance 2018 (last amended 11 January 2023) (the “**Code**”), with the aim to preserve and enhance shareholders’ value. This report describes the corporate governance framework and practices that the Company has adopted with specific reference to the principles and provisions of the Code, as required under the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). As at the date of this report, the Company has complied with the principles and provisions as set out in the Code. Where there are any deviations from the provisions of the Code, appropriate explanations have been provided in this report.

BOARD MATTERS

PRINCIPLE 1: THE BOARD’S CONDUCT OF AFFAIRS

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

The Board is primarily responsible for directing the affairs of the Company in order to achieve the goals set for the Group. The Board’s responsibilities include, among others, setting the strategic direction and long-term goals for the long-term success of the Company, setting the Group’s values and standards (including ethical standards), overseeing internal controls and risk management, corporate governance and sustainability-related matters (including climate-related issues) and reviewing/monitoring financial performance of the Group. Directors are expected to exercise due diligence and independent judgment, and objectively discharge their duties and responsibilities at all times as fiduciaries in the best interests of the Company (*Provision 1.1 of the Code*).

The Board also sets an appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company. The Board works closely with Management ensuring that their duties and responsibilities stipulated under the Companies Act 1967 and applicable rules and regulations are complied with and their obligations towards shareholders and other stakeholders are met. The Board monitors the performance of Management and holds Management accountable for performance (*Provision 1.1 of the Code*).

In a conflict of interest situation, a Director recuses/abstains himself from discussions and decisions involving the matter/issue of conflict (*Provision 1.1 of the Code*).

With assistance of the Company Secretaries, the Board and Management are continually apprised of their compliance obligations and responsibilities arising from relevant regulatory requirements under the Companies Act 1967 and changes in the Listing Manual of the SGX-ST.

The Company also has set a budget for the Directors’ training programmes on an annual basis and the Directors are encouraged to attend relevant industry conferences, seminars, courses and/or talks organised by external organisations such as the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”), Singapore Institute of Directors (“**SID**”), and the SGX-ST, at the Company’s expense, in order to keep the Directors abreast of the latest rules, regulations and accounting standards in Singapore and to facilitate effective discharge of their fiduciary duties as directors and/or board committee members (*Provision 1.2 of the Code*).

The Directors have been keeping themselves abreast of the latest rules, regulations and accounting standards applicable to the Group, in addition to relevant regulatory updates provided by the Company Secretary(ies) and external auditors as and when appropriate. News releases/guidance issued by the SGX-ST and ACRA which are relevant to the Directors are also circulated to the Board as part of the Company’s efforts to facilitate their continuing professional development.

During the year under review, the Directors have been briefed and/or provided with updates, *inter alia*, on key changes to regulatory requirements, developments in financial reporting standards and corporate governance requirements in Singapore. Besides, Mr Ong Tiew Siam had attended the following seminars/courses conducted by the SID: (i) Sustainability Reporting: Board & Director Responsibilities; and (ii) Sustainability Digital Transformation and “Smart Everything” (*Provision 1.2 of the Code*).

CORPORATE GOVERNANCE REPORT

New Directors who have no prior experience as a director of an issuer listed on the SGX-ST will be required to undergo training(s) in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST and undergo an orientation programme whereby they are briefed by the Group Chief Executive Officer (“CEO”), Deputy Group Chief Executive Officer (“DCEO”)/Group Chief Operating Officer (“COO”), Group Chief Financial Officer (“CFO”) and Company Secretary(ies) of their obligations as Directors, as well as the Group’s corporate governance practices, and relevant statutory and regulatory compliance issues, as appropriate. They will also be briefed by Management on the Group’s industry and business operations (*Provision 1.2 of the Code*).

Other than Mr Koo Chung Chong who was appointed as Executive Director of the Company on 11 August 2023, there were no Directors appointed to the Board of the Company during the financial year ended 31 March 2024 (“FY2024”). Mr Koo had (a) in October 2022 attended the Listed Entity Directors (“LED”) Program conducted by the SID, namely Environmental, Social and Governance Essentials; and (b) in October 2023, the LED Program conducted by the SID, namely (i) LED 1 – Listed Entity Director Essentials; (ii) LED 2 – Board Dynamics; (iii) LED 3 – Board Performance; and (iv) LED 4 – Stakeholder Engagement, as prescribed by the SGX-ST, to familiarise himself with the roles and responsibilities as a Director of a listed company in Singapore (*Provision 1.2 of the Code*). He is also the DCEO, COO and Chief Sustainability Officer (“CSO”) of the Company.

The matters specifically reserved for the Board’s decision/approval include but are not limited to the following, and these are communicated to Management in writing (*Provision 1.3 of the Code*):

- (1) Approving the Group’s goals, strategies and objectives;
- (2) Considering sustainability issues, e.g. environmental, social and governance factors including climate-related issues / risks and opportunities, as part of the Company’s strategic formulation;
- (3) Overseeing the overall sustainability initiatives/reporting of the Company and climate-related risks and opportunities with respect to all stakeholders’ expectations; and reviewing sustainability report and significant issues (including climate-related risks) identified.
- (4) Monitoring the performance of Management;
- (5) Monitoring the Company’s key risks and mitigation strategies;
- (6) Overseeing the processes for evaluating the adequacy and effectiveness of internal controls, risk management systems, financial reporting and compliance of the Group;
- (7) Approving the appointment of Directors of the Company and Key Management Personnel of the Group;
- (8) Approving the announcement of unaudited half year financial results and unaudited full year financial results and audited financial statements;
- (9) Endorsing remuneration framework and key human resource matters of the Group;
- (10) Convening of general meetings;
- (11) Approving annual budgets, major funding proposals, major acquisition and major disposal of investments according to the Listing Manual of the SGX-ST; and
- (12) Assuming responsibility for corporate governance and compliance with the Companies Act 1967 and the rules and regulations applicable to a company listed on the SGX-ST .

CORPORATE GOVERNANCE REPORT

To facilitate effective management, the Board has delegated specific functions to Board Committees namely, Audit Committee (“AC”), Nominating Committee (“NC”), Risk Management Committee (“RMC”) and Remuneration Committee (“RC”), each of which has its own clear written terms of reference (“TOR”) (*Provision 1.4 of the Code*). The TORs are reviewed on a regular basis to ensure their continued relevance with the Code, SGX-ST’s Listing Manual and applicable rules/regulations. The Board accepts that while the Board Committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

Management together with the Board Committees support the Board in discharging its duties and responsibilities. The roles, duties and summary of activities of the Board Committees are set out separately in this report.

The Board meets at least quarterly and more frequently as and when required, to review and evaluate the Group’s operations and performance and to address key policy matters of the Group, where necessary (*Provision 1.5 of the Code*).

The Constitution of the Company allows meetings of Directors to be conducted by way of teleconferencing, video conferencing or other similar means of communications to facilitate Board participation.

In the absence of Board and Board Committee meetings, the Board and the Board Committees discuss, deliberate and approve the matters specially reserved to them by way of resolutions in writing in accordance with the Company’s Constitution and Board Committees’ TORs, where applicable.

The number of Board and Board Committee meetings and general meeting(s) held during FY2024 and the attendance of each Director, where relevant, is set out as follows (*Provisions 1.5 and 11.3 of the Code*):

Name of Directors	Board Meeting	AC Meeting	RC Meeting	NC Meeting	RMC Meeting	Shareholders Meeting (Annual General Meeting)
Dr Leong Horn Kee	6	4	1	2	N.A.	1
See Yen Tarn	6	*4	*1	2	4	1
Koo Chung Chong #	2	*2	N.A.	N.A.	*2	N.A.
Ong Tiew Siam	6	4	1	*2	4	1
Tan Hup Foi @ Tan Hup Hoi ^	6	4	1	2	2	1
Ng San Tiong Roland	6	4	1	*2	N.A.	–
Teo Beng Teck @	4	2	1	*2	1	–
Number of meeting(s) held in FY2024	6	4	1	2	4	1

* Attendance of Director (who was non-member) by invitation of the Board Committee.

Appointed as Executive Director on 11 August 2023.

^ Appointed as member of RMC on 11 August 2023.

@ Resigned as Non-Executive Director and a member of AC, RMC and RC on 11 August 2023.

Note: N.A. means Not Applicable.

Directors with multiple board representations are to disclose such board representations and ensure that sufficient time and attention are given to the affairs of the Company (*Provision 1.5 of the Code*).

Board papers for Board and Board Committee meetings, including all relevant documents, materials, background or explanatory information relating to matters which require consideration, are provided to the Directors in a timely manner, prior to the meetings and as and when required, to enable the Directors to make informed decisions and discharge their duties and responsibilities and to allow them to adequately prepare for the meetings. Management also provide the Board with regular updates and timely information to keep them informed of on-going developments within the Group (*Provision 1.6 of the Code*).

CORPORATE GOVERNANCE REPORT

The Board, the Board Committees and the Directors have separate and independent access to Management, the Company Secretaries and external advisors (where necessary) at the Company's expense (*Provision 1.7 of the Code*) and are entitled to request from Management such information or clarification as required.

Professional advisors may be invited/engaged to advise the Board, or any of its members, if the Board or any individual member thereof needs independent professional advice, at the Company's expense.

The Company Secretary(ies) attend(s) all Board and Board Committee meetings, where appropriate. The Company Secretaries provide secretarial support and assistance to the Board and ensure adherence to the Board procedures and relevant rules and regulations applicable to the Company. Minutes of all Board and Board Committee meetings are recorded and circulated to the Board and Board Committees, respectively. The appointment and removal of the Company Secretary(ies) is subject to the approval of the Board (*Provision 1.7 of the Code*).

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

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.

As at the date of this Annual Report, the Board has six (6) Directors, comprising two (2) Executive Directors, one (1) Non-Executive Director and three (3) Independent Non-Executive Directors, as follows:

Executive Directors

Mr See Yen Tarn (Executive Director and CEO)

Mr Koo Chung Chong (Executive Director and DCEO)

Non-Executive Directors

Dr Leong Horn Kee (Chairman and Independent Director)

Mr Ong Tiew Siam (Independent Director)

Mr Tan Hup Foi @ Tan Hup Hoi (Independent Director)

Mr Ng San Tiong Roland (Non-Executive Director)

The Chairman of the Board is an Independent Director (*Provision 2.2 of the Code*).

The Board complies with the requirement by having a majority of the Board made up of Non-Executive Directors (*Provision 2.3 of the Code*).

As of the date of this Annual Report, the Board does not have any Alternate Director.

On 27 May 2024, the Company announced via SGXNet that Mr Tan Hup Foi @ Tan Hup Hoi, who has served on the Board since 3 April 2006 will resign as Independent Non-Executive Director of the Company with effect from the conclusion of the annual general meeting of the Company to be held on 30 July 2024 ("**2024 AGM**"), in line with Rule 210(5)(d) (iv) of the Listing Manual of the SGX-ST limiting the tenure of independent directors to nine (9) years. Accordingly, Mr Tan will also cease to be Chairman of the NC and RC and a member of the AC and RMC.

The NC conducted its annual review of the independence of Directors, having regard to the definition of independence/ circumstances as stated in the Code and accompanying Practice Guidance and the Listing Manual of the SGX-ST. In their deliberation as to the independence of a Director, the NC and Board consider an "independent" Director as one who is independent in conduct, character and judgement and take into consideration, *inter alia*, whether a Director has any relationship (whether familial, business, financial, employment, or otherwise) with the Company, its related corporations, its substantial shareholders or its officers, and if so, whether such relationship could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent judgement in the best interests of the Company (*Provisions 2.1 and 4.4 of the Code*). The Independent Directors constructively challenge and assist in the development of proposals on strategy, and assist the Board in reviewing the performance of Management in meeting agreed goals and objectives, and monitor the reporting of performance.

CORPORATE GOVERNANCE REPORT

The Board is of the view that a strong element of independence is present in the Board with Non-Executive Director and Independent Directors making up a majority of the Board (*Provision 2.3 of the Code*). The Board exercises objective and independent judgement on the Group's corporate affairs. No individual or group of individuals dominates the Board's decision-making.

Members of the Board have experience in accounting or finance, business management, corporate governance, relevant industry knowledge, strategic planning and customer-based experience or knowledge. Their profiles are set out on pages 32 and 33 of this Annual Report.

The Board, through the delegation of its authority to the NC, has used its best efforts to ensure that Directors appointed to the Board and its Board Committees have a wide range of core competencies, experience, skills and knowledge in, but not limited to, the fields of business development, business management, industry knowledge, financial and accounting.

The size and composition of the Board and Board Committees are reviewed annually by the NC, taking into account the scope and nature of the operations of the Company, to ensure that the size of the Board and Board Committees is appropriate to facilitate effective decision-making, and that the Board has an appropriate balance of Independent Directors and an appropriate mix of expertise and experience to enable Management to benefit from a diverse perspective of issues that are brought before the Board.

Given the diverse qualifications, experience, background and profile of the Directors, including the Independent Directors, the NC and Board are of the view that the current Board members as a group provides an appropriate balance and diversity of relevant skills, experience and expertise required for effective management of the Group (*Provision 2.4 of the Code*).

The NC and Board are also of the view that the current size, composition, range of experience and the varied expertise of the current Board members provide core competencies in business, investment, industry knowledge, regulatory matters, audit, accounting and tax matters which are necessary to meet the Group's needs.

The Board, in concurrence with the NC, is of the view that given the nature and scope of the Group's operations, the present Board and Board Committees are of an appropriate size for the Company and to provide for effective decision-making (*Provision 2.4 of the Code*).

During FY2024, the NC conducted its annual review of the Directors' independence (*Provision 4.4 of the Code*) and was satisfied that Chairman of the Board is an Independent Director, Non-Executive Directors make up a majority of the Board (*Provision 2.3 of the Code*) and Independent Directors make up 50% of the Board (*Provision 2.2 of the Code*).

For FY2024, Non-Executive Directors represented a majority of the Board members and contributed to the Board process by monitoring and reviewing Management's performance against the established goals and objectives. The Non-Executive Directors and/or Independent Directors meet without the presence of Management, where necessary, and chairman of such meetings provides feedback to the Chairman of the Board as appropriate (*Provision 2.5 of the Code*). Their views and opinions provide alternate perspectives to the Group's business. When challenging Management's proposals or decisions constructively, the Non-Executive Directors bring independent and objective judgement to bear on business activities and transactions involving conflicts of interest and other complexities.

In its annual review for FY2024, the NC has determined that Dr Leong Horn Kee and Mr Ong Tiew Siam to be independent, which was concurred by the Board.

In respect of Mr Tan Hup Foi @ Tan Hup Hoi, Independent Director, who has served on the Board for an aggregate period of more than nine (9) years from the date of his first appointment on 3 August 2006, he can continue to serve as an Independent Director of the Company until the conclusion of the 2024 AGM pursuant to Listing Rule 210(5)(d)(iv) of the SGX-ST's Listing Manual (effective on 11 January 2023). As announced by the Company on 27 May 2024, Mr Tan will cease to be an Independent Director of the Company with effect from the conclusion of the 2024 AGM.

CORPORATE GOVERNANCE REPORT

The Board has commenced the search process for new Independent Director and would take into consideration the Group and Board's requirements, having due regard to the various aspects as well as factors concerning Board diversity as set out in the Company's Board Diversity Policy.

BOARD DIVERSITY

The Company recognizes and embraces the importance of diversity towards a well-functioning and effective Board and has adopted a Board Diversity Policy. The Company acknowledges that having diversity of thought and background in the Board's composition enables the Board to avoid groupthink, foster constructive debate and make decisions in the best interests of the Company (*Provision 2.4 of the Code*).

The policy defines diversity to refer not only to gender but also to skill-sets, experience, ethnicity, age, background and other relevant personal attributes important in providing range of perspectives, insights and challenge needed to support good decision-making. The NC is responsible to review and monitor its implementation and will recommend appropriate changes including setting measurable objectives (if necessary) to the Board for consideration and approval.

The Board has taken the following steps to maintain or enhance its balance and diversity (*Provision 2.4 of the Code*):

- (1) by assessing the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and
- (2) evaluation by the Directors of the skill-sets the other Directors possess, with a view to understanding the range of expertise which is lacking by the Board.

The Board, supported by the NC, will consider factors such as skills, experience, ethnicity, age, background, independence and knowledge when reviewing the Board composition and Board succession planning so as to ensure an appropriate level of diversity is maintained at the Board. The NC will consider the results of the above steps in its recommendation for the appointment of new Directors and/or the re-appointment of incumbent Directors.

Non-Executive Directors and Independent Directors are not part of Management and they do not engage in the day-to-day management of the Company or its subsidiaries. Although all the Directors have an equal responsibility for the Group's operations, the roles of the Non-Executive Directors and Independent Directors are particularly important in ensuring that proposals by Management are fully discussed, deliberated and constructively challenged. The Non-Executive Directors and Independent Directors help to develop proposals on business strategies, business operations and practices of the Group. In addition, the Non-Executive Directors and Independent Directors evaluate the performance of Management by determining whether Management has met specific goals and objectives, which are pre-determined by the Board.

The NC is aware of the importance of diversity of the Board and will continue to assess on an annual basis the diversity of the Board (as regards skills, experience, core competencies, gender and knowledge of the Company) and to ensure that the diversity would be relevant to the business needs of the Group.

Pursuant to the Board Diversity Policy, the NC reviews the size and mix of the Board and the Board Committees as and when appropriate and at least on an annual basis. In its review for FY2024, the NC considered that the current Board composition provides an appropriate balance of diversity and reflects the Company's commitment to Board diversity in terms of skills, age, educational qualifications, industry experience and expertise required for effective management of the Group, which was concurred by the Board (*Provision 2.4 of Code*).

The NC would, however, review from time to time the structure, size and composition of the Board and Board Committees including the need for progressive refreshing of the Board and make recommendations to the Board as deemed necessary. All Board appointments, if any, would continue to be based on the candidate's experience, skillset, background, regardless of gender, having due regard for the benefits of diversity on the Board including achieving overall balance and effectiveness of the Board.

CORPORATE GOVERNANCE REPORT

Details of the Board composition as at the date of this report are as follows:–

1. Directors' area of expertise

Engineering & construction	3
Accountancy, finance & taxation	3
Property development & management	2
Transport	1

2. Directors' educational background

Engineering & construction	3
Accountancy	2
Economics, business administration & business research	1
Science	1

3. Board independence

Independent Directors	3
Non-Independent Directors	3

4. Directors' age group

50-59	1
60-69	1
70-79	4

5. Directors' length of service

	Independent Director(s)	Non-Independent Director(s)
Served more than nine (9) years	1	1
Served more than three (3) years and up to six (6) years	2	–
Served less than three (3) years	–	2

The NC and Board have determined and are satisfied that the current Board has an appropriate balance of diversity in terms of knowledge, skills, age and experience to facilitate effective decision-making to meet the Group's operational and business needs and enables Management to benefit from a diverse and objective external perspective on issues raised before the Board. The Board comprises six (6) members who are business leaders and professionals with accountancy, finance, engineering, business and management backgrounds and industry knowledge. Each Director has been appointed on the strength of his calibre, experience and ability to contribute to the Group and its business. Having said that, the NC and Board recognise and embrace the benefit of gender diversity on the Board. The Company has not set any specific target or objective in relation to other aspects of diversity such as age, gender, ethnicity, but will work towards having female director(s) on the Board if there are suitable candidates proposed/nominated for the consideration and approval by the NC and/or Board, if the opportunity arises. Any targets/objectives set and further progress made towards implementation of the policy and/or achieving the targets/objectives on Board diversity will be disclosed in future Annual Reports.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 3: CHAIRMAN AND CEO

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

There is a clear division of roles and responsibilities between the Chairman and the CEO. The duties of Chairman and CEO are set out in the Board Charter adopted by the Board (*Provision 3.2 of the Code*). The Chairman and the CEO are not related to each other; they have no close family ties and are not immediate family members (*Provision 3.1 of the Code*).

Dr Leong Horn Kee, an Independent Director, is the Chairman of the Board. He leads the Company's compliance with guidelines on corporate governance and is free to act independently in the best interests of the Company and its shareholders. As Chairman, Dr Leong is responsible for amongst others, the proper carrying out of the business of the Board at its meeting, and he represents the collective leadership of the Company's Board of Directors and ensures that Management provides the Board with complete, adequate and timely information and there is effective communication with shareholders of the Company. The Chairman, with the assistance of the Company Secretaries, ensures that the Board meetings are held as and when necessary and sets the board meeting agenda in consultation with the CEO and Company Secretaries. The Chairman also encourages constructive relations, mutual respect and trust within the Board and between the Board and Management and facilitates the effective contribution of Non-Executive Directors (*Provision 3.2 of the Code*).

The Group CEO is Mr See Yen Tarn, an Executive Director and who is responsible for, among others, the day-to-day operations of the Group, as well as monitoring the quality, quantity and timeliness of information flow between the Board and Management (*Provision 3.2 of the Code*).

Mr Koo Chung Chong is the DCEO, COO and CSO of the Company and is responsible for the marketing, operational and sustainability matters of the Group. Mr Koo was appointed as an Executive Director of the Company in August 2023. As an Executive Director, Mr Koo works closely with the Group CEO on corporate development and strategic planning of the Group.

The Board is of the view that the current leadership structure is in the best interests of the Group. The decision making process of the Group would not be unnecessarily hindered as 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 concentration of power or influence. In addition, all the Board Committees are chaired by Independent Directors of the Company.

The Company does not have a Lead Independent Director given that the Chairman of the Board and the CEO are separate persons and are not immediate family members; the Chairman of the Board is also not part of the Management team and is an Independent Director (*Provision 3.3 of the Code*).

PRINCIPLE 4: BOARD MEMBERSHIP

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.

PRINCIPLE 5: BOARD PERFORMANCE

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

CORPORATE GOVERNANCE REPORT

NOMINATING COMMITTEE

The NC comprises Mr Tan Hup Foi @ Tan Hup Hoi (Chairman), Dr Leong Horn Kee and Mr See Yen Tarn, the majority of whom, including the Chairman, are independent (*Provisions 1.4 and 4.2 of the Code*).

The NC is responsible for reviewing the composition and effectiveness of the Board and determining whether the Directors possess the requisite qualifications and expertise and whether the independence of the Directors is compromised pursuant to the Code and SGX-ST's Listing Manual.

The key duties of the NC include but not limited to the following (*Provisions 1.4 and 4.1 of the Code*):

- a) To review annually the independence of each Director with reference to the Code and the Listing Manual of the SGX-ST (*Provision 4.4 of the Code*);
- b) To review all nominations for new appointments to the Board and re-appointment of Directors, submit its recommendations for approval by the Board and ensure the new Directors are aware of their duties and obligation (*Provision 4.5 of the Code*);
- c) To determine whether a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly, when a Director has multiple listed company board representations and principal commitments (*Provision 4.5 of the Code*);
- d) To review Board succession plans, in particular, the Chairman, the CEO and Key Management Personnel;
- e) To review the process and criteria for evaluation of performance of the Board, the Board Committees and the Directors;
- f) To assess the effectiveness of the Board as a whole and contribution of each Director to the effectiveness of the Board; and
- g) To review training and professional development programs for the Board/Directors.

During FY2024, the NC held two (2) meetings to review/consider and recommend to the Board, where appropriate, (i) the structure, size, composition and diversity of the Board, (ii) the Board Diversity Policy, (iii) findings of performance evaluations of the Board and Board Committees, (iv) independence of the Independent Non-Executive Directors, (v) retiring Directors standing for re-election at annual general meeting ("**AGM**") and (vi) the resignation of a Non-Executive Director and a member of the AC, RMC and RC; (vii) the appointment of an Executive Director; and (viii) the appointment of a member to the RMC.

The NC takes the lead in identifying, evaluating and selecting suitable candidates for new directorships before making recommendation to the Board for appointment. The search for new Directors, if any, will be made through internal and external sources (for example, personal contacts of current Board members, or by referral of the Company's business associates) and will, if considered necessary, be made through external search firms/consultants, at the Company's expense (*Provision 4.3 of the Code*).

The NC identifies suitable candidates for appointment to the Board having due regard to the composition/diversity and progressive renewal of the Board as well as criteria including but not limited to the background, knowledge, relevant experience and skillsets to the Company's business, personal qualities and suitability of the potential candidates. The NC makes recommendations to the Board on candidates it considers suitable for appointment (*Provision 4.3 of the Code*). The NC has put in place process and procedures for the selection, appointment and re-appointment of Directors, in order to increase transparency of the nominating process.

CORPORATE GOVERNANCE REPORT

Letters of appointment will be issued to newly appointed Non-Executive Directors and/or Independent Directors setting out their duties, obligations and terms of appointment as appropriate while a service agreement accompanied with supporting documents setting out duties, responsibilities and terms of appointment will be given to a newly appointed Executive Director (*Provision 1.2 of the Code*).

The composition of the Board, including the selection of candidates for new appointments to the Board, is determined based on the following principles:

- there should be a strong and independent element on the Board, with Independent Directors making up at least one-third of the Board where:
 - a) the Chairman of the Board and the CEO is not the same person; and
 - b) the Chairman of the Board is an Independent Non-Executive Director.
- the Board should comprise business leaders and professionals with finance, engineering, business and management backgrounds.

The NC is of the view that the Board comprises Directors capable to exercise objective judgement on corporate affairs independently from Management and that no individual or small group of individuals is allowed to dominate the Board's decision making.

Pursuant to Rule 720(5) of Listing Manual of the SGX-ST, all directors must submit themselves for re-nomination and re-appointment at least once every three (3) years. In addition, Regulation 104 of the Company's Constitution requires one-third of the Directors, or the number nearest to but not greater than one-third, to retire from office by rotation at each AGM. A retiring Director shall be eligible for re-election.

In addition, Regulation 108 of the Company's Constitution requires all newly appointed Directors of the Company to hold office only until the next AGM of the Company following their appointment and shall then be eligible for re-election at such meeting.

The table below provides information pertaining to each Director, including date of appointment, date of the last re-election and other listed company directorships and principal commitments (if any) (*Provision of 4.5 of the Code*):

Name of Directors	Date of appointment/ Date of last re-election	Functions	Current directorships in other listed companies and other major appointments/ principal commitments	Past directorships in other listed companies and major appointments/ principal commitments over the preceding three (3) years
Dr Leong Horn Kee	28 July 2018 / 27 July 2023	Independent Director and Board Chairman Member of Audit Committee, Remuneration Committee and Nominating Committee	Director of – IGG Inc. – Paragon Reit Management Pte Ltd which is the management company of listed company, Paragon Reit Singapore Ambassador to Argentina	Singapore High Commissioner to Cyprus Director of ESR-LOGOS Funds Management (S) Limited which is the management company of listed company, ESR Reit

CORPORATE GOVERNANCE REPORT

Name of Directors	Date of appointment/ Date of last re-election	Functions	Current directorships in other listed companies and other major appointments/ principal commitments	Past directorships in other listed companies and major appointments/ principal commitments over the preceding three (3) years
Mr See Yen Tarn	11 November 2005 / 30 July 2024*	Executive Director and Group CEO Member of Nominating Committee and Risk Management Committee	Nil	Director of Eindex Corporation Limited
Mr Koo Chung Chong	11 August 2023 / 30 July 2024 [#]	Executive Director and DCEO	Nil	Nil
Mr Ong Tiew Siam	28 July 2018 / 30 July 2024 [^]	Independent Director Chairman of Audit Committee and Risk Management Committee and member of Remuneration Committee	Director of CosmoSteel Holdings Limited	Director of Valuetronics Holdings Limited
Mr Tan Hup Foi @ Tan Hup Hoi	3 April 2006 / 27 July 2023	Independent Director Chairman of Nominating Committee and Remuneration Committee and member of Audit Committee and Risk Management Committee	Director of – Credit Bureau Asia Limited – 17LIVE Group Limited (formerly known as Vertex Technology Acquisition Corporation Ltd) – Intraco Limited Director and Chairman of – Caring Fleet Services Limited – Orita Sinclair School of Design and Music Pte Ltd Honorary Vice President of International Association of Public Transport (UITP) Honorary Chairman of UITP Asia-Pacific Division	Member of NTUC-U Care Fund Board of Trustees Director and Chairman of Transit Link Pte Ltd

CORPORATE GOVERNANCE REPORT

Name of Directors	Date of appointment/ Date of last re-election	Functions	Current directorships in other listed companies and other major appointments/ principal commitments	Past directorships in other listed companies and major appointments/ principal commitments over the preceding three (3) years
Mr Ng San Tiong Roland	2 August 2021 / 28 July 2022	Non-Executive Director Member of Audit Committee and Remuneration Committee	Non-Executive Director and Deputy Chairman of Yongmao Holdings Limited Managing Director and Group CEO of Tat Hong Holdings Ltd Managing Director of Chwee Cheng & Sons Pte Ltd, Tat Hong International Pte Ltd and Tat Hong Industries Pte Ltd Director and Chairman of SPH Foundation Limited Chairman of Chinese Development Assistance Council Chairman of the China & North Asia Business Group (CNABG) of Singapore Business Federation	Alternate Director of Intraco Limited President of the 59 th & 60 th Councils of the Singapore Chinese Chamber of Commerce & Industry (SCCCI) Singapore's Non-Resident Ambassador to the Democratic Republic of Timor-Leste Member of the Board of Directors of Business China

* Mr See Yen Tarn will be seeking re-election at the 2024 AGM under Rule 720(5) of the Listing Manual of the SGX-ST.

Mr Koo Chung Chong will be seeking re-election at the 2024 AGM under Regulation 108 of the Company's Constitution.

^ Mr Ong Tiew Siam will be seeking re-election at the 2024 AGM under Regulation 104 of the Company's Constitution.

Note: Mr Tan Hup Foi @ Tan Hup Hoi will cease as an Independent Director and Chairman of the RC and NC and member of the AC and RMC with effect from the conclusion of the 2024 AGM.

Although the Independent Directors hold directorships in other companies which are not within the Group, the Board is of the view that such multiple board representations do not hinder them from carrying out their duties as Directors. These Directors would widen the experience of the Board and give it a broader perspective. The NC is satisfied that, for FY2024, each of the Non-Executive Directors and Independent Directors has given sufficient time and attention to the affairs of the Company and was able to adequately carry out his duties as a Director of the Company (*Provisions 1.5 and 4.5 of the Code*). The Board concurred with the NC's views.

The Board does not impose a limit on the length of service of the Independent Directors. The Board's emphasis is on the Director's contribution in terms of skill, experience, professionalism, integrity, objectivity and independent judgement to discharge the Director's duties in the best interest of the Company. Such attributes are more critical in ascertaining the effectiveness of the Directors' independence than the years of service.

CORPORATE GOVERNANCE REPORT

In considering whether independent directors who have served on the Board for an aggregate period of more than nine (9) years are still independent, in accordance with the requirements of the Code and the SGX-ST's Listing Manual, the NC also takes into consideration the following factors:–

- a) The considerable amount of experience and wealth of knowledge that each Independent Director brings to the Company.
- b) The attendance and active participation in the proceedings and decision-making process of the Board and Board Committee meetings.
- c) Provision of continuity and stability at the Board level as each Independent Director has developed deep insight into the business of the Company and possesses experience and knowledge of the business.
- d) The qualification and expertise of each Independent Director provides reasonable checks and balances for Management.
- e) Each Independent Director has provided adequate attention and sufficient time has been devoted to the proceedings and business of the Company. Each of them is adequately prepared, responsive to and actively involved in discussions at meetings.
- f) Each Independent Director provides overall guidance to Management and acts as safeguard for the protection of the Company's assets and upholding the interests of all shareholders.
- g) Each Independent Director, as the Chairman of the respective Board Committees, has led the respective Board Committees effectively in making independent and objective decision.

Each year, the NC reviews the independence of Directors based on the internal assessment criteria, which is applied equally to all Independent Directors (including Independent Director(s) who has/have served on the Board for an aggregate period of more than nine (9) years), and guidance as set out in the Code and SGX-ST's Listing Manual. The Independent Non-Executive Directors are required to confirm their independence annually, and disclose any relationships or appointments which would impair their independence to the Board (*Provision 4.4 of the Code*). In assessing objectivity and independent judgment, the NC, with the concurrence of the Board, considered, *inter alia*, the approach, character and attitude of the Independent Directors including whether such Directors:

- are free from any interest, business or other relationship with the Company and its subsidiaries, its related corporations, substantial shareholders which could interfere, or could reasonably be perceived to interfere, with the exercise of Director's independent business judgement with a view to the best interest of the Company;
- have any material contractual relationship with the Group other than as a Director; and
- have the ability to give time, participate and contribute at Board and/or Board Committee meetings.

The NC had noted the requirement under Listing Rule 210(5)(d)(iv) of the SGX-ST's Listing Manual and had reviewed and recommended to the Board that Mr Tan Hup Foi @ Tan Hup Hoi continues to be considered independent until his resignation as Independent Director of the Company with effect from the conclusion of the 2024 AGM. After due consideration, the Board has resolved that Mr Tan Hup Foi @ Tan Hup Hoi continues to be considered independent until his resignation as Independent Director of the Company with effect from the conclusion of the 2024 AGM.

The NC has also recommended the nomination of Mr See Yen Tarn, Mr Koo Chung Chong and Mr Ong Tiew Siam for re-election as Directors at the forthcoming AGM, after having considered (a) the qualifications, expertise, skills, business knowledge and experience of the above-named retiring Directors and their overall contribution to the Company and attendance and contributions (such as participation, preparedness and candour) at Board and/or Board Committee meetings, and review of his independence, as appropriate, and (b) the Board present composition provides

CORPORATE GOVERNANCE REPORT

an appropriate balance and diversity of relevant skills, age, industry knowledge, experience and expertise required to meet the Group's operational and business needs. The Board is satisfied that each Mr See Yen Tarn, Mr Koo Chung Chong and Mr Ong Tiew Siam possesses the relevant experience, expertise, knowledge and skills to contribute towards the core competencies of the Board and has accepted the NC's recommendation. Mr See Yen Tarn, Mr Koo Chung Chong and Mr Ong Tiew Siam, being eligible, will be offering themselves for re-election at the 2024 AGM. The additional information of the retiring Directors, Mr See Yen Tarn, Mr Koo Chung Chong and Mr Ong Tiew Siam, is set out on page 32 of this Annual Report.

Each member of the NC and/or Board is required to abstain from voting on any resolutions, making any recommendations and/or participating in any deliberations of the NC and/or Board in respect of his re-nomination as a Director.

The NC has put in place a formal process for evaluating the performance and effectiveness of the Board as a whole, and each of the Board Committees separately, on an annual basis following the conclusion of each financial year (*Provision 5.1 of the Code*).

The Board performance evaluation questionnaire, approved by the Board, focuses on a set of performance criteria, which includes, amongst other things, the size and composition of the Board, the Board's access to information pertaining to the Company, the efficiency and effectiveness of Board processes and the standards of conduct of Directors. All Directors are required to complete the evaluation questionnaire.

Performance evaluations of Board Committees, namely, AC, NC and RC focus on a set of performance criteria includes, amongst other things, the respective Board Committees' composition, size and expertise, accountability and processes and/or the standards of conduct of members of Board Committees. All members of the respective Board Committees are required to complete the evaluation questionnaire.

The findings of the evaluation questionnaire are collated and analysed, and thereafter presented to the NC for discussion. The NC will then present the findings of the evaluation questionnaire and make its recommendation to the Board, if necessary (*Provision 5.2 of the Code*).

Although the Directors are not evaluated individually, the factors taken into consideration for nomination of a Director for re-election at AGM include the Director's attendance at meetings held during the financial year and the contributions made by that Director at those meetings, including a review of his independence, as appropriate.

Recommendations to further enhance the effectiveness of the Board and Board Committees are implemented as and when appropriate, if any.

No external facilitator had been engaged by the Board for the purpose of the aforesaid performance evaluations (*Provision 5.2 of the Code*).

REMUNERATION MATTERS

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

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.

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

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.

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PRINCIPLE 8: DISCLOSURE ON REMUNERATION

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.

REMUNERATION COMMITTEE

As at the date of this Annual Report, the RC comprises four (4) Non-Executive Directors, namely Mr Tan Hup Foi @ Tan Hup Hoi (Chairman), Dr Leong Horn Kee, Mr Ong Tiew Siam and Mr Ng San Tiong Roland, the majority of whom, including the Chairman, are independent (*Provisions 1.4 and 6.2 of the Code*).

The key responsibilities of the RC include but not limited to the following (*Provisions 1.4 and 6.1 of the Code*):

- (1) To review and recommend to the Board a framework of remuneration for the Board and Key Management Personnel;
- (2) To review and recommend to the Board the specific remuneration packages for each Executive Director and Key Management Personnel;
- (3) To review and recommend to the Board the benefits under long-term incentive schemes, if any, for Executive Directors and Key Management Personnel; and
- (4) To review the contracts of service of Executive Directors and Key Management Personnel.

During FY2024, the RC held one (1) meeting to review/consider and recommend to the Board, where appropriate, (i) remuneration packages of the Executive Director/CEO, Executive Director/DCEO and Key Management Personnel of the Company, (ii) Directors' fees for Non-Executive Directors, including Independent Non-Executive Directors, (iii) remuneration of Mr Ng Sun Oh (who is a relative of a Director and substantial shareholders of the Company) as the Managing Director of ICE Far East Group and (iv) other remuneration related matters.

Each member of the RC and/or Board is required to abstain from voting on any resolutions, making any recommendations and/or participating in any deliberations of the RC and/or Board in respect of his own remuneration. No Director is involved in deciding his own remuneration.

The recommendations of the RC pertaining to the service contracts of Directors are submitted for endorsement by the Board before the execution of any such service contracts.

The RC reviews the performance of the Company's Executive Directors (together with other Key Management Personnel) annually and as and when required and the Board ensures that the remuneration of the Executive Directors and Key Management Personnel commensurate with their performance and that of the Company, having regard to the pay and employment conditions within the industry and local practices. The RC reviews the terms of compensation and employment of Executive Directors and Key Management Personnel at the time of their respective employment or renewal (where applicable) including considering the Company's obligations in the event of termination of services.

Further, the RC will take into consideration remuneration packages and employment conditions within the industry and within similar organisation structure as well as the Group's relative performance and the performance of individual employee.

CORPORATE GOVERNANCE REPORT

The RC ensures that the remuneration packages of employees relating to the Directors and substantial shareholders/controlling shareholders of the Group, if any, are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities.

The RC considers all aspect of remuneration and aims to be fair and avoid rewarding poor performance during the course of its duties including in the event of termination, to ensure that termination clauses are fair and not overly generous in respect of service contracts entered into with Executive Directors and Key Management Personnel (*Provision 6.3 of the Code*).

The RC has access to expert advice from external remuneration consultants, where required. The Company did not appoint any external remuneration consultants in FY2024 (*Provision 6.4 of the Code*).

The Company adopts a remuneration policy for Executive Directors and Key Management Personnel of the Group that comprise a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the performance of the Group and the individual performance for the preceding financial year, taking into account the strategic objectives of the Company (*Provision 7.1 of the Code*). Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes long-term success of the Company (*Provision 7.1 of the Code*).

Currently, the Company does not have any long-term incentive, share option scheme or share award scheme within the Group.

Even though there are no contractual provisions allowing the Company to reclaim incentive components of remuneration from Executive Directors and Key Management Personnel in exceptional circumstances of misstatement of financial results or of misconduct resulting in financial loss to the Company, the Company, will not hesitate to take legal actions against the personnel responsible in the event of such exceptional circumstances or misconduct resulting in financial loss to the Company.

Directors' fees payable/paid to the Non-Executive Directors and Independent Directors are set in accordance with a remuneration framework comprising a basic fee and increment fixed fee, taking into account of the level of responsibilities such as taking the roles of chairman and member of Board Committees as well as their contribution, responsibilities, effort and time spent (*Provision 7.2 of the Code*). The RC ensures that the Non-Executive Directors should not be overly compensated to the extent that their independence may be compromised.

As a show of solidarity and togetherness with the Company's stakeholders, the Board has accepted the RC's recommendation and agreed on a 10% reduction of the basic directors' fees (from S\$62,000 to S\$55,800) for the financial year ending 31 March 2025 ("**FY2025**"), payable to Non-Executive Director and Independent Directors. Accordingly, the RC had recommended to the Board an amount of up to S\$350,000 as Directors' fees for FY2025, to be paid quarterly in arrears. This recommendation had been endorsed by the Board and will be tabled at the forthcoming AGM for shareholders' approval. The total amount of Directors' fees paid to the Directors for FY2024 was S\$375,246.

The Board is of the view that the current remuneration structure is appropriate to attract, retain and motivate Directors to provide good stewardship of the Company and Key Management Personnel to successfully manage the Company for the long term (*Provision of 7.3 of the Code*).

CORPORATE GOVERNANCE REPORT

The remuneration paid/payable to each Director of the Company for FY2024 is disclosed in the respective bands as set out below (*Provision 8.1 of the Code*): –

Remuneration Band	Name of Directors	Directors' Fees (%) **	Salaries ⁽¹⁾ (%)	Bonus ⁽²⁾ (%)	Total (%)
\$700,000.01 to \$800,000	See Yen Tarn*	–	77.25%	22.75%	100
\$600,000.01 to \$700,000	Koo Chung Chong*	–	77.58%	22.42%	100
Below \$100,000	Dr Leong Horn Kee	100.00%	–	–	100
	Ong Tiew Siam	100.00%	–	–	100
	Tan Hup Foi @ Tan Hup Hoi	100.00%	–	–	100
	Ng San Tiong Roland*	100.00%	–	–	100

* Mr See Yen Tarn is Executive Director of the Company and Group CEO. Mr See does not receive Directors' fees.
Mr Koo Chung Chong is Executive Director of the Company (since 11 August 2023) and Group DCEO. Mr Koo does not receive Directors' fees.
Mr Ng San Tiong Roland is a Non-Executive Director and a controlling shareholder of the Company.

** Directors' fees are subject to approval by shareholders at AGM.

⁽¹⁾ The salary percentage shown is inclusive of allowances, benefits in kinds and CPF contribution.

⁽²⁾ The bonus percentage shown is inclusive of CPF contribution.

The Company has decided not to disclose the actual remuneration in dollar terms paid to the Directors, the CEO and the DCEO as the Company believes that such disclosure would be prejudicial to the Company's interests and hamper its ability to retain its Board of Directors, the CEO and the DCEO (*Provision 8.1 of the Code*).

The Board is of the view that the information disclosed in this report, including the above disclosure of remuneration of Directors in bands of S\$100,000 with a breakdown (in percentage terms) showing the level and mix of remuneration, is sufficient for shareholders to have adequate understanding of the Company's remuneration framework, policies and practice for Directors. In addition, the fees for Non-Executive Director and Independent Directors are put to shareholders for approval annually at the Company's AGM (*Provision 8.1 of the Code*).

The remuneration and reward system for Key Management Personnel are designed to ensure competitive compensation to attract, retain and motivate employees to deliver high-level performance. Further, the level and mix of the variable remuneration component is structured to ensure that the total remuneration for Key Management Personnel is aligned with the Company's financial performance and interests of shareholders and other stakeholders and promotes the long-term success of the Company.

- (i) Fixed remuneration – Fixed remuneration includes an annual basic salary, and where applicable, fixed allowances, an annual wage supplement and other emoluments. Base salaries of key executives are determined based on the scope, criticality and complexity of each role, equity against peers with similar responsibilities, experience and competencies, individual performance and market competitiveness.
- (ii) Annual variable bonuses – The annual variable bonus is intended to recognize the performance and contributions of the individual, while driving the achievement of key business results for the Company. This bonus is linked to the achievement of pre-agreed financial and non-financial performance targets comprising strategy, business processes and organization and people development. It is designed to support the Group's business strategy and the ongoing enhancement of shareholder value through the delivery of annual financial strategy and operational objectives. At an individual level, the performance target bonus will vary accordingly to the actual achievement of the Group, business unit and individual performance.

The Code recommends that the Company should name and disclose the remuneration of at least the top five (5) Key Management Personnel. However, the RC believes such disclosure would be disadvantageous to the Group's business interests, given the highly competitive environment in the construction industry where poaching of staff is prevalent.

CORPORATE GOVERNANCE REPORT

In order to provide a macro perspective of the remuneration patterns of Key Management Personnel, while maintaining the confidentiality, the disclosure of the top ten (10) Key Management Personnel remuneration (who are not Directors of the Company, the CEO or the DCEO) of the Group for FY2024 in bands of S\$100,000 are set out below (*Provision 8.1 of the Code*):–

Remuneration Band	Number of Key Management Personnel	Salaries ⁽¹⁾ (%)	Bonus ⁽²⁾ (%)	Others (Benefits in Kinds) (%)	Total (%)
S\$400,000.01 to S\$500,000	1	83.69%	16.31%	–	100
S\$300,000.01 to S\$400,000	5	82.04%	17.96%	–	100
S\$200,000.01 to S\$300,000	4	85.70%	13.90%	0.40%	100

⁽¹⁾ The salary percentage shown is inclusive of allowances, benefits in kinds and CPF contribution.

⁽²⁾ The bonus percentage shown is inclusive of CPF contribution.

The Board is of the view that the information disclosed in this report, including the above disclosure, is sufficient for shareholders to have adequate understanding of the Company's remuneration framework, policies and practice for Key Management Personnel, as well as the link between performance and remuneration.

The Board is of the opinion that the practices the Company has adopted are consistent with the intent of Principle 8 of the Code as a balance is struck between the requirement for transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation, and the Group's need to maintain confidentiality of sensitive information, given the sensitivity and confidentiality of remuneration matters.

The aggregate total remuneration paid to the top ten (10) Key Management Personnel (who are not Directors of the Company, the CEO or the DCEO) of the Group for FY2024 is approximately S\$3,224,000 (*Provision 8.1 of the Code*).

Mr Ng Sun Oh (Managing Director of ICE Far East Group, comprising ICE Far East Pte Ltd and all its subsidiaries, 55% owned by the Company) is the brother of:–

- (i) Mr Ng San Tiong Roland, Non-Executive Director and a controlling shareholder of the Company;
- (ii) Mr Ng Sun Ho Tony, Mr Ng San Wee David and Mr Ng Sun Giam Roger, controlling shareholders of the Company,

and also the son of Mr Ng Chwee Cheng, a substantial shareholder of the Company.

The remuneration paid to Mr Ng Sun Oh for FY2024 is set out below (*Provision 8.2 of the Code*):

	Remuneration Band	Salaries ⁽¹⁾ (%)	Bonus ⁽²⁾ (%)	Others (Benefits in Kinds) (%)	Total (%)
Ng Sun Oh	S\$300,000.01 to S\$400,000	92.87%	7.13%	–	100

⁽¹⁾ The salary percentage shown is inclusive of allowances, benefits in kinds and CPF contribution.

⁽²⁾ The bonus percentage shown is inclusive of CPF contribution.

Save as disclosed above, there was no employee of the Group who was a substantial shareholder of the Company, or who was an immediate family member of a Director, the CEO, the DCEO or a substantial shareholder of the Company, and whose annual remuneration exceeded S\$100,000 during the year under review.

There are no termination, retirement and post-employment benefits granted to Directors, the CEO, the DCEO and the top ten (10) Key Management Personnel (who are not Directors of the Company, the CEO or the DCEO).

Save as disclosed above, there are no remuneration and other payments and benefits paid by the Company and its subsidiaries to the Directors and top ten (10) Key Management Personnel of the Company (*Provision 8.3 of the Code*).

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

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

The Board recognises the importance of sound internal controls and risk management practices and acknowledges its responsibility for the systems of internal controls and risk management of the Group. In this regard, the role of the Board includes (*Provision 9.1 of the Code*):

- a) ensuring that Management maintains a sound system of risk management to safeguard shareholders' interests and the Group's assets;
- b) determining the nature and extent of significant risks that the Company is willing to take in achieving its strategic objective and value creation;
- c) determining the levels of risk tolerance and risk policies of the Company;
- d) overseeing Management in the design, implementation and monitoring of internal controls (including financial, operational, compliance and information technology controls) and risk management systems; and
- e) reviewing the adequacy and effectiveness of the risk management and internal control systems annually.

In FY2024, Management carried out an annual review of the Group's key risks and effectiveness of key internal controls in place within the Group.

RISK MANAGEMENT COMMITTEE

In order to assist the Board in fulfilling its oversight responsibilities on risk management, the Group has set up a RMC, comprising three (3) Directors, namely Mr Ong Tiew Siam (Chairman), Mr See Yen Tarn and Mr Tan Hup Foi @ Tan Hup Hoi (*Provisions 1.4 and 9.1 of the Code*).

The RMC holds at least four (4) meetings a year. The RMC assists the Board in reviewing risk policies and matters relating to management of risks.

The key functions and duties of the RMC under its terms of reference include but not limited to the following (*Provision 1.4 of the Code*):

- a) reviewing and advising the Board on the operating risk management philosophy, guidelines and major policies for effective risk management, including risk profile, risk tolerance level and risk strategy;
- b) reviewing of tendering procedure for major projects and risk management control in project management;
- c) overseeing and advising the Board on the current operating risk exposure and future risk strategy of the Company;
- d) reviewing the adequacy and effectiveness of the Company's programs, processes and initiatives in managing sustainability risks, including climate-related risks in line with the Group's business objectives; and
- e) monitoring and overseeing progress on sustainability initiatives/reporting of the Company and climate-related risks and opportunities with respect to all stakeholders' expectations; and reviewing sustainability report and significant issues (including climate-related risks) identified.

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The RMC also reviews periodically the effectiveness of the Group's internal controls and risk management systems and framework to manage and mitigate risk within the agreed strategy; and evaluates risks in new business and in new markets.

During FY2024, the RMC held four (4) meetings to review the Group's business and operational activities to identify areas of significant risks, if any, as well as take appropriate measures to control and mitigate such risks, and review/consider other risk management related matters. The RMC had also reviewed the Sustainability Report for the financial year ended 31 March 2023, which was recommended to and approved by the Board.

INTERNAL CONTROLS

The Group maintains a robust and effective system of internal controls and risk management policies, addressing financial, operational, compliance and information technology risks, for all companies within the Group, to safeguard shareholders' interests and the Group's business and assets.

Since year 2013, the Group has implemented an Enterprise Risk Management (ERM) programme on the identification, prioritisation, assessment, management and monitoring of key risks covering, *inter alia*, financial, operational, compliance and information technology faced by the Group. Key risks identified are reviewed by Management regularly and significant controls measures and procedure to control these risks are being implemented and highlighted to the RMC, AC and the Board.

The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group's assets and investments are safeguarded. The Board notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities. The Board reviews the adequacy and effectiveness of the Group's risk management and internal control systems, including financial, operational, compliance and information technology controls, and risk management systems on an on-going basis.

The Group's key internal controls include:

- establishment of risk management policies and systems;
- establishment of policies and approval limits for key financial and operational matters, and issues reserved for the Board;
- maintenance of proper accounting records;
- the reliability of financial information;
- safeguarding of assets;
- ensuring compliance with appropriate legislation and regulations;
- engaging qualified and experienced persons to take charge of important functions; and
- implementation of safety, security and internal control measures and taking up appropriate insurance coverage for employees.

CORPORATE GOVERNANCE REPORT

The Board and AC will be responsible for (a) monitoring the Company's risk of becoming subject to, or violating, any sanctions-related law or regulation and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities. As at the date of this Annual Report, the Company does not have existing business in a country which is subject to sanctions-related law or regulation and has no exposure to sanctions-related risks.

In respect of FY2024, the Board has received the assurances from (*Provision 9.2 of the Code*): –

- (a) the CEO, the DCEO and the 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; and
- (b) the CEO, the DCEO and other relevant Key Management Personnel that the systems of risk management and internal controls (including financial, operational, compliance and information technology controls) in place within the Group are adequate and effective in addressing material risks in the Group in its current business environment.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by Management and the RMC, the AC and the Board are of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology controls and risk management systems were adequate and effective for FY2024 to meet the needs of the Group in its current business environment (*Provision 10.1(b) of the Code*). No material weaknesses of internal controls and risk management systems were identified in respect of FY2024.

The Board, together with the AC, RMC and Management, will continue to enhance and improve the existing internal control framework to mitigate the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities.

PRINCIPLE 10: AUDIT COMMITTEE

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

AUDIT COMMITTEE

The AC is empowered to investigate any matter relating to the Group's accounting, auditing, internal controls and financial practices brought to its attention, with full access to records, resources and personnel of the Group, to enable them to discharge its functions properly (*Provision 1.4 of the Code*).

As at the date of this Annual Report, the AC comprises four (4) Non-Executive Directors, namely Mr Ong Tiew Siam (Chairman), Mr Tan Hup Foi @ Tan Hup Hoi, Dr Leong Horn Kee and Mr Ng San Tiong Roland, the majority of whom, including the Chairman, are independent (*Provisions 1.4 and 10.2 of the Code*).

At least two (2) members, including the Chairman, have recent and relevant accounting or related financial management expertise or experience (*Provision 10.2 of the Code*).

None of the members of the AC is a partner or director of the Group's auditing firms or auditing corporations or was a former partner or former director of the Group's auditing firms or auditing corporations. None of them has any financial interest in the Group's auditing firms or auditing corporations (*Provision 10.3 of the Code*).

The AC has full access to Management and full discretion to invite any Director and officer to attend AC meetings held from time to time.

CORPORATE GOVERNANCE REPORT

The key responsibilities of the AC include but not limited to the following (*Provisions 1.4 and 10.1 of the Code*):

- (1) To review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and the Group and the announcements relating to the Group's financial performance;
- (2) To review at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- (3) To review the assurance from CEO, DCEO and the CFO on the financial records and financial statements;
- (4) To review scope, audit plans and reports of the external auditors and the internal auditors;
- (5) To review and report to the Board on the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management system;
- (6) To review interested person transactions in accordance with the requirements of the Listing Manual of the SGX-ST;
- (7) To review and recommend to the Board the release of the unaudited half year financial results and unaudited full year financial results;
- (8) To review and recommend the appointment or re-appointment of the external auditors, including the remuneration of the external auditors;
- (9) To oversee co-ordination where more than one auditing firm or auditing corporation is involved in the Group's external audit (if any);
- (10) To review the independence of the external auditors annually;
- (11) To review the adequacy, effectiveness and independence of the external audit and internal audit function;
- (12) To review all non-audit services provided by the external auditors to determine if the provision of such services will affect the independence of the external auditors; and
- (13) To review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

Each member of the AC will abstain from voting on any resolution and making any recommendation or participating in any deliberations of the AC in respect of matters which concerned him, if any.

The AC has reviewed and confirmed that the Company has complied with Rules 712, 715 and 716 of the Listing Manual of the SGX-ST in relation to the appointment of auditors of the Company, its subsidiaries and significant associated companies.

All the accounts of the Company and its Singapore-incorporated subsidiaries are audited by KPMG LLP. KPMG LLP is the auditing firm registered with the Accounting and Corporate Regulatory Authority ("ACRA").

The Company's foreign incorporated subsidiaries are audited by separate auditing firms. The AC is of the view that the external auditors are each a suitable auditing firm that meets the Group's audit obligations, its size and complexity, and having also considered the external auditors' professional standing, the reputation of its audit engagement partner and the adequacy of the number and experience of its supervisory and auditing staff assigned for the audit. The Board and the AC are satisfied that the appointment of different auditors for certain subsidiaries and associates would not compromise the standard and effectiveness of the audit of the Group.

CORPORATE GOVERNANCE REPORT

The external auditors have full access to the AC and the AC has full access to Management.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and has reasonable resources to enable it to discharge its functions properly.

The AC meets at least four (4) times a year. The AC also meets with both the internal and external auditors, without the presence of Management, at least once a year to discuss the results of their respective audit findings and their evaluation of the Group's system of accounting and internal controls (*Provision 10.5 of the Code*).

The AC takes reference from the principles and best practices recommended in the "Guidebook for Audit Committees in Singapore" issued by the Audit Committee Guidance Committee jointly established by the Monetary Authority of Singapore (MAS), the ACRA and Singapore Exchange Limited ("**SGX**"), and the "Guidance to Audit Committees on Evaluation of Quality of Work Performed by External Auditors" issued by ACRA and SGX. In addition, the external auditor updates the AC on changes to accounting standards and issues which have a direct impact on financial statements of the Company.

In identifying the key audit matters, the AC and external auditors had deliberated on the key audit matters and their disclosures. Having considered these key audit matters and their disclosure, the AC concurred with the external auditors on the approach and methodology applied to each of the key audit matters and its disclosures as set out under the Independent Auditor's Report on pages 74 to 76 of this Annual Report.

The AC has also conducted a review of all non-audit services provided by the external auditors and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The audit and non-audit fees paid / payable to the external auditors for FY2024 were \$424,000 and \$268,000 respectively.

The Company has established a pre-approval policy of non-assurance services which sets forth procedures and conditions whereby proposed permissible non-assurance services to be provided by the independent auditor can be presented to the Board for approval to provide the services.

The AC has also considered the performance of KPMG LLP based on factors such as performance, adequacy of resources and experience of the audit engagement partner and audit team assigned to the Company's and the Group's audit as well as the size and complexity of the Company and of the Group. The AC, with the concurrence of the Board, had recommended the re-appointment of KPMG LLP as external auditors at the 2024 AGM.

The Group has outsourced its internal audit ("**IA**") function to Ernst & Young Advisory Pte Ltd ("**EY**"), a professional consultancy firm ("**Internal Auditors**"). The objective of the IA function is to determine whether the internal controls established by the Group are adequate and functioning in the required manner. The Internal Auditors performed its review in accordance to the IA plan reviewed and approved by the AC. The AC ensures that procedures are in place to follow up on the recommendations by the Internal Auditors in a timely manner and to monitor any outstanding issues. The IA function primary line of reporting would be to the AC and in particular to the Chairman of the AC (*Provision 10.4 of the Code*).

EY follows a global internal audit methodology which is in line with the Standards for the Professional Practice of Internal Auditing as set by The Institute of Internal Auditors. The engagement team is led by a Partner with more than 20 years of internal audit and risk advisory experience. EY currently serves organisations listed on the SGX-ST, multi-national companies as well as local enterprise in a wide range of industries, which include property development and management. The Internal Auditors report their findings on IA matters and action plans to the AC and administrative matters to Management. The AC approves the hiring, removal, evaluation and compensation of the Internal Auditors (*Provision 10.4 of the Code*).

CORPORATE GOVERNANCE REPORT

The scope of the IA function is as follows: –

- a) to evaluate the reliability, adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls of the Company and its subsidiaries in scope;
- b) to highlight key business issues and operational weaknesses to the AC for deliberation with copies of these reports extended to the CEO, DCEO/COO, CFO and other relevant senior management officers; and
- c) to discuss the summary of findings and recommendations as well as the status of implementation of the actions agreed by Management at the AC meetings.

The AC meets the Internal Auditors at least once annually without the presence of Management (*Provision 10.5 of the Code*). The Internal Auditors have unfettered access to all the Group's documents, records, properties and personnel, including the AC and Management (*Provision 10.4 of the Code*).

The AC reviews the IA plans and all IA reports submitted by the Internal Auditors. Structured processes are in place so that audit findings and material control weaknesses (if any) raised in the IA reports are dealt with in a timely manner, with outstanding exceptions or recommendations being closely monitored and reported back to the AC on a quarterly basis.

The AC reviews the IA function at least annually and is of the opinion that, for FY2024, the IA function is independent, effective, adequately resourced to perform its functions and has appropriate standing within the Group (*Provision 10.4 of the Code*).

In performing its functions, the AC reviews the overall scope of both internal audit and external audit, and the assistance and resources given by Management to the internal auditors and the external auditors.

WHISTLE-BLOWING POLICY

The Company has put in place a Whistle-Blowing Policy ("**Policy**") which sets out the procedures for a whistleblower to report misconduct or wrongdoing, or to raise concerns in good faith, with the reassurance of being protected from reprisals or victimisation, about possible improprieties in financial reporting or other matters, and to ensure that arrangements are in place for independent investigation of matters raised and for appropriate follow-up actions to be taken (*Provision 10.1(f) of the Code*).

The Company ensures that the identity of the whistleblower is kept confidential and is committed to ensure the whistleblower is protected against detrimental or unfair treatment. The identity of the whistle-blower will not be made known to anyone other than (i) the investigating team; (ii) the AC and Board; (iii) the Group CEO (provided the whistleblowing in question is not concerned with the integrity of staff directly reporting to the Group CEO or the Group CEO himself); and (iv) parties to whom the identity of the whistle-blower is required to be disclosed by law. The whistle-blower's consent will be obtained when his / her identity is to be revealed to anyone other than in the above circumstances.

The AC is responsible for oversight and monitoring of whistleblowing. The AC will review investigation reports on whistleblowing cases and decide/recommend follow-up or remedial actions to be taken, where appropriate, and report the same to the Board accordingly. The AC may in its absolute discretion designate an independent function/ party as it deems fit to investigate whistleblowing reports made in good faith. This Policy will be reviewed by the AC, as and when deemed appropriate, with recommendations, if any, made to the Board for approval. The Company's Policy had been updated to be in line with the relevant amendments to the SGX-ST's Listing Manual.

The Policy has been disseminated and made available to all employees of the Group. A copy of the Policy is made available on the Company's intranet and website for transparency and ease of access by all employees and any parties who have business relationship with the Company.

CORPORATE GOVERNANCE REPORT

MATERIAL ASSOCIATES AND JOINT VENTURES

Material associates and joint ventures which the Company does not have control are not dealt with for the purposes of this report.

SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

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 treats all shareholders fairly and equitably, and recognises, protects and facilitates the exercise of shareholders' rights and continually reviews and updates such governance arrangements.

The Company recognises the need to communicate with shareholders on all material matters affecting the Group and does not practice selective disclosure. Price sensitive information, including half year and full-year unaudited results and press release (the "**Corporate Announcements**"), are announced to shareholders on an equal and timely basis through SGXNet. The Corporate Announcements can also be found on the Company's website at www.cschl.com.sg.

In line with continuous obligations of the Company under the SGX-ST listing 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 impact the Group or the Company.

The Board ensures adequate and material information relating to the Group's business development in accordance with disclosure requirements of the Listing Manual of the SGX-ST are released to SGX-ST through SGXNet in a timely and fair manner.

The Company encourages shareholder participation at general meetings of shareholders (*Provision 11.1 of the Code*). At each AGM and/or general meeting, shareholders are given opportunity to participate effectively and raise their questions in relation to item(s) of the agenda of the AGM and/or general meeting with the Directors and Management. Voting at general meetings is conducted by way of poll, in accordance with the Listing Manual of the SGX-ST and the Company's Constitution, in the presence of independent scrutineers. One (1) ordinary share is entitled to one (1) vote. Voting procedures and rules governing general meetings are explained to shareholders. The results of the poll voting are announced at the meeting and published via SGXNet on the same day as the meeting.

Resolutions on each distinct issue are tabled separately at general meetings (*Provision 11.2 of the Code*). For resolutions tabled under special business, a descriptive explanation of the effects of such a resolution will be disclosed in the notice of general meeting.

The Company's Constitution provides that subject to the Constitution, the Companies Act 1967 and the listing rules of the SGX-ST, the Directors may, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow shareholders who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile (*Provision 11.4 of the Code*).

Currently, the Company has not implemented measures to allow shareholders who are unable to vote in person at the Company's general meetings the option to vote in absentia, such as, via mail, electronic mail or facsimile due to concerns on information control and security. Voting in absentia may only be possible following careful study/review of feasibility to ensure that integrity of the information and authentication of the identity of shareholders is not compromised.

CORPORATE GOVERNANCE REPORT

Minutes of AGMs/general meetings of shareholders, including a summary of substantial and relevant comments or queries from shareholders relating to the agenda of general meetings and responses from the Board, Management and/or Auditors, are published via SGXNet and on the Company's website (*Provision 11.5 of the Code*).

Directors are expected to attend AGMs/general meetings of the Company. For the AGM held in 2023, the attendance of Directors (including the Group CEO who is also a Director) can be found on page 44 of this Annual Report. Besides the Directors, the Group CEO and DCEO (who are also Directors), senior management and external auditors are also present at AGMs and other general meetings, if any, to address queries from shareholders (*Provision 11.3 of the Code*).

FORTHCOMING 2024 AGM

The Company's 2024 AGM will be held physically at 2 Tanjong Penjuru Crescent, #06-02, Singapore 608968 on 30 July 2024 at 10:00 am. There will be no option for shareholders to participate virtually. Please refer to the Notice of 2024 AGM for further details.

Dividend Policy

The Company does not have a formal dividend policy. The dividend that the Directors of the Company may recommend or declare in respect of any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by the Directors of the Company (*Provision 11.6 of the Code*):–

- (1) the level of the earnings of the Group;
- (2) the financial condition of the Group;
- (3) the projected levels of the Group's capital expenditure and other investment plans;
- (4) the restrictions on payment of dividends imposed on the Group by its financing arrangements (if any); and
- (5) other factors as the Directors of the Company may consider appropriate.

No dividend has been recommended by the Board in respect of FY2024 in view of the loss reported by the Company for FY2024 and so as to conserve the Group's cash position.

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS (including Provisions 12.1, 12.2 and 12.3 of the Code)

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 Board is committed to maintain a high standard of corporate governance by disclosing to its stakeholders, including its shareholders and investors, with adequate and material information concerning the Group's business development in accordance with disclosure requirements of the Listing Manual of the SGX-ST via SGXNet in a timely and fair manner.

The Board is mindful of its obligation to provide adequate and timely disclosure of all material and price-sensitive information to SGX-ST through SGXNet.

The announcements, including but not limited to the Group's unaudited half year financial results, the Group's unaudited full year financial results, and the material updates of the Group's business development (if any) prepared in accordance with disclosure requirements of the Listing Manual of the SGX-ST are also released to SGX-ST on SGXNet in a timely manner.

The Company does not practice selective disclosure as the relevant material and price-sensitive information are released to SGX-ST through SGXNet in a timely and fair manner.

CORPORATE GOVERNANCE REPORT

The shareholders of the Company, including institutional investors and retail investors, are encouraged to attend general meetings, especially AGM which serves as the primary channel to express their views and raise their questions regarding the Group's businesses and prospects.

In addition, Management will address shareholders' questions and concerns in respect of the Group's businesses should they approach the Company through emails or telephone calls.

The AGMs of the Company serve as the primary channel for Management to solicit and collate views of the shareholders of the Company, including institutional investors and retail investors.

While the Company does not have a dedicated investor relations team, the Company recognises the importance of regular, effective and timely communication with the shareholders.

The Company has put in place a Stakeholder Engagement and Investor Relations Policy ("IR Policy") which sets out, among others, the principles, policy and framework for engaging stakeholders of the Company, avenues for communication and company contacts. The IR Policy is made available on the Company's website at <http://www.cschl.com.sg>.

The Company also maintains a website at <http://www.cschl.com.sg> where shareholders and stakeholders of the Company can access to information relating to the Company or the Group and the Company's contact details under "Contact" section. The Company continuously reviews ways to enhance its corporate reporting process and the ease of access to information released.

MANAGING STAKEHOLDERS RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

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

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups (*Provision 13.1 of the Code*). The Company's engagement with its material stakeholders, including goal, approach and key concerns, is set out in the Sustainability Report which will be announced on or before 31 July 2024 (*Provisions 13.1 and 13.2 of the Code*).

The Company's efforts on sustainability are focused on creating sustainable value for key stakeholders, which include environment, communities, customers, staff, regulators, and shareholders.

The Company maintains a corporate website at <http://www.cschl.com.sg> to communicate and engage stakeholders (*Provision 13.3 of the Code*).

DEALING IN SECURITIES

The Group has adopted internal policies that are consistent with Rule 1207(19) of the SGX-ST's Listing Manual in relation to dealings in the Company's securities.

The Directors, officers and employees of the Company and its subsidiaries are notified that they are prohibited from trading in the Company's securities while in possession of unpublished material price-sensitive information.

CORPORATE GOVERNANCE REPORT

The Company and Directors, officers and employees of the Company and its subsidiaries are prohibited from dealing in the Company's securities during the periods commencing one (1) month before the announcement of the Company's half year and full year unaudited financial statements and ending after the announcement of the relevant results.

The Directors, officers and employees of the Company and its subsidiaries are also expected to observe insider-trading laws at all times even when dealing in the Company's securities within the permitted trading period. They are also discouraged from dealing in the Company's securities on short-term considerations.

Directors are required to report to the Company Secretary whenever they deal in the Company's securities and the Company will make the necessary announcements in accordance with the disclosure requirements of the Listing Manual of the SGX-ST.

The Company has complied with Rule 1207(19) of the Listing Manual of the SGX-ST during the financial year under review.

MATERIAL CONTRACTS

Save as disclosed in the Directors' Statement and the financial statements for FY2024, no material contracts (including loans) of the Company or its subsidiaries involving the interests of the CEO, the DCEO or any Director or controlling shareholders subsisting at the end of the financial year have been entered into since the end of the previous financial year.

INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company has adopted an internal policy in respect of IPTs and has established procedures to monitor and review such transactions. All IPTs are subject to review by the AC at its quarterly meetings to ensure that such transactions are conducted on an arm's length basis and not prejudicial to the interests of the Company's minority shareholders. Any AC member (who is interested in any IPT and/or an associate of the interested person(s)) will abstain from the review and approval of such transactions.

The Company does not have a shareholders' mandate for IPTs.

IPTs carried out during the financial year under review under Chapter 9 of the SGX-ST's Listing Manual are as follows:

Name of interested person	Nature of relationship	Nature of transaction	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000)
			S\$'000
Tat Hong Plant Leasing Pte Ltd	Note 1	Expenses relating to leases and revenue from rental income	520
CMC Construction Pte Ltd	Note 1	Revenue from foundation engineering works	1,513

Note:

(1) Tat Hong Plant Leasing Pte Ltd ("THPL") and CMC Construction Pte Ltd ("CMC") are related corporations of TH Investments Pte Ltd ("THI"), a controlling shareholder of the Company. THPL and CMC are associates of controlling shareholders of the Company, namely, THI, Tat Hong Investments Pte Ltd, Chwee Cheng & Sons Pte Ltd, Mr Ng Sun Ho Tony, Mr Ng San Wee David, Mr Ng Sun Giam Roger and Mr Ng San Tiong Roland (who is also Non-Executive Director of the Company).

CORPORATE GOVERNANCE REPORT

SUSTAINABILITY REPORTING

In accordance with the Singapore Exchange's sustainability reporting framework, the Group has established a Sustainability Team comprising the CSO and representatives from various divisions. The Sustainability Team is responsible for determining and implementing relevant practices in material environmental, social and governance sustainability including climate-related disclosures; taking into account their relevance to our business, strategy, business model and key stakeholders. Progress update on the Group's sustainability reporting would be included in the agenda of the RMC meeting as appropriate to receive relevant report from the Sustainability Team. Accordingly, the RMC would report the same to the Board.

The Company will publish its Sustainability Report for FY2024 by 31 July 2024. To minimise the impact on the environment, the report will be published online via the Company's corporate website at <http://www.cschl.com.sg> and via SGXNet.

DIRECTORS' STATEMENT

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 March 2024.

In our opinion:

- (a) the financial statements set out on pages 79 to 163 are drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2024 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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

DIRECTORS

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

Dr. Leong Horn Kee	(Chairman)
See Yen Tarn	(Group Chief Executive Officer)
Ong Tiew Siam	
Tan Hup Foi @ Tan Hup Hoi	
Ng San Tiong Roland	
Koo Chung Chong	(Appointed on 11 August 2023)

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 ('the Act'), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Description of interests	Holdings at beginning of the year/date of appointment	Holdings at end of the year
See Yen Tarn			
CSC Holdings Limited	- Ordinary shares (Deemed)	22,449,996	22,449,996
	- Commercial papers series 002 (Direct)	–	\$300,000
Ong Tiew Siam			
CSC Holdings Limited	- Ordinary shares (Direct)	18,000,000	18,000,000
Ng San Tiong Roland			
CSC Holdings Limited	- Ordinary shares (Deemed)	1,116,648,503	1,116,648,503
	- Commercial papers series 002 (Direct)	–	\$200,000
	- Commercial papers series 002 (Deemed)	–	\$2,500,000

DIRECTORS' STATEMENT

DIRECTORS' INTERESTS (CONT'D)

Name of director and corporation in which interests are held	Description of interests	Holdings at beginning of the year/date of appointment	Holdings at end of the year
Koo Chung Chong CSC Holdings Limited	- Ordinary shares (Direct)	3,856,300	3,856,300
	- Ordinary shares (Deemed)	2,293,100	2,293,100
	- Commercial papers series 002 (Direct)	–	\$100,000
See Yen Tarn A subsidiary – ICE Far East (Thailand) Co., Ltd	- Ordinary shares (Direct)	1	1

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year, or at date of appointment if later, or at the end of the financial year.

There were no changes in any of the abovementioned interests in the Company between the end of the financial year and 21 April 2024.

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

SHARE OPTIONS

During the financial year, there were:

- (i) no options granted by the Company to any person to take up unissued shares in the Company, or its subsidiaries; and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company under options.

AUDIT COMMITTEE

The members of the Audit Committee during the year and at the date of this statement are:

- Ong Tiew Siam (Chairman), independent director
- Dr. Leong Horn Kee, independent director
- Ng San Tiong Roland, non-executive director
- Tan Hup Foi @ Tan Hup Hoi, independent director

The Audit Committee performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

DIRECTORS' STATEMENT

AUDIT COMMITTEE (CONT'D)

The Audit Committee has held four meetings since the last directors' statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:

- assistance provided by the Company's officers to the internal and external auditors;
- adequacy and effectiveness of the internal audit function;
- report of the internal auditor on the Group's internal control system;
- quarterly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption;
- independence of the external auditors of the Company and the nature and extent of the non-audit services provided by the external auditors; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

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

The Audit Committee is satisfied with the independence and objectivity of the external auditors as required under Section 206(1A) of the Act and determined that the external auditors were independent in carrying out their audit of the financial statements. The Audit Committee has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors for the Company and subsidiaries, we have complied with Rules 712 and 715 of the SGX Listing Manual.

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Dr. Leong Horn Kee
Chairman

See Yen Tarn
Group Chief Executive Officer

28 June 2024

INDEPENDENT AUDITORS' REPORT

MEMBERS OF CSC HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of CSC Holdings Limited ('the Company') and its subsidiaries ('the Group'), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2024, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 79 to 163.

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

Basis for opinion

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

Key audit matters

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

Recognition and measurement of contract revenue, contract costs and related provisions (Refer to Notes 2.5, 22 and 23 to the financial statements)

Risk:

Contract revenue is derived from the Group's construction contracts, whose single performance obligation is satisfied over time using the output method.

The contracts are long term and complex by nature and variations to the original contract terms including re-negotiation of contract price with customers are common. Any changes in contract revenues and contract costs, including liquidated damages, rectification costs and losses from onerous contracts recognised, where applicable, could result in material variances in profitability of projects from budget and actual margin which had been progressively recognised in prior periods. Geopolitical uncertainties, elevated raw material and energy prices ("Geopolitical risk") have also heightened the estimation uncertainties associated with contract costs and any related provisions for the outstanding projects held by the Group.

INDEPENDENT AUDITORS' REPORT

MEMBERS OF CSC HOLDINGS LIMITED

How the matter was addressed in our audit:

We evaluated the design and implementation of the Group's controls over the estimates used in project budgeting. We held discussions with senior management to understand the impact of the Geopolitical risk on the Group's contract costs. We assessed the financial impact of the Geopolitical risk on contract pricing including variable consideration, construction-related costs and provisions and identified projects that could become onerous. We verified the measurement of the progress of satisfaction of each performance obligation and the contract revenues recognised to contract terms, external survey reports, internal project status reports and other relevant supporting documents. We reviewed the reasonableness of estimates used in determining the transaction price and constraints applied by management towards the variable consideration including liquidated damages. We selected a sample of contracts for testing using qualitative and quantitative criteria, such as contracts with low or negative margins, or met with claims and other adverse developments during the financial year. We also reviewed and challenged management's assessment of the outstanding projects' estimated costs to complete and the reasonableness of provisions for rectification costs and onerous contracts, where needed.

Impairment of trade receivables and contract assets (Refer to Notes 14 and 23 to the financial statements)

Risk:

The Group's trade receivables and contract assets (collectively, the 'contract receivables') amounted to \$81 million and \$64 million (2023: \$72 million and \$67 million) respectively as at 31 March 2024. At each reporting date, the Group identifies the contract receivables that are credit-impaired and determines the specific loss allowance. Insofar as the contract receivables that are not credit-impaired, the Group measures loss allowances at the amounts equal to lifetime expected credit losses ('ECLs').

The assumptions about the risk of default and expected loss rates on these contract receivables are highly judgemental.

How the matter was addressed in our audit:

We reviewed all credit-impaired contract receivables identified by management, and examined the adequacy of the specific loss allowances. We evaluated the simplified lifetime ECL model applied by management towards the non-credit impaired contract receivables. We evaluated management's segmentation of the customer base into respective credit risk rating classes. We checked the expected credit loss rate applied by comparing to market observable information, and performed a re-computation.

Impairment of property, plant and equipment and right-of-use assets (Refer to Notes 4 and 5 to the financial statements)

Risk:

The Group has a significant asset base and incurred losses in the current year as a result of the challenging macro environment. Management has identified the existence of impairment indicators and carried out an impairment assessment on its property, plant and equipment and right-of-use assets. As at 31 March 2024, the Group's carrying amounts of property, plant and equipment largely consisted of land and properties of \$19 million (2023: \$19 million), plant and machinery of \$92 million (2023: \$100 million) and right-of-use assets of \$38 million (2023: \$41 million).

With respect to land and properties, which are already measured using the revaluation model that is subject to regular frequency of revaluation, the Group believes that the external market valuations obtained for these properties remain relevant to support its asset impairment test.

With respect to plant and machinery, there is an active secondary market for the second-hand equipment and machineries. Where trade prices are used as the fair values, the external valuers considered the recent traded prices and incorporated relevant adjustments to arrive at the fair values for the Group's plant and machinery on a comparable basis. These adjustments are judgementally determined by the valuers considering the size, specifications and age of the equipment and machineries.

INDEPENDENT AUDITORS' REPORT

MEMBERS OF CSC HOLDINGS LIMITED

With respect to right-of-use assets, the Group assesses that the fair value of these assets is higher than their carrying amounts, mainly based on observable rental rates.

How the matter was addressed in our audit:

We evaluated the competence, capabilities and objectivity of the external valuers and held discussions with the external valuer to understand their valuation approaches.

For land and properties, we considered the valuation methodology used against those applied by valuers for similar property types. We compared the external valuations against recently transacted prices of comparable land and properties located in the same vicinity.

For plant and machinery, we compared the external valuations against the market observable data and challenged the basis of those relevant adjustments incorporated by the valuers.

For right-of-use assets, we corroborated the fair value of right-of-use assets to recent market transacted rental rates.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the directors' statement prior to the date of this auditors' report. Scope of Services, Awards & Commendations, Chairman's Statement, Our Projects in Singapore, Our Projects in Malaysia, Properties of The Group, Corporate Information, Corporate Milestones, Group CEO's Statement, Five Years Financial Summary, Financial Highlights, Corporate Structure, Board Of Directors, Key Management, Corporate Governance Report and Shareholdings Statistics ('the Reports') are expected to be made available to us after that date.

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 on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

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

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

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

INDEPENDENT AUDITORS' REPORT

MEMBERS OF CSC HOLDINGS LIMITED

Auditors' 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 auditors' 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:

- 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 controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

INDEPENDENT AUDITORS' REPORT

MEMBERS OF CSC HOLDINGS LIMITED

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Karen Lee Shu Pei.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

28 June 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Non-current assets					
Property, plant and equipment	4	115,326	124,723	–	–
Right-of-use assets	5	37,657	41,227	34,215	36,620
Goodwill	6	552	552	–	–
Investment property	7	162	115	–	–
Investments in:					
– subsidiaries	8	–	–	101,404	97,904
– associates	10	7,373	8,175	–	–
Other investments	12	–	–	–	–
Contract assets	23	137	618	–	–
Trade and other receivables	14	10,557	12,619	9,383	9,222
Deferred tax assets	20	37	37	480	402
		171,801	188,066	145,482	144,148
Current assets					
Inventories	13	20,219	24,519	–	–
Contract assets	23	64,338	66,721	–	–
Trade and other receivables	14	91,998	79,339	22,563	19,425
Tax recoverable		432	416	–	–
Cash and cash equivalents	15	18,808	22,804	720	711
		195,795	193,799	23,283	20,136
Assets held for sale	16	4,725	755	–	–
		200,520	194,554	23,283	20,136
Total assets		372,321	382,620	168,765	164,284
Equity attributable to owners of the Company					
Share capital	17	94,089	94,089	94,089	94,089
Reserves	18	(13,862)	4,963	15,021	14,900
		80,227	99,052	109,110	108,989
Non-controlling interests	9	25,079	25,303	–	–
Total equity		105,306	124,355	109,110	108,989
Non-current liabilities					
Loans and borrowings	19	50,630	59,563	34,968	37,534
Trade and other payables	21	8,549	10,875	–	–
Provisions	22	60	60	60	60
Deferred tax liabilities	20	1,109	1,729	–	–
		60,348	72,227	35,028	37,594
Current liabilities					
Loans and borrowings	19	86,333	77,130	9,185	2,442
Contract liabilities	23	190	480	–	–
Trade and other payables	21	112,949	103,724	15,442	15,259
Provisions	22	6,892	4,360	–	–
Current tax payable		303	344	–	–
		206,667	186,038	24,627	17,701
Total liabilities		267,015	258,265	59,655	55,295
Total equity and liabilities		372,321	382,620	168,765	164,284

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

YEAR ENDED 31 MARCH 2024

	Note	2024 \$'000	2023 \$'000
Revenue	23	305,338	264,599
Cost of sales		(290,893)	(258,304)
Gross profit		14,445	6,295
Other income		2,179	1,741
Distribution expenses		(789)	(1,109)
Administrative expenses		(29,443)	(29,172)
Other operating expenses		(380)	(166)
Impairment loss reversed/(recognised) on trade and other receivables and contract assets		971	(328)
Results from operating activities		(13,017)	(22,739)
Finance income		656	1,114
Finance expenses		(7,224)	(5,679)
Net finance expenses	24	(6,568)	(4,565)
Share of loss of associates (net of tax)		(792)	(84)
Loss before tax		(20,377)	(27,388)
Tax (expense)/credit	25	(164)	284
Loss for the year	26	(20,541)	(27,104)
Loss attributable to:			
Owners of the Company		(20,161)	(26,681)
Non-controlling interests		(380)	(423)
Loss for the year		(20,541)	(27,104)
Loss per share	27		
Basic loss per share (cents)		(0.57)	(0.76)
Diluted loss per share (cents)		(0.57)	(0.76)

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2024

	2024 \$'000	2023 \$'000
Loss for the year	(20,541)	(27,104)
Other comprehensive income		
Item that will not be reclassified to profit or loss:		
Revaluation surplus of property, plant and equipment	1,270	955
Item that is or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences – foreign operations	432	24
Other comprehensive income for the year, net of tax	1,702	979
Total comprehensive expense for the year	(18,839)	(26,125)
Total comprehensive expense attributable to:		
Owners of the Company	(18,780)	(25,875)
Non-controlling interests	(59)	(250)
Total comprehensive expense for the year	(18,839)	(26,125)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2024

	Note	Share capital \$'000	Capital reserve \$'000	Reserve for own shares \$'000
At 1 April 2022		94,089	17,798	(2,921)
Total comprehensive income/(expense) for the year				
Loss for the year		–	–	–
Other comprehensive income				
Foreign currency translation differences		–	–	–
Revaluation surplus of property, plant and equipment		–	–	–
Transfer of revaluation surplus of property, plant and equipment		–	–	–
Total other comprehensive income		–	–	–
Total comprehensive income/(expense) for the year		–	–	–
Transactions with owners of the Company, recognised directly in equity				
Contributions by and distributions to owners				
Purchase of treasury shares	17	–	–	(128)
Dividends paid to non-controlling interests		–	–	–
Total contributions by and distributions to owners		–	–	(128)
Total transactions with owners of the Company		–	–	(128)
At 31 March 2023		94,089	17,798	(3,049)
At 1 April 2023		94,089	17,798	(3,049)
Total comprehensive income/(expense) for the year				
Loss for the year		–	–	–
Other comprehensive income				
Foreign currency translation differences		–	–	–
Revaluation surplus of property, plant and equipment		–	–	–
Transfer of revaluation surplus of property, plant and equipment		–	–	–
Total other comprehensive income		–	–	–
Total comprehensive income/(expense) for the year		–	–	–
Transactions with owners of the Company, recognised directly in equity				
Contributions by and distributions to owners				
Purchase of treasury shares	17	–	–	(45)
Dividends paid to non-controlling interests		–	–	–
Total contributions by and distributions to owners		–	–	(45)
Total transactions with owners of the Company		–	–	(45)
At 31 March 2024		94,089	17,798	(3,094)

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

	Reserve on consolidation \$'000	Foreign currency translation reserve \$'000	Revaluation reserve \$'000	Other reserve \$'000	Accumulated profits/ (losses) \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
	116	(6,713)	2,249	(2,334)	22,771	125,055	25,703	150,758
	–	–	–	–	(26,681)	(26,681)	(423)	(27,104)
	–	202	9	–	–	211	(187)	24
	–	–	595	–	–	595	360	955
	–	–	(178)	–	178	–	–	–
	–	202	426	–	178	806	173	979
	–	202	426	–	(26,503)	(25,875)	(250)	(26,125)
	–	–	–	–	–	(128)	–	(128)
	–	–	–	–	–	–	(150)	(150)
	–	–	–	–	–	(128)	(150)	(278)
	–	–	–	–	–	(128)	(150)	(278)
	116	(6,511)	2,675	(2,334)	(3,732)	99,052	25,303	124,355
	116	(6,511)	2,675	(2,334)	(3,732)	99,052	25,303	124,355
	–	–	–	–	(20,161)	(20,161)	(380)	(20,541)
	–	456	8	–	–	464	(32)	432
	–	–	917	–	–	917	353	1,270
	–	–	(340)	–	340	–	–	–
	–	456	585	–	340	1,381	321	1,702
	–	456	585	–	(19,821)	(18,780)	(59)	(18,839)
	–	–	–	–	–	(45)	–	(45)
	–	–	–	–	–	–	(165)	(165)
	–	–	–	–	–	(45)	(165)	(210)
	–	–	–	–	–	(45)	(165)	(210)
	116	(6,055)	3,260	(2,334)	(23,553)	80,227	25,079	105,306

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2024

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Loss for the year		(20,541)	(27,104)
Adjustments for:			
Allowance for inventory obsolescence		89	–
Bad debts (recovered)/written off		(63)	21
Depreciation of:			
– property, plant and equipment	4	18,003	20,466
– right-of-use assets	5	5,008	5,220
Gain on disposal of:			
– property, plant and equipment		(929)	(964)
– other investments		(48)	–
– assets held for sale		(573)	–
Impairment losses (reversed)/recognised on:			
– property, plant and equipment	4	–	(100)
– trade and other receivables and contract assets		(971)	328
– assets held for sale		189	–
Inventories written down		99	127
Inventories written off		9	8
Loss/(Gain) on termination of lease liabilities		3	(14)
Net finance expenses	24	6,568	4,565
Property, plant and equipment written off		–	6
Provision for onerous contracts	22	108	–
Provision for rectification costs	22	4,086	1,339
Share of loss of associates (net of tax)		792	84
Tax expense/(credit)		164	(284)
		11,993	3,698
Changes in:			
– Inventories		3,432	3,918
– Contract assets		2,235	5,629
– Trade and other receivables		(9,090)	(21,437)
– Contract liabilities		(290)	181
– Trade and other payables		11,504	21,669
– Provision utilised for onerous contracts		(140)	(631)
– Provision utilised for rectification costs		(1,482)	(2,220)
Cash generated from operations		18,162	10,807
Taxes paid		(867)	(406)
Interest received		147	196
Net cash from operating activities		17,442	10,597

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

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2024

	Note	2024 \$'000	2023 \$'000
Cash flows from investing activities			
Acquisition of:			
– property, plant and equipment		(8,130)	(9,524)
– investment property		(209)	–
Proceeds from disposal of:			
– property, plant and equipment		1,857	3,777
– investment property		155	–
– other investments		48	–
– assets held for sale		233	–
Loans to associates		(1,226)	–
Net cash used in investing activities		(7,272)	(5,747)
Cash flows from financing activities			
Interest paid		(6,948)	(5,447)
Acquisition of non-controlling interests of a subsidiary	9	(78)	–
Dividends paid to non-controlling interests of a subsidiary		(165)	(150)
Proceeds from:			
– bank loans		9,128	12,612
– refinancing of lease liabilities		5,809	–
– bills payable		213,504	140,143
– issuance of commercial papers		10,080	–
Purchase of treasury shares	17	(45)	(128)
Repayment of:			
– bank loans		(18,860)	(15,350)
– bills payable		(202,474)	(133,297)
– commercial papers		(4,230)	–
– lease liabilities		(17,951)	(16,254)
Changes in fixed deposit pledged		1,332	(904)
Net cash used in financing activities		(10,898)	(18,775)
Net decrease in cash and cash equivalents		(728)	(13,925)
Cash and cash equivalents at 1 April		16,753	31,366
Effect of exchange rate fluctuations on cash held		26	(688)
Cash and cash equivalents at 31 March	15	16,051	16,753

Significant non-cash transactions

- (a) During the financial year, the Group acquired property, plant and equipment with an aggregate cost of \$8,969,000 (2023: \$14,514,000), of which \$3,545,000 (2023: \$2,209,000) was acquired by means of hire purchase arrangements. At reporting date, the unpaid liabilities from the purchase of property, plant and equipment amounted to \$805,000 (2023: \$5,070,000). The unpaid liabilities for prior year's acquisition of property, plant and equipment amounting to \$3,511,000 (2023: \$2,289,000) were paid during the financial year.
- (b) During the financial year, the Group disposed of property, plant and equipment with a carrying amount of \$790,000 (2023: \$2,867,000) for a sale consideration of \$1,719,000 (2023: \$3,831,000), of which \$285,000 (2023: \$368,000) has yet to be received as at reporting date. Sale proceeds of \$423,000 (2023: \$314,000) from prior year's disposal of property, plant and equipment were also received during the financial year.

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 28 June 2024.

1 DOMICILE AND ACTIVITIES

CSC Holdings Limited ('the Company') is a company incorporated in the Republic of Singapore. The address of the Company's registered office is 2 Tanjong Penjuru Crescent, #06-02, Singapore 608968.

The financial statements of the Group as at and for the year ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interests in equity-accounted investees.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are set out in note 8 to the financial statements.

2 BASIS OF PREPARATION

2.1 Going concern basis of accounting

The financial statements have been prepared on a going concern basis, notwithstanding the Group's total current liabilities exceeded its total current assets by \$6,147,000 as at 31 March 2024. Management, after assessing the sources of liquidity and funding available to the Group, believes that it will be able to meet its obligations due within the next 12 months from the date of financial statements. These include committed unutilised credit facilities (which also contains overdraft facilities) of \$31,000,000 as at 31 March 2024, projected net operating cash inflows for the next 12 months and available cash reserves as at 31 March 2024 to finance the Group's working capital and day-to-day operation requirements.

Based on the above factors, management has concluded that the Group has the ability to pay its debts as and when they are due.

2.2 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ('SFRS(I)'). The changes to material accounting policies are described in note 2.6.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.4 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

2 BASIS OF PREPARATION (CONT'D)

2.5 Use of estimates and judgements (cont'd)

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- Note 4 – Classification of plant and equipment as property, plant and equipment or inventories

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 4 – Estimation of recoverable amounts of property, plant and equipment;
- Note 8 – Measurement of impairment losses on interests in subsidiaries;
- Note 13 – Measurement of net realisable value on inventories;
- Note 22 – Recognition and measurement of provisions for rectification costs, onerous contracts and reinstatement costs;
- Note 23 – Estimation of revenue recognised for construction contracts; and
- Note 28 – Measurement of expected credit loss ('ECL') allowance for trade and other receivables and contract assets.

The Group expects the geopolitical uncertainties, elevated raw material and energy prices, as well as the high interest rate environment, will continue to put pressure on the Group's operations.

The Group has considered and estimated the impact of these challenges on the Group's financial position and performance, especially in relation to the following assessments:

- impairment assessment of its property, plant and equipment and inventories; and
- determination of provisions for rectification costs and onerous contracts.

In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Group has, as at the date of these financial statements, used internal and external sources, including economic forecasts and estimates from market sources. However, the impact assessment is a continuing process and the Group will continue to monitor any material changes to future economic conditions.

Details on the areas that involve critical judgement and significant estimation uncertainties and disclosures on assumptions and sensitivity disclosures are also highlighted in the notes indicated above.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

2 BASIS OF PREPARATION (CONT'D)

2.5 Use of estimates and judgements (cont'd)

The Group's operations are largely project-focused and hence, liquidity requirements and cash flow positions are subject to fluctuations and market exposures. As the Group's earnings and operating cashflows continue to be affected by the challenging operating environment, the Group continues to focus on capital and cashflow management, including adopting a cautious approach to project budgeting and tendering, cost-cutting measures and actively seeking to enhance their financing facilities. These are expected to equip the Group with sufficient cash flows and financial resources to meet its obligations as and when they fall due. Details of the Group's liquidity risk management and available facilities are disclosed under the Liquidity risk section in note 28.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. All significant fair value measurements, including Level 3 fair values, significant unobservable inputs and valuation adjustments, are reviewed regularly and reported directly to the Group Chief Financial Officer.

If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses and documents the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 4 – Property, plant and equipment;
- Note 28 – Financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

2 BASIS OF PREPARATION (CONT'D)

2.6 Changes in material accounting policies

New accounting standards and amendments

The Group has applied the following SFRS(I)s and amendments to SFRS(I)s for the first time for the annual period beginning on 1 April 2023:

- SFRS(I) 17: *Insurance Contracts*
- Amendments to SFRS(I) 1-12: *Deferred tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to SFRS(I) 1-12: *International Tax Reform – Pillar Two Model Rules*
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to SFRS(I) 1-8: *Definition of Accounting Estimates*

Other than the amendments relating to SFRS(I) 1-12: *Deferred tax related to Assets and Liabilities arising from a Single Transaction*, the application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

Deferred tax related to assets and liabilities arising from a single transaction

The Group has adopted Amendments to SFRS(I)1-12: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* from 1 April 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases and decommissioning liabilities.

For leases, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

The Group previously accounted for deferred tax on leases by applying the 'integrally linked' approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was recognised on a net basis. Following the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the consolidated statement of financial position because the balances qualify for offset under paragraph 74 of SFRS(I)1-12. There was also no impact on the opening accumulated losses as at 1 April 2023 as a result of the change. The key impact for the Group relates to disclosure of the deferred tax assets and liabilities recognised (see note 20).

Material accounting policy information

The Group adopted Amendments to SFRS(1)1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies* for the first time in 2024. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in note 3 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.6, which addresses changes in material accounting policies.

3.1 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investments in associates (equity-accounted investees)

Associates are those entities in which the Group has significant influence, but not control over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investments in associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its investment in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Joint operations

A joint operation is an arrangement in which the Group has joint control whereby the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement. The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries and associates in the separate financial statements

Investments in subsidiaries and associates are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of an equity investment designated as at fair value through other comprehensive income ('FVOCI') are recognised in other comprehensive income.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in other comprehensive income and are presented in the foreign currency translation reserve in equity.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Property, plant and equipment

Recognition and measurement

Land and properties

Land and properties are measured at cost on initial recognition and subsequently at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Land and properties are revalued by an independent professional valuer with sufficient regularity such that the carrying amounts of these assets do not differ materially from that which would be determined using fair values at the reporting date. Upon revaluation, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in other comprehensive income and presented in the revaluation reserve in equity, unless they offset previous decreases in the carrying amounts of the same asset that were recognised in profit or loss, in which case, they are recognised in profit or loss. Decrease in carrying amounts that offset previous increases of the same asset are recognised in other comprehensive income and presented in the revaluation reserve in equity. All other decreases in carrying amounts are recognised in profit or loss.

Some of the revaluation reserve may be transferred as the asset is used by the Group. The amount of surplus transferred is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Transfers from revaluation surplus to accumulated profits are not made through profit or loss. When a revalued land and property is sold, any related amount included in the revaluation reserve is transferred to accumulated profits.

Plant and equipment

All other items of plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Property, plant and equipment (cont'd)

Recognition and measurement (cont'd)

Plant and equipment (cont'd)

If significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

When the use of the property, plant and equipment changes such that it is reclassified as inventory, its carrying amount at the date of reclassification becomes its cost for subsequent accounting.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives (or lease term, if shorter) of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Freehold land is not depreciated.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

Land and properties	9 to 45.4 years
Plant and machinery	3 to 25 years
Office equipment, renovations and furniture and fittings	3 to 10 years
Motor vehicles and containers	5 or 10 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.4 Leases

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

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. The Group has elected to separate non-lease components and not account for the non-lease components for all leases.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.4 Leases (cont'd)

As a lessee (cont'd)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents lease liabilities in 'loan and borrowings' in the statements of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in SFRS(I) 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Financial instruments

(i) *Recognition and initial measurement*

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) *Classification and subsequent measurement*

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets 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 FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Financial instruments (cont'd)

(ii) *Classification and subsequent measurement (cont'd)*

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset, on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Financial instruments (cont'd)

(ii) *Classification and subsequent measurement (cont'd)*

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. These financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(iii) *Derecognition*

Financial assets

The Group derecognises a financial asset 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 either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statements of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Financial instruments (cont'd)

(iii) *Derecognition (cont'd)*

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, the Group updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. No immediate gain or loss is recognised. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applies the policies on accounting for modifications to the additional changes.

(iv) *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and short term bank deposits. For the purpose of the consolidated statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Financial instruments (cont'd)

(vi) *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own shares account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

3.6 Impairment

(i) *Non-derivative financial assets and contract assets*

The Group recognises loss allowances for expected credit losses ('ECLs') on:

- financial assets measured at amortised cost;
- lease receivables; and
- contract assets (as defined in SFRS(I) 15).

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables (including lease receivables) and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Impairment (cont'd)

(i) *Non-derivative financial assets and contract assets (cont'd)*

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset remains outstanding for more than the reasonable range of past due days, taking into consideration historical payment track record, current macroeconomic situation as well as general industry trend.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Impairment (cont'd)

(i) *Non-derivative financial assets and contract assets (cont'd)*

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statements of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Impairment (cont'd)

(ii) *Non-financial assets*

The carrying amounts of the Group's non-financial assets, other than inventories, contract assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time, and as and when indicators of impairment are identified. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ('CGU') exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 determined, net of depreciation or amortisation, if no impairment loss had been recognised.

An impairment loss in respect of an associate is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Inventories

Equipment and machinery, spare parts and raw materials

Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories, and other costs incurred in bringing them to their existing location and condition. The cost of equipment and machinery is determined on specific identification cost basis. Cost of raw materials and spare parts is calculated using weighted average cost basis.

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

When the use of the inventory changes such that it is reclassified as property, plant and equipment, its carrying amount at the date of reclassification becomes its cost for subsequent accounting.

3.8 Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are highly probable to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter, the assets, or disposal group, classified as held for sale are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on *pro rata* basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets and investment property, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Property, plant and equipment and right-of-use assets once classified as held for sale are not amortised or depreciated.

3.9 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.10 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on incremental costs necessary to fulfil the obligation under the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Rectification costs

A provision for rectification costs is recognised when the foundation and geotechnical engineering services are performed. The provision is based on actual costs to be incurred for completed projects and estimated costs to be incurred for projects that are still ongoing.

Reinstatement costs

A provision for dismantlement, removal and restoration costs is recognised when the Group enters into a lease arrangement that contains the obligation to reinstate the leased asset to its original state. The provision is based on the estimated costs required to fulfil the obligation.

3.11 Revenue

Revenue from sale of goods and services is recognised in the ordinary course of business when the Group satisfies a performance obligation ('PO') by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Revenue (cont'd)

The Group also considers when a transaction contains a significant financing component. The transaction price is required to be adjusted for the time value of money using a discount rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception ('market rate'). The market rate would reflect the credit characteristics of the party receiving financing in the contract.

The Group accounts for modifications to the scope or price of a contract as separate contracts if the modification adds distinct goods or services at their stand-alone selling prices. For contract modifications that add distinct goods or services but not at their stand-alone selling prices, the Group combines the remaining consideration in the original contract with the consideration promised in the modification to create a new transaction price that is then allocated to all remaining performance obligations to be satisfied. For contract modifications that do not add distinct goods or services, the Group accounts for the modification as continuation of the original contract and recognises as a cumulative adjustment to revenue at the date of modification.

Construction contracts

A contract with a customer is classified by the Group as a construction contract when the contract relates to work on foundation and geotechnical engineering services under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

When the outcome of a PO can be reasonably measured, construction revenue is recognised over time as each PO is satisfied and when the Group has an enforceable right to payment for performance completed to date. The progress towards the completed satisfaction of each PO is measured using the output method based on direct measurements of the value of services delivered or surveys of work performed.

The likelihood of the Group suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Progress billings to the customer are typically triggered upon achievement of specified construction milestones. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract for which advanced payments have been received or due from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

Trading of plant and equipment

Revenue from trading of plant and equipment are measured at the fair value of the consideration received or receivable, excluding estimates (subject to constraints) of variable consideration such as returns, trade discounts and volume rebates. Revenue is recognised at the point in time when the Group satisfies a PO by transferring the control over the promised good to the customer.

Rental income

Rental income receivable under operating leases is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.12 Finance income and finance costs

Finance income comprises mainly interest income on funds invested and imputed interest on non-current trade and other receivables and contract assets. Finance costs comprise interest expenses on borrowings and financial liabilities and imputed interest on non-current trade and other payables that are recognised in profit or loss.

Interest income or expense is recognised as it accrues in profit or loss, using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.13 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

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

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.13 Tax (cont'd)

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

3.14 Earnings per share

The Group presents basic and diluted earnings per share ('EPS') data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.15 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Board of Directors, who is the Group's chief operating decision maker, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total costs incurred during the year to acquire property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.16 New standards and interpretations not adopted

A number of new standards, interpretations and amendments to standards are not yet effective and have not been applied in preparing these financial statements. An explanation of the impact, if any, on adoption of these new requirements is provided in note 32.

4 PROPERTY, PLANT AND EQUIPMENT

	Land and properties \$'000	Plant and machinery \$'000	Office equipment, renovations and furniture and fittings \$'000	Motor vehicles and containers \$'000	Total \$'000
Group					
Cost/valuation					
At 1 April 2022	19,428	357,698	15,124	4,723	396,973
Additions	–	11,564	2,685	265	14,514
Reclassification from inventories	–	7,569	–	–	7,569
Reclassification as assets held for sale	–	(9,039)	–	–	(9,039)
Reclassification	467	(17)	(450)	–	–
Revaluation	955	–	–	–	955
Elimination of accumulated depreciation against cost on revaluation	(1,457)	–	–	–	(1,457)
Disposals/write-offs	–	(8,419)	(1,661)	(376)	(10,456)
Transfer to inventories	–	(2,874)	–	–	(2,874)
Effect of movements in exchange rates	(85)	(3,848)	(100)	(35)	(4,068)
At 31 March 2023	19,308	352,634	15,598	4,577	392,117
Additions	20	8,336	438	175	8,969
Reclassification from inventories	–	5,949	–	–	5,949
Reclassification as assets held for sale	–	(10,402)	–	–	(10,402)
Revaluation	1,270	–	–	–	1,270
Elimination of accumulated depreciation against cost on revaluation	(1,579)	–	–	–	(1,579)
Disposals/write-offs	–	(4,573)	(89)	(164)	(4,826)
Transfer to inventories	–	(2,094)	–	–	(2,094)
Effect of movements in exchange rates	(83)	(2,705)	(54)	(24)	(2,866)
At 31 March 2024	18,936	347,145	15,893	4,564	386,538

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

4 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Land and properties \$'000	Plant and machinery \$'000	Office equipment, renovations and furniture and fittings \$'000	Motor vehicles and containers \$'000	Total \$'000
Group					
Accumulated depreciation and impairment losses					
At 1 April 2022	53	252,071	12,602	3,605	268,331
Depreciation charge for the year	1,293	17,934	863	376	20,466
Impairment losses reversed	–	(100)	–	–	(100)
Reclassification as assets held for sale	–	(8,284)	–	–	(8,284)
Reclassification	114	(10)	(104)	–	–
Elimination of accumulated depreciation against cost on revaluation	(1,457)	–	–	–	(1,457)
Disposals/write-offs	–	(5,592)	(1,645)	(346)	(7,583)
Transfer to inventories	–	(1,362)	–	–	(1,362)
Effect of movements in exchange rates	(3)	(2,511)	(71)	(32)	(2,617)
At 31 March 2023	–	252,146	11,645	3,603	267,394
Depreciation charge for the year	1,587	15,297	776	343	18,003
Reclassification as assets held for sale	–	(5,725)	–	–	(5,725)
Elimination of accumulated depreciation against cost on revaluation	(1,579)	–	–	–	(1,579)
Disposals/write-offs	–	(3,812)	(84)	(140)	(4,036)
Transfer to inventories	–	(829)	–	–	(829)
Effect of movements in exchange rates	(8)	(1,940)	(45)	(23)	(2,016)
At 31 March 2024	–	255,137	12,292	3,783	271,212
Carrying amounts					
At 1 April 2022	19,375	105,627	2,522	1,118	128,642
At 31 March 2023	19,308	100,488	3,953	974	124,723
At 31 March 2024	18,936	92,008	3,601	781	115,326

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

4 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (i) Included in the above are property, plant and equipment acquired under hire purchase arrangements (note 19) with the following carrying amounts:

	Group	
	2024	2023
	\$'000	\$'000
Plant and machinery	38,502	35,167
Motor vehicles	577	669
	<u>39,079</u>	<u>35,836</u>

- (ii) Land and properties of the Group with total carrying amounts of \$11,950,000 (2023: \$15,550,000) are mortgaged to banks as security for certain bank facilities extended by the banks to the Group (note 19).
- (iii) The Group's land and properties were revalued during the year based on valuations performed by independent professional valuers. The surplus of \$1,270,000 (2023: \$955,000) arising from the revaluations has been recognised in other comprehensive income and accumulated in equity under revaluation reserve (note 18). The fair value of land and properties has been determined based on the market approach. The valuation model analyses sales of comparable land and properties and takes into consideration adjustment of approximately 11.9% (2023: 4.6%) on the comparable sales prices for the size, remaining tenure, condition, and location of the property. The fair value measurement is categorised as Level 3 on the fair value hierarchy and a 1% increase/(decrease) in the adjustments would result in a decrease/(increase) in fair value of \$2,783,000 (2023: \$193,000) and decrease/(increase) in other comprehensive income (and revaluation reserve) of \$2,783,000 (2023: \$193,000). If the revalued land and properties had been included in the financial statements at historical cost less accumulated depreciation, the carrying amount as at 31 March 2024 would have been \$14,284,000 (2023: \$15,445,000).
- (iv) Impairment loss is recognised when events and circumstances indicate that the plant and machinery may be impaired and the carrying amounts of the plant and machinery exceed their recoverable amounts. As a result of the challenging macro environment that resulted in losses recognised for the year, the Group carried out an impairment assessment on the Group's plant and equipment. The recoverable amounts of the plant and machinery were estimated using the fair value less costs to sell approach.

Under the market approach, the fair values were based on independent appraisals undertaken by a professional valuer at the reporting date. The valuation model analyses sales of comparable plant and machinery in the secondary market and takes into consideration adjustment of approximately 57.4% (2023: 42.0%) on the comparable sales prices for the size, specifications and age of the equipment and machinery. The fair value measurement is categorised as Level 3 on the fair value hierarchy and a 1% increase/(decrease) in the adjustments would result in a decrease/(increase) in fair value of \$2,566,000 (2023: \$1,200,000) and decrease/(increase) in profit or loss (and accumulated losses) of \$Nil (2023: \$Nil).

As a result of the determination of recoverable amounts, a total impairment loss of \$100,000 was reversed on certain plant and machinery in the sales and lease of equipment business segment in 2023. The impairment loss was reversed under other operating expenses in the consolidated statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

4 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(v) Changes in accounting estimates

In the current financial year, the Group conducted an operational efficiency review of its plant and machinery in the foundation engineering business.

Certain plant and machinery, which management had previously intended to sell after 3 years to 10 years of use, is now expected to remain in use to generate revenue for additional 5 years to 12 years. As a result, the expected useful lives of the plant and machinery have increased, and its estimated residual values have decreased.

The effect of these changes on actual and expected depreciation expense, included in 'cost of sales' is as follows:

Financial year	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 to 2037 \$'000
(Decrease)/Increase in depreciation expense	(2,317)	(1,333)	(501)	(501)	(253)	8,028

(vi) The following are the significant accounting estimates on the Group's property, plant and equipment and judgements in applying accounting policies:

Impairment assessment of plant and equipment

The Group has made substantial investments in plant and equipment for its foundation engineering and sales and lease of equipment businesses. Changes in technology, intended use of these assets and macro environment may cause the estimated period of use or value of these assets to change.

The Group considers its asset impairment accounting policy to be a policy that requires extensive applications of judgements and estimates by management.

Management judgement is required in the area of asset impairment, particularly in assessing whether an event has occurred that may indicate that the related asset values may not be recoverable and whether the carrying value of an asset can be supported by its recoverable amount.

The fair value less costs of disposal calculation is based on available data from binding sales transaction, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset, net of certain adjustments made for the specifications of the asset. Changing the adjustments made could materially affect the fair value less costs of disposal and recoverable amounts and hence, the Group's financial condition and results of operations.

Classification of assets

On initial recognition, assets purchased for own use or rental purposes are classified as property, plant and equipment and assets purchased for trading purposes are classified as inventories. Judgement is involved when assessing and ensuring that the classification appropriately reflects the economic use of the assets.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

5 LEASES

Leases as lessee

The Group leases a number of offices, storage yards and motor vehicles. These leases typically run for an initial period of 1 year to 33 years, with an option to renew the lease after that date. Lease payments are usually revised at each renewal date to reflect market rentals. None of the leases include contingent rental.

The Group leases office, yard and dormitories with contract terms of 6 months to 1 year and are considered short-term in nature. The Group also leases low-value office equipment with a contract term of 4 years. The Group has elected not to recognise right-of-use assets and lease liabilities for those leases.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

	Land \$'000	Buildings \$'000	Office equipment \$'000	Motor vehicles \$'000	Total \$'000
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Group

At 1 April 2022	317	2,239	110	349	3,015
Additions	3,214	39,539	92	622	43,467
Depreciation charge for the year	(934)	(3,732)	(40)	(514)	(5,220)
Termination of lease	–	–	(35)	–	(35)
At 31 March 2023	2,597	38,046	127	457	41,227
At 1 April 2023	2,597	38,046	127	457	41,227
Additions	–	1,190	–	266	1,456
Depreciation charge for the year	(1,112)	(3,461)	(35)	(400)	(5,008)
Termination of lease	–	–	–	(18)	(18)
At 31 March 2024	1,485	35,775	92	305	37,657

	Buildings \$'000	Office equipment \$'000	Total \$'000
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Company

At 1 April 2022	103	17	120
Additions	39,008	–	39,008
Depreciation charge for the year	(2,503)	(5)	(2,508)
At 31 March 2023	36,608	12	36,620
At 1 April 2023	36,608	12	36,620
Depreciation charge for the year	(2,401)	(4)	(2,405)
At 31 March 2024	34,207	8	34,215

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

5 LEASES (CONT'D)

Amounts recognised in consolidated statement of profit or loss

	Group	
	2024	2023
	\$'000	\$'000
Interest on lease liabilities	2,521	2,453
Expenses relating to short-term leases	22,966	16,314
Expenses relating to leases of low-value assets	1	2

Amounts recognised in consolidated statement of cash flow

	Group	
	2024	2023
	\$'000	\$'000
Total cash outflow for leases	14,663	18,707

Extension options

Some leases contain extension options exercisable by the Group up to 3 months before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of \$1,239,000 (2023: \$1,386,000).

Leases as lessor

The Group leases out its machinery and equipment. All leases are classified as operating leases from a lessor perspective.

Operating lease

The Group leases out its machinery and equipment. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Rental income from operating leases recognised by the Group during 2024 was \$11,131,000 (2023: \$12,676,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	2024	2023
	\$'000	\$'000
Less than one year	1,690	1,083
One to two years	379	–
	2,069	1,083

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

5 LEASES (CONT'D)

Finance lease

The Group leases out equipment to customers, which has been classified as finance lease.

During 2024, the Group recognised interest income on lease receivables of \$146,000 (2023: \$11,000).

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	2024 \$'000	2023 \$'000
Less than one year	4,990	1,640
One to two years	1,505	2,043
Two to three years	–	2,044
Total undiscounted lease receivables	6,495	5,727
Unearned finance income	(112)	(186)
At 31 March	6,383	5,541

6 GOODWILL

	Goodwill on consolidation \$'000
Group	
Cost	
At 1 April 2022, 31 March 2023 and 31 March 2024	<u>2,539</u>
Accumulated impairment losses	
At 1 April 2022, 31 March 2023 and 31 March 2024	<u>1,987</u>
Carrying amounts	
At 1 April 2022, 31 March 2023 and 31 March 2024	<u>552</u>

Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill has been allocated to Wisescan Engineering Services Pte. Ltd. ('WES') cash-generating unit, which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes:

	2024 \$'000	2023 \$'000
WES	<u>552</u>	<u>552</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

6 GOODWILL (CONT'D)

In relation to the WES cash-generating unit, the Group has determined the recoverable amount based on value in use calculations. The value in use was determined by discounting the expected future cash flows generated from the continuing operations of the unit. The cash flow projections are based on financial budgets covering a five-year (2023: five-year) period.

No impairment loss was required for the WES cash-generating unit in the current year as its recoverable amount was higher than its carrying amount.

7 INVESTMENT PROPERTY

As at 31 March 2024, investment property comprises residential units.

8 INVESTMENTS IN SUBSIDIARIES

	Company	
	2024	2023
	\$'000	\$'000
Equity investment, at cost	147,029	142,129
Impairment losses	(45,625)	(44,225)
	<u>101,404</u>	<u>97,904</u>

Certain non-trade amounts owing by subsidiaries of \$4,900,000 (2023: \$8,000,000) were capitalised and recorded by the Company as an increase in cost of investments in the subsidiaries during the current financial year. The corresponding impairment loss recognised in this balance in prior years, amounting to \$1,100,000 has also been transferred accordingly.

Impairment losses

The change in impairment losses in respect of investments in subsidiaries during the year is as follows:

	Company	
	2024	2023
	\$'000	\$'000
At 1 April	44,225	44,225
Impairment losses recognised	1,400	–
At 31 March	<u>45,625</u>	<u>44,225</u>

In the current financial year, the Company identified indicators of impairment on its investment in a subsidiary due to continued operating losses by that subsidiary. The Company determined the recoverable amount of the investment in the subsidiary based on the net asset value of the subsidiary, taking into consideration the fair values of the underlying assets held by the subsidiary. The fair value technique and key assumptions regarding its plant and machinery are disclosed in note 4 (iv).

As the recoverable amount of the investment in the subsidiary was lower than the carrying amount, the Company recognised an impairment loss of \$1,400,000 during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

8 INVESTMENTS IN SUBSIDIARIES (CONT'D)

Source of estimation uncertainty

The carrying values of investments in subsidiaries are reviewed for impairment whenever there is any indication that the investment is impaired. This determination requires significant judgement. The Company evaluates, amongst other factors, the future profitability of the subsidiary, the financial health and near-term business outlook including factors such as industry performance and operational and financing cash flows. The recoverable amounts of the investments could change significantly as a result of changes in market conditions and the assumptions used in determining the recoverable amounts.

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Principal place of business/ Country of incorporation	Effective equity interest held by the Group	
			2024 %	2023 %

Held by Company

+ CS Construction & Geotechnic Pte. Ltd. and its subsidiary:	Investment holding and piling and civil engineering works	Singapore	100	100
+ CS Geotechnic Pte. Ltd.	Civil engineering, piling, foundation and geotechnical engineering works	Singapore	100	100
+ CS Bored Pile System Pte. Ltd.	Bored piling works	Singapore	100	100
+ THL Engineering Pte. Ltd. and its subsidiaries:	Investment holding, sales and rental of heavy equipment, machinery and spare parts (currently dormant)	Singapore	100	100
+ THL Foundation Equipment Pte. Ltd. and its subsidiaries:	Investment holding, trading and rental of construction equipment and related parts	Singapore	55	55
+ ICE Far East Pte. Ltd. and its subsidiaries:	Investment holding, trading and rental of piling hammers and other foundation equipment	Singapore	55	55
* ICE Far East Sdn. Bhd.	Trading and rental of piling hammers and other foundation equipment	Malaysia	55	55
# ICE Far East (HK) Limited	Rental of machinery and other related services	Hong Kong	55	55
* ICE Far East (Thailand) Co., Ltd	Trading and rental of machinery and other related services	Thailand	55	55

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

8 INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries	Principal activities	Principal place of business/ Country of incorporation	Effective equity interest held by the Group	
			2024 %	2023 %
<i>Held by Company (cont'd)</i>				
# IMT-THL India Private Limited	Trading and rental of construction equipment and related parts	India	55	55
# THL Foundation Equipment (Philippines) Inc	Wholesale trading of equipment, spare parts and consumable items	Philippines	55	55
# THL Foundation Equipment (Myanmar) Company Limited	Rental of foundation equipment and trading of construction materials	Myanmar	55	55
# Changsha THL Foundation Equipment Co., Ltd	Trading and rental of heavy equipment, machinery, spare parts and consumable items	China	55	55
# THL Vietnam Company Limited	Trading and rental of heavy equipment, machinery, spare parts and consumable items and provision of repair and other related services	Vietnam	55	55
* CS Geo (Malaysia) Sdn. Bhd.	Piling, foundation and geotechnical engineering works (currently dormant)	Malaysia	100	100
+ L&M Foundation Specialist Pte. Ltd. and its subsidiaries:	Investment holding, piling, foundation and geotechnical engineering works	Singapore	100	100
# L&M Foundation Specialist (Vietnam) Limited Company	Piling, foundation and geotechnical engineering works (in the process of liquidation)	Vietnam	100	100
* L&M Ground Engineering Sdn. Bhd.	Piling, foundation and geotechnical engineering works (currently dormant)	Malaysia	100	100
* G-Pile Sistem Sdn. Bhd. and its subsidiary:	Investment holding, piling, foundation and geotechnical engineering works	Malaysia	100	100
* GPSS Geotechnic Sdn. Bhd.	Piling, foundation and geotechnical engineering works (currently dormant)	Malaysia	100	100

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

8 INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries	Principal activities	Principal place of business/ Country of incorporation	Effective equity interest held by the Group	
			2024 %	2023 %
<i>Held by Company (cont'd)</i>				
+ Soil Investigation Pte. Ltd.	Soil investigation, laboratory testing, geotechnical instrumentation and monitoring works	Singapore	100	100
+ Wisescan Engineering Services Pte. Ltd.	Land surveying, tunnel and structural deformation monitoring survey, tunnelling survey	Singapore	70	70
* CSC Ground Engineering Sdn. Bhd. and its subsidiary:	Investment holding	Malaysia	100	100
* Borneo Geotechnic Sdn. Bhd.	Piling, foundation and geotechnical engineering works	Malaysia	100	100
+ DW Foundation Pte. Ltd.	Bored piling works	Singapore	100	100
+ CS Ground Engineering (International) Pte. Ltd.	Investment holding (currently dormant)	Singapore	100	100
+ CS Industrial Properties Pte. Ltd.	Investment holding	Singapore	100	100
+ CS Real Estate Investments Pte Ltd and its subsidiary:	Investment holding, property development, property investment, property management and other related activities	Singapore	100	100
+ Coldhams Alliance Pte. Ltd.	Property development (currently dormant)	Singapore	100	100

+ Audited by KPMG LLP Singapore

* Audited by other member firms of KPMG International

Audited by other firms of public accountants and chartered accountants (for Singapore entities) or certified public accountants. These subsidiaries are not significant as defined under Listing Rule 718 of the Singapore Exchange Listing Manual. For this purpose, a subsidiary is considered significant as defined under the Singapore Exchange Limited Listing Manual if its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if its pre-tax profits account for 20% or more of the Group's consolidated pre-tax profits.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

9 NON-CONTROLLING INTERESTS

The following subsidiaries have non-controlling interests (NCI) that are material to the Group.

Name	Principal places of business/Country of incorporation	Operating segment	Ownership interests held by NCI	
			2024 %	2023 %
THL Foundation Equipment Pte. Ltd. and its subsidiaries ('THLFE Group')	Singapore	Sales and lease equipment	45	45
Wisecan Engineering Services Pte. Ltd. ('WES')	Singapore	Foundation and geotechnical engineering	30	30

The following summarised financial information of each of the Group's subsidiaries with material NCI, based on their respective financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	THLFE Group \$'000	WES \$'000	Intra-group elimination \$'000	Total \$'000
2024				
Revenue	56,108	9,074		
(Loss)/Profit	(2,130)	1,306		
Other comprehensive income	629	126		
Total comprehensive (expense)/income	(1,501)	1,432		
Attributable to NCI:				
– (Loss)/Profit	(959)	392	187	(380)
– Other comprehensive income	283	38	–	321
Total comprehensive (expense)/income	(676)	430	187	(59)
Non-current assets	63,705	6,331		
Current assets	62,747	7,111		
Non-current liabilities	(19,315)	(294)		
Current liabilities	(61,125)	(2,275)		
Net assets	46,012	10,873		
Net assets attributable to NCI	22,841	3,262	(1,024)	25,079
Cash flows from operating activities	6,702	332		
Cash flows from/(used in) investing activities	906	(463)		
Cash flows used in financing activities (including dividends paid to NCI of \$165,000)	(7,420)	(750)		
Net increase/(decrease) in cash and cash equivalents	188	(881)		

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

9 NON-CONTROLLING INTERESTS (CONT'D)

Acquisition of non-controlling interests of a subsidiary

During the financial year, THL Foundation Equipment Pte. Ltd., a 55% owned subsidiary of the Group, paid the last tranche of purchase consideration amounting to \$78,000 to the former minority shareholder of ICE Far East Pte. Ltd. and its subsidiaries ('ICE') for the acquisition of 15% of equity interests in ICE in the financial year ended 31 March 2022.

	THLFE Group \$'000	WES \$'000	Intra-group elimination \$'000	Total \$'000
2023				
Revenue	61,620	8,946		
(Loss)/Profit	(2,774)	1,158		
Other comprehensive income	213	255		
Total comprehensive (expense)/income	(2,561)	1,413		
Attributable to NCI:				
– (Loss)/Profit	(1,248)	347	478	(423)
– Other comprehensive income	96	77	–	173
Total comprehensive (expense)/income	(1,152)	424	478	(250)
Non-current assets	67,462	5,833		
Current assets	60,494	7,858		
Non-current liabilities	(23,005)	(1,043)		
Current liabilities	(57,368)	(2,657)		
Net assets	47,583	9,991		
Net assets attributable to NCI	23,522	2,998	(1,217)	25,303
Cash flows from operating activities	5,256	1,237		
Cash flows from/(used in) investing activities	3,455	(211)		
Cash flows used in financing activities (including dividends paid to NCI of \$150,000)	(9,005)	(471)		
Net (decrease)/increase in cash and cash equivalents	(294)	555		

10 INVESTMENT IN ASSOCIATES

	Group	
	2024 \$'000	2023 \$'000
Unquoted equity investments	7,373	8,175

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

10 INVESTMENT IN ASSOCIATES (CONT'D)

Details of the associates are as follows:

Name of associate	Principal activities	Principal place of business/ Country of incorporation	Effective equity interest held by the Group	
			2024 %	2023 %
WB TOP3 Development Sdn. Bhd.	Strategic investment in property development project in Malaysia	Malaysia	19	19
Coriolis Hertford Limited ⁽¹⁾	Strategic investor in property development project in United Kingdom	Hong Kong	21	21
2TPC Investments Pte. Ltd. and its subsidiary ('2TPC Group'):	Investment holding, real estate activities with owned or leased properties	Singapore	20	20
2TPC Pte. Ltd.	Real estate activities with owned or leased properties	Singapore	20	20

⁽¹⁾ This associate is not considered to be individually significant.

- (i) The Group holds 19% equity shareholding in WB TOP3 Development Sdn. Bhd. ('WB TOP3'). Although the Group owns less than 20% interests in WB TOP3, management has assessed that it has significant influence because it participates in the financial and operating policies of WB TOP3 through its representation on the Board of Directors.
- (ii) At the reporting date, the Company had issued guarantees to a bank in respect of bank facilities granted to WB TOP3 amounting to \$886,000 (2023: \$1,440,000) for the Group's share of bank facilities. At the reporting date, the Company does not consider it probable that a claim will be made against the Company under the guarantee.
- (iii) Based on the term and conditions set out in the subscription and shareholders agreements, the shareholders' voting rights and power to participate in the investee's financial and operating policy decisions vest only in the preference shares and not the ordinary shares. Hence, with 20% of preference shares that the Group holds in 2TPC Investments Pte. Ltd. ('2TPCI'), the Group only has significant influence over 2TPCI.

The following table summarises the financial information of the Group's interests in WB TOP3 and 2TPC Group, based on its financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The table also analyses, in aggregate, the carrying amount and share of profit or loss and other comprehensive income of the remaining individually immaterial associates.

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10 INVESTMENT IN ASSOCIATES (CONT'D)

	WB TOP3 \$'000	2TPC Group \$'000	Total \$'000
2024			
Revenue	1,892	4,049	
Loss after tax	(105)	(3,860)	
Other comprehensive expense	(54)	–	
Total comprehensive expense	(159)	(3,860)	
Attributable to investee's shareholders	(159)	(3,860)	
Non-current assets	62	120,334	
Current assets	18,645	7,777	
Non-current liabilities	(16,794)	(88,529)	
Current liabilities	(1,046)	(3,541)	
Net assets	867	36,041	
Attributable to investee's shareholders	867	36,041	
Group's interest in net assets of investee at beginning of the year	195	7,980	8,175
Share of total comprehensive expense			
– Loss after tax	(20)	(772)	(792)
– Other comprehensive expense	(10)	–	(10)
	(30)	(772)	(802)
Carrying amount of interest in investee at end of the year	165	7,208	7,373
2023			
Revenue	7	6,681	
(Loss)/Profit after tax	(576)	127	
Other comprehensive expense	(97)	–	
Total comprehensive (expense)/income	(673)	127	
Attributable to investee's shareholders	(673)	127	
Non-current assets	106	127,267	
Current assets	13,477	4,685	
Non-current liabilities	(12,369)	(86,290)	
Current liabilities	(188)	(5,760)	
Net assets	1,026	39,902	
Attributable to investee's shareholders	1,026	39,902	
Group's interest in net assets of investee at beginning of the year	324	7,954	8,278
Share of total comprehensive (expense)/income			
– (Loss)/Profit after tax	(110)	26	(84)
– Other comprehensive expense	(19)	–	(19)
	(129)	26	(103)
Carrying amount of interest in investee at end of the year	195	7,980	8,175

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

11 JOINT OPERATION

On 12 February 2015, the Group entered into a joint venture agreement ('Agreement') with New Hope Singapore Premix Pte Ltd to acquire and develop a leasehold industrial land located at Tuas South Street 9, Plot 48.

Pursuant to the Agreement, the parties will jointly undertake to carry out the acquisition and development of the land through NH Singapore Biotechnology Pte. Ltd. ('NHBT'), a 100% owned subsidiary of NHCS Investment Pte. Ltd.

NHBT will develop modern fabrication yards and workshops to support the operations of the Group by increasing the productivity and efficiency on repair and maintenance activities conducted by the Group.

Although NHBT is a separate legal entity, the Group has classified it as a joint operation because the terms of the Agreement accord the rights and obligation of the assets and liabilities to the respective joint venture partners. Joint venture partners have joint control over NHBT, as the decisions about the relevant activities require the unanimous consent of the parties. Accordingly, the Group only recognises the assets owned and liabilities assumed by the Group, and the Group's share of the expenses.

Details of the joint operation are as follows:

Name of joint operation	Principal activities	Principal place of business/ Country of incorporation	Effective equity interest held by the Group	
			2024	2023
			%	%

Held by CS Industrial Properties Pte. Ltd.

# NHCS Investment Pte. Ltd. and its subsidiary:	Investment holding	Singapore	49	49
# NH Singapore Biotechnology Pte. Ltd.	Providing fabrication, repair and maintenance facilities for heavy machinery	Singapore	49	49

Audited by another firm of public accountants and chartered accountants.

At the reporting date, the Company had issued guarantees to a bank in respect of bank facilities granted to NHBT amounting to \$3,232,000 (2023: \$3,632,000) for the Group's share of bank facilities. At the reporting date, the Company does not consider it probable that a claim will be made against the Company under the guarantee.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

12 OTHER INVESTMENTS

Equity investments – at FVOCI

The Group designated its investment in unquoted ordinary shares equivalent to 5% of the equity interests of THAB Development Sdn Bhd ('THAB'), as equity investments at FVOCI because the equity investment represents investments that the Group intends to hold for the long-term for strategic purposes.

No dividends were recognised. No strategic investments were disposed of, relating to this investment, during the years ended 31 March 2024 and 31 March 2023.

The fair value as at 31 March 2024 is \$Nil (2023: \$Nil).

Debt investments – mandatorily at FVTPL

On 14 December 2017, the Group entered into an Investment Agreement (the 'Agreement'), to subscribe for \$240,000 of unsecured convertible notes (the 'Notes') issued by Ackcio Pte. Ltd. ('Ackcio').

The Notes are unsecured and bear interest of 5% per annum. The Group is entitled to elect, at its sole and absolute discretion, either (i) to redeem the Notes at the redemption price (principal amount and unpaid interest accrued) on the third anniversary of the issue date of the Notes (i.e. 14 March 2021) ('Maturity Date') or other date mutually agreed between the Group and Ackcio, or (ii) to convert the Notes into 685,714 new redeemable convertible preferences shares in the share capital of Ackcio at any time after the issue date of the Notes but before and on the Maturity Date.

The Notes were designated at fair value through profit or loss because they were managed on a fair value basis and their performance was actively monitored.

On 14 February 2021, the Group obtained an extension of the Maturity Date to 30 June 2021 and the Notes continued to be designated as fair value through profit or loss as at 31 March 2021.

On 24 June 2021, the Group converted the Notes into 834,113 preferences shares (equivalent to \$282,000) in the share capital of Ackcio. The investment was re-designated as an equity investment at FVOCI.

The fair value of the Notes as at 31 March 2023 was \$Nil.

During the financial year, the Group disposed of the Notes with a sale consideration of \$48,000. A gain of \$48,000 recognised in the consolidated statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

13 INVENTORIES

	Group	
	2024	2023
	\$'000	\$'000
Equipment and machinery, at cost	5,363	9,279
Equipment and machinery, at net realisable value	1,046	1,046
Spare parts	10,642	10,171
Raw materials	3,257	4,023
	20,308	24,519
Allowance for obsolete inventories	(89)	*
	20,219	24,519

* Less than \$1,000

The cost of inventories recognised in cost of sales amounted to \$116,100,000 (2023: \$109,745,000). Included in the above are inventories amounting to \$1,679,000 (2023: \$2,552,000) acquired under hire purchase agreements (note 19).

As at 31 March 2024, the write down of inventories to net realisable value amounted to \$99,000 (2023: \$127,000) for the Group. The write down has been included in other operating expenses.

Source of estimation uncertainty

For the financial year ended 31 March 2024, the Group engaged an independent valuer to assess the valuation of inventories. The net realisable value of certain inventories were estimated using the fair value less costs to sell approach. The fair value is based on the amount for which an asset could be exchanged between a willing buyer and a willing seller in an arm's length transaction, which is largely the sale prices of comparable inventories in the secondary market, taking into consideration adjustments made by the valuer for the size, specifications and age of the inventories.

A review is made on declines in net realisable value below cost which is recorded against the inventory balance for any such declines. These reviews require management to compare costs to the selling price less costs of completion and costs to make the sale to ascertain whether inventories are valued at the lower of cost and net realisable value. In any case, the net realisable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available at the reporting date and inherently involves estimates regarding the future expected realisable value. The benchmarks for determining the amount of allowance or write-down include technical assessment and review of changing prices in subsequent sales.

In general, these evaluation criteria require significant judgement and any estimates formed affects the carrying amount of inventories at the reporting date. Possible changes in these estimates could result in revisions to the carrying amounts of inventories.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

14 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Trade receivables	6,864	6,303	–	–
Impairment losses	*	(36)	–	–
	6,864	6,267	–	–
Lease receivables	1,494	4,016	–	–
Amounts owing by:				
– subsidiaries (non-trade)	–	–	15,736	16,385
– impairment losses	–	–	(6,353)	(7,163)
	–	–	9,383	9,222
Amounts owing by:				
– THAB – other investment (non-trade)	1,700	1,798	–	–
– impairment losses	(147)	(147)	–	–
	1,553	1,651	–	–
Loans owing by:				
– an associate	68	72	–	–
– impairment losses	(2)	(2)	–	–
	66	70	–	–
– THAB – other investment	600	635	–	–
– impairment losses	(20)	(20)	–	–
	580	615	–	–
	10,557	12,619	9,383	9,222
Current assets				
Trade receivables	76,599	71,825	1	1
Impairment losses	(3,999)	(6,330)	(1)	(1)
	72,600	65,495	–	–
Other receivables	3,181	2,883	416	237
Impairment losses	(1)	(1)	(1)	(1)
	3,180	2,882	415	236
Lease receivables	4,889	1,525	–	–
Impairment losses	*	(3)	–	–
	4,889	1,522	–	–
Loan owing by an associate	4,400	4,200	–	–

* Less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

14 TRADE AND OTHER RECEIVABLES (CONT'D)

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current assets (cont'd)				
Amounts owing by:				
– subsidiaries (trade)	–	–	3,880	3,580
– impairment losses	–	–	(67)	(452)
	–	–	3,813	3,128
– subsidiaries (non-trade)	–	–	18,252	16,965
– impairment losses	–	–	(403)	(1,390)
	–	–	17,849	15,575
– associates (non-trade)	1,870	916	–	–
– impairment losses	(28)	(28)	–	–
	1,842	888	–	–
– related corporations (trade)	1,350	415	–	–
– impairment losses	(5)	(5)	–	–
	1,345	410	–	–
Deposits	88,256	75,397	22,077	18,939
	2,866	3,266	467	467
Prepayments	91,122	78,663	22,544	19,406
	876	676	19	19
	91,998	79,339	22,563	19,425

The non-current non-trade amounts owing by subsidiaries are unsecured, interest-free and repayable on demand. However, the Company is not expecting settlement to occur within the next 12 months.

The non-current loan owing by an associate is unsecured, interest-free and repayable on demand. However, the Group is not expecting settlement to occur within the next 12 months.

All the outstanding current non-trade balances with subsidiaries, associates and external parties and current loan owing by an associate are unsecured, interest-free and repayable on demand.

The non-current loan and non-trade amount owing by THAB – other investment are unsecured, bear interest at 6-month Malaysia Overnight Rate + 0.5% premium and are repayable on demand. However, the Group is not expecting settlement of the non-current loan and non-trade amount to occur within the next 12 months.

The Group's and the Company's exposure to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in note 28.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

15 CASH AND CASH EQUIVALENTS

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash at bank and in hand		15,779	16,376	720	711
Fixed deposits		3,029	6,428	–	–
Cash and cash equivalents in the statements of financial position		18,808	22,804	720	711
Bank overdrafts	19	(2,607)	(4,547)		
Fixed deposits pledged		(150)	(1,504)		
Cash and cash equivalents in the consolidated statement of cash flow		16,051	16,753		

Fixed deposits amounting to \$150,000 (2023: \$1,504,000) were pledged to banks for bank facilities extended by the banks to the Group (note 19).

The bank overdrafts are unsecured and guaranteed by the Company. As at 31 March 2023, bank overdrafts amounting to \$866,000 was also secured by a charge over the Group's fixed deposit amounting to \$904,000.

16 ASSETS HELD FOR SALE

	Group	
	2024 \$'000	2023 \$'000
Assets held for sale		
Freehold property	139	–
Plant and machinery	4,775	755
	4,914	755
Impairment losses	(189)	–
	4,725	755

- (i) The Group classified a freehold property located in Malaysia and certain plant and machinery with carrying amounts of \$139,000 (2023: \$Nil) and \$5,035,000 (2023: \$755,000) respectively as held for sale and presented them separately in the consolidated statement of financial position during the year as the Group had an active marketing campaign to dispose of the freehold property and plant and machinery within the next 12 months.
- (ii) There were sales of plant and machinery with carrying amounts of \$660,000, completed during the year (2023: \$Nil). A gain of \$573,000 was recognised in the consolidated statement of profit or loss.
- (iii) There were Group classified certain plant and machinery with carrying amounts of \$358,000, as held for sale in prior year as the Group had an active marketing campaign to dispose of the plant and machinery within the next 12 months. The Group reassessed the economic use of the plant and machinery during the year and subsequently reclassified the plant and machinery from "assets held for sale" to "property, plant and equipment" as at 31 March 2024.
- (iv) The recoverable amounts of certain plant and machinery held for sale were estimated using the fair value less costs to sell approach. As a result, an impairment loss of \$189,000 (2023: \$Nil) was recognised in the consolidated statement of profit or loss during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

16 ASSETS HELD FOR SALE (CONT'D)

- (v) Included in the above are plant and machinery amounting to \$1,164,000 (2023: \$Nil) acquired under hire purchase agreements (note 19).

17 SHARE CAPITAL

	Group and Company			
	2024		2023	
	No. of shares	\$'000	No. of shares	\$'000
Issued and fully-paid ordinary shares with no par value:				
At 1 April and 31 March	3,588,348,176	94,089	3,588,348,176	94,089

All shares (excluding treasury shares) rank equally with regard to the Company's residual assets.

Ordinary shares

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

During the financial year, the Company completed the buy-back of 5,850,000 (2023: 10,162,000) ordinary shares, representing 0.17% (2023: 0.29%) of the issued share capital on that date, under the terms of the Share Buyback Mandate dated 12 July 2023, approved by shareholders on 27 July 2023. The shares were bought back at an average market price, including incidental costs, of \$0.008 (2023: \$0.013) per share, for a consideration of \$45,000 (2023: \$128,000). This amount is classified as a reduction in equity under 'reserve for own shares'. As at reporting date, the Company held 76,932,000 (2023: 71,082,000) of its own uncanceled shares.

Capital management

The Board's policy is to maintain an appropriate level of capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Consistent with prior year, the Board monitors capital using a gearing ratio, which is loans and borrowings (excluding lease liabilities associated with right-of-use assets) divided by total equity (including non-controlling interests).

	Group	
	2024	2023
	\$'000	\$'000
Loans and borrowings (excluding lease liabilities associated with right-of-use assets)	96,748	93,664
Total equity	105,306	124,355
Gearing ratio	92%	75%

The Board also continues to monitor the level of dividends to ordinary shareholders.

The loan facilities of certain subsidiaries are subject to externally imposed capital requirements where these subsidiaries are required to maintain net assets (total assets less total liabilities) or net tangible assets (total tangible assets less total tangible liabilities) in excess of specific financial thresholds.

Except as disclosed above, the Company and its subsidiaries are not subject to externally imposed capital requirements and the subsidiaries have complied with the covenants at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

18 RESERVES

The reserves of the Group and the Company comprise the following balances:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Capital reserve	17,798	17,798	17,798	17,798
Reserve for own shares	(3,094)	(3,049)	(3,094)	(3,049)
Reserve on consolidation	116	116	–	–
Foreign currency translation reserve	(6,055)	(6,511)	–	–
Revaluation reserve	3,260	2,675	–	–
Other reserve	(2,334)	(2,334)	–	–
Accumulated (losses)/profits	(23,553)	(3,732)	317	151
	(13,862)	4,963	15,021	14,900

The capital reserve represents the assigned fair value of the warrants issued by the Company and the effect of the capital reduction of the Company's ordinary shares from \$0.05 to \$0.01 per share during the financial year ended 31 March 2004. The capital reserve is not distributable in accordance with Regulation 142 of the Constitution of the Company.

Reserve for own shares comprises the cost of the Company's shares held by the Group (note 17).

The reserve on consolidation relates to the acquisition of non-controlling interests by a subsidiary pursuant to a scheme of restructuring in prior years.

The foreign currency translation reserve comprises:

- (a) foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company; and
- (b) the exchange differences on monetary items which form part of the Group's net investment in foreign operations.

The revaluation reserve relates to:

- (a) the revaluation surplus on certain property, plant and equipment (note 4(iii)) measured using the revaluation model; and
- (b) the cumulative net change in the fair value of equity investments designated at FVOCI.

Other reserve relates to the changes in equity interest in subsidiaries without a change in control (i.e. represents difference between the purchase consideration and book value of the non-controlling interests).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

19 LOANS AND BORROWINGS

		Group		Company	
	Note	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Non-current liabilities					
Secured bank loans		3,665	5,191	–	–
Unsecured bank loans		1,570	4,449	130	900
Lease liabilities		45,395	49,923	34,838	36,634
		50,630	59,563	34,968	37,534
Current liabilities					
Bank overdrafts	15	2,607	4,547	–	–
Bills payable		39,342	28,498	–	–
Commercial papers		5,850	–	6,620	–
Secured bank loans		1,800	2,218	–	–
Unsecured bank loans		21,608	26,671	770	755
Lease liabilities		15,126	15,196	1,795	1,687
		86,333	77,130	9,185	2,442

The loans and borrowings are guaranteed by the Company, out of which \$7,650,000 (2023: \$9,079,000) are also guaranteed by a related corporation.

The secured bank loans and lease liabilities are secured by:

- a charge over the Group's land and properties (note 4) with carrying amounts of \$11,950,000 (2023: \$15,550,000);
- the Group's plant and equipment acquired under hire purchase arrangements (note 4) with a carrying amount of \$39,079,000 (2023: \$35,836,000);
- the Group's inventories acquired under hire purchase arrangements (note 13) with a carrying amount of \$1,679,000 (2023: \$2,552,000);
- a charge over the Group's fixed deposits (note 15) amounting to \$150,000 (2023: \$1,504,000); and
- the Group's plant and equipment held for sale acquired under hire purchase arrangements (note 16) with a carrying amount of \$1,164,000 (2023: \$Nil).

Commercial papers

On 14 December 2023, the Company issued a \$5,000,000 first series of 3-month unsecured commercial papers under a \$20,000,000 multi-series unsecured commercial paper facility programme. The interest of 5.9% per annum was paid on the maturity of the commercial papers on 19 March 2024. Out of which \$770,000 was subscribed by Wisescan Engineering Services Pte Ltd, a 70% owned subsidiary of the Group.

The Company issued second series of 3-month unsecured commercial papers of \$6,620,000 on 19 March 2024. The commercial papers bear interest of 5.7% and payable on the maturity on 19 June 2024. The interest of 5.7% per annum was paid on the maturity of the commercial papers on 19 June 2024. Out of which \$770,000 was subscribed by Wisescan Engineering Services Pte Ltd, a 70% owned subsidiary of the Group.

On 19 June 2024, the Company issued third series of 3-month unsecured commercial papers of \$9,180,000. The commercial papers bear interest of 5.7% and payable on the maturity on 19 September 2024. Out of which \$1,000,000 was subscribed by Wisescan Engineering Services Pte Ltd, a 70% owned subsidiary of the Group.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

19 LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate %	Year of maturity	2024		2023	
			Face value \$'000	Carrying amount \$'000	Face value \$'000	Carrying amount \$'000
Group						
Secured floating rate bank loans	SIBOR + 2.41	2027	3,232	3,232	3,763	3,763
Secured fixed rate bank loans	2.75 – 4.90	2025 – 2027	2,233	2,233	3,545	3,646
Unsecured floating rate bank loan	HIBOR/COF + 3.00	2024	–	–	219	219
Unsecured fixed rate bank loans	2.00 – 7.12	2025 – 2027	23,001	23,178	30,579	30,901
Lease liabilities	1.70 – 7.75	2025 – 2039	70,845	60,521	76,433	65,119
Secured bank overdraft	FDR + 1.00	On demand	–	–	866	866
Unsecured bank overdrafts	PR and BLR + 1.25	On demand	2,607	2,607	3,681	3,681
Bills payable	COF + 1.50 – 2.50	2025	39,342	39,342	28,498	28,498
Commercial papers	5.70	2025	5,850	5,850	–	–
			147,110	136,963	147,584	136,693
Company						
Unsecured fixed rate bank loan	2.00	2026	787	900	1,568	1,655
Lease liabilities	3.00 – 3.25	2026 – 2039	45,329	36,633	48,143	38,321
Commercial papers	5.70	2025	6,620	6,620	–	–
			52,736	44,153	49,711	39,976

BLR : Base Lending Rate
COF : Cost of Funds
FDR : Fixed Deposit Rate
HIBOR : Hong Kong Interbank Offered Rate
PR : Prime Rate
SIBOR : Singapore Interbank Offered Rate

Market and liquidity risks

Information about the Group's and the Company's exposure to interest rate, foreign currency and liquidity risks is included in note 28.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

19 LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Bank overdrafts \$'000	Other loans and borrowings \$'000	Lease liabilities \$'000	Total \$'000
Balance at 1 April 2022	2,396	63,180	29,446	95,022
Changes from financing cash flows				
Interest paid	(169)	(2,825)	(2,453)	(5,447)
Proceeds from:				
– bank loans	–	12,612	–	12,612
– bills payable	–	140,143	–	140,143
Repayment of:				
– bank loans	–	(15,350)	–	(15,350)
– bills payable	–	(133,297)	–	(133,297)
– lease liabilities	–	–	(16,254)	(16,254)
Total changes from financing cash flows	(169)	1,283	(18,707)	(17,593)
Effect of changes in foreign exchange rates	–	(261)	(81)	(342)
Other changes				
Liability-related				
Change in bank overdrafts	2,151	–	–	2,151
New leases	–	–	52,057	52,057
Termination of lease liabilities	–	–	(49)	(49)
Interest expense	169	2,825	2,453	5,447
Total liability-related other changes	2,320	2,825	54,461	59,606
Balance at 31 March 2023	4,547	67,027	65,119	136,693
Balance at 1 April 2023	4,547	67,027	65,119	136,693
Changes from financing cash flows				
Interest paid	(164)	(4,263)	(2,521)	(6,948)
Proceeds from:				
– bank loans	–	9,128	–	9,128
– refinancing of lease liabilities	–	–	5,809	5,809
– bills payable	–	213,504	–	213,504
– issuance of commercial papers	–	10,080	–	10,080
Repayment of:				
– bank loans	–	(18,860)	–	(18,860)
– bills payable	–	(202,474)	–	(202,474)
– commercial papers	–	(4,230)	–	(4,230)
– lease liabilities	–	–	(17,951)	(17,951)
Total changes from financing cash flows	(164)	2,885	(14,663)	(11,942)
Effect of changes in foreign exchange rates	–	(340)	(115)	(455)
Other changes				
Liability-related				
Change in bank overdrafts	(1,940)	–	–	(1,940)
New leases*	–	–	7,674	7,674
Termination of lease liabilities	–	–	(15)	(15)
Interest expense	164	4,263	2,521	6,948
Total liability-related other changes	(1,776)	4,263	10,180	12,667
Balance at 31 March 2024	2,607	73,835	60,521	136,963

* Includes lease contracts amounting to \$2,673,000 entered into during the year for assets acquired in the prior year.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

20 DEFERRED TAX ASSETS AND LIABILITIES

Movements in deferred tax assets and liabilities of the Group (prior to setting off of balances) during the financial year are as follows:

	At 1 April 2022 \$'000	Recognised in profit or loss (note 25) \$'000	Translation differences \$'000	At 31 March 2023 \$'000	Recognised in profit or loss (note 25) \$'000	Translation differences \$'000	At 31 March 2024 \$'000
	Restated**	Restated**		Restated**			

Group

Deferred tax assets

Property, plant and equipment	(1,464)	475	–	(989)	(182)	–	(1,171)
Unutilised tax losses	(749)	(1,062)	*	(1,811)	(58)	*	(1,869)
Unutilised capital allowances	(216)	(46)	–	(262)	51	*	(211)
Provisions	(355)	78	9	(268)	134	(3)	(137)
Trade and other receivables	(202)	(4)	6	(200)	162	(1)	(39)
Lease liabilities	–	(7,338)	–	(7,338)	478	–	(6,860)
Others	(140)	(168)	12	(296)	109	(2)	(189)
Total	(3,126)	(8,065)	27	(11,164)	694	(6)	(10,476)

Deferred tax liabilities

Property, plant and equipment	5,395	468	(38)	5,825	(711)	10	5,124
Right-of-use assets	–	7,031	–	7,031	(607)	–	6,424
Total	5,395	7,499	(38)	12,856	(1,318)	10	11,548

* Less than \$1,000

** See note 2.6

Deferred tax assets of the Company are attributable to the following:

	Company	
	2024 \$'000	2023 \$'000
Deferred tax assets		
Property, plant and equipment	–	3
Provisions	55	56
Trade and other receivables	14	343
Others	411	–
	480	402

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

20 DEFERRED TAX ASSETS AND LIABILITIES (CONT'D)

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. The amounts determined after appropriate offsetting are included in the statements of financial position as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Deferred tax assets	(37)	(37)	(480)	(402)
Deferred tax liabilities	1,109	1,729	–	–
	1,072	1,692	(480)	(402)

21 TRADE AND OTHER PAYABLES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Non-current liability				
Trade payables	8,549	10,875	–	–
Current liabilities				
Trade payables	92,002	75,939	57	114
Other payables	2,582	705	15	66
Accruals	15,608	23,852	1,354	1,135
Employee benefits	995	974	122	133
Amounts owing to:				
– subsidiaries (trade)	–	–	4,559	3,379
– subsidiaries (non-trade)	–	–	8,409	9,404
– an associate (trade)	461	563	461	563
– related corporations (trade)	448	725	–	–
Financial liabilities at amortised cost	112,096	102,758	14,977	14,794
Deposits received	853	966	465	465
	112,949	103,724	15,442	15,259

All the outstanding non-trade balances with subsidiaries are unsecured, interest-free and repayable on demand.

The Group and the Company's exposures to currency and liquidity risks related to trade and other payables are disclosed in note 28.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

22 PROVISIONS

	Onerous contracts \$'000	Rectification costs \$'000	Reinstatement costs \$'000	Total \$'000
Group				
2024				
At 1 April	169	4,191	60	4,420
Provisions made	108	4,086	–	4,194
Provisions utilised	(140)	(1,482)	–	(1,622)
Effect of movements in exchange rates	(9)	(31)	–	(40)
At 31 March	128	6,764	60	6,952
Non-current	–	–	60	60
Current	128	6,764	–	6,892
	128	6,764	60	6,952
2023				
At 1 April	800	5,072	–	5,872
Provisions made	–	1,339	60	1,399
Provisions utilised	(631)	(2,220)	–	(2,851)
At 31 March	169	4,191	60	4,420
Non-current	–	–	60	60
Current	169	4,191	–	4,360
	169	4,191	60	4,420

	Reinstatement costs	
	2024 \$'000	2023 \$'000

Company

At 1 April	60	–
Provisions made	–	60
At 31 March	60	60
Non-current	60	60

It is expected that the majority of the provisions will be utilised or no longer required within the next financial year.

Onerous contracts

As the unavoidable costs on projects are expected to exceed the revenue expected to be received, the Group has made provision for onerous contracts of \$128,000 as at 31 March 2024 (2023: \$169,000).

Rectification costs

The Group recognised provision for rectification costs for unfinalised projects. Additional provisions were made for new projects and construction works performed during the year based on management's estimate of future obligations. Unused provisions for projects that were finalised during the year were reversed and has been included in costs of sales in the consolidated statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

22 PROVISIONS (CONT'D)

Reinstatement costs

The Group recognised the estimated costs to be incurred in respect of the obligation to dismantle, remove and restore the leased office premise to its original state.

Source of estimation uncertainty

The provisions recognised represent management's best estimate of the expected future costs required. Significant estimates and assumptions are made in determining the provisions. Those estimates and assumptions deal with uncertainties such as: changes to timing, extent and costs required. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provisions recognised are periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs are recognised in the statements of financial position and consolidated statement of profit or loss by adjusting the provision.

23 REVENUE

	Group	
	2024	2023
	\$'000	\$'000
Revenue from contracts with customers	294,207	251,923
Rental income	11,131	12,676
	<u>305,338</u>	<u>264,599</u>

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Construction contracts

Nature of goods or services	The Group provides foundation and geotechnical engineering services for private and public sector work which include residential, commercial, industrial and infrastructure projects. These projects are carried out based on specifically negotiated contracts with customers.
When revenue is recognised	The Group assessed that these construction contracts qualify for over time revenue recognition as the projects have no alternative use for the Group due to contractual restrictions, and the Group generally has enforceable rights to payment for performance completed till date. The stage of completion is assessed by reference to surveys of work performed.
Significant payment terms	Progress billings to the customer are based on a payment schedule in the contract that is dependent on the achievement of specified construction milestones. If the value of the construction services rendered exceeds progress billings from the customer, a contract asset is recognised.
Defect liability period	The Group is required to make good any defects identified during the defect liability period, typically for a period of 6 months to 3 years, depending on the contractual terms.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

23 REVENUE (CONT'D)

Trading of plant and equipment

Nature of goods or services	The Group sells plant and equipment.
When revenue is recognised	Revenue is recognised when goods are delivered to the customer and all criteria for acceptance have been satisfied.
Significant payment terms	Invoices are issued when goods are delivered to the customers and payable within 30 days.
Obligations for warranties	Only new plant and equipment sold by the Group comes with a warranty term, typically for a period of 12 months or 1,000 to 2,000 work hours, whichever is shorter. The warranty is backed by a similar warranty provided by the manufacturer.

Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by geographical regions and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see note 31).

	Foundation and geotechnical engineering		Sales and lease of equipment		Total reportable segments	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Geographical regions						
Singapore	207,057	161,568	16,110	20,769	223,167	182,337
Malaysia	46,042	42,716	522	271	46,564	42,987
India	–	–	20,390	24,458	20,390	24,458
Thailand	–	–	366	485	366	485
Philippines	–	–	1,018	1,021	1,018	1,021
Vietnam	–	–	2,340	38	2,340	38
Other regions	–	–	362	597	362	597
	253,099	204,284	41,108	47,639	294,207	251,923
Major revenue streams						
Construction contracts	252,889	203,920	–	–	252,889	203,920
Trading of plant and equipment	210	364	41,108	47,639	41,318	48,003
	253,099	204,284	41,108	47,639	294,207	251,923
Timing of revenue recognition						
Products transferred at a point in time	210	364	40,652	47,405	40,862	47,769
Products and services transferred over time	252,889	203,920	456	234	253,345	204,154
	253,099	204,284	41,108	47,639	294,207	251,923

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

23 REVENUE (CONT'D)

Source of estimation uncertainty

Revenue recognition on an uncompleted construction contract is dependent on estimating the total outcome of the construction contract. Based on the Group's experience and the nature of the foundation engineering activity undertaken, management estimates the variable consideration to be constrained and excluded from revenue recognition at each reporting date.

In making these estimates, management has relied on the expertise of quantity surveyors to determine the progress of the construction and also on past experience of completed projects. In addition, actual outcomes in terms of total revenue may be higher or lower than that estimated at the reporting date, which would affect the level of revenue recognised in the current and future years.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	2024 \$'000	2023 \$'000
Trade receivables (excluding trade receivables arising from rental income, which are included in 'Trade and other receivables')	74,627	67,968
Contract assets	69,471	72,064
Impairment losses	(4,996)	(4,725)
	64,475	67,339
Contract liabilities	(190)	(480)

The contract assets for construction contracts primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

The contract liabilities primarily relate to advance consideration received from customers for construction contracts.

Contract assets and contract liabilities are reported in the statements of financial position on a contract by contract basis at the end of each reporting period.

Significant changes in the contract assets and contract liabilities balances during the year are as follows:

	2024		2023	
	Contract assets \$'000	Contract liabilities \$'000	Contract assets \$'000	Contract liabilities \$'000
Revenue recognised that was included in the contract liability balance at the beginning of the year	–	290	–	44
Increases due to cash received, excluding amounts recognised as revenue during the year	–	–	–	(225)
Contract assets reclassified to trade receivables	(255,166)	–	(209,367)	–
Changes in measurement of progress	252,599	–	203,876	–
Impairment loss (recognised)/reversed on contract assets	(297)	–	7	–

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

23 REVENUE (CONT'D)

Transaction price allocated to the remaining performance obligation

The Group applies the practical expedient in paragraph 121 of SFRS(I) 15 and does not disclose information about its remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

At the reporting date, future revenue related to performance obligations that are unsatisfied (or partially satisfied) for construction contracts is approximately \$128,488,000 (2023: \$122,299,000). The Group expects that 42% (2023: 43%) of the future revenue may be recognised as revenue during the next financial year, while the remaining will be recognised in the financial year ending 31 March 2026.

Variable consideration that is constrained and therefore not included in the transaction price is excluded in the amounts presented above.

24 FINANCE INCOME AND EXPENSES

	Group	
	2024	2023
	\$'000	\$'000
Interest income under effective interest method on:		
– cash and cash equivalents	84	74
– amount and loan owing by THAB – other investment	–	71
– others	63	51
Imputed interest on non-current trade and other receivables and contract assets	509	918
Finance income	656	1,114
Interest expense:		
– bank loans	(1,944)	(1,617)
– bank overdrafts	(164)	(169)
– bills payable	(2,240)	(1,208)
– commercial papers	(79)	–
– lease liabilities	(2,521)	(2,453)
Imputed interest on non-current trade and other payables	(276)	(232)
Finance expenses	(7,224)	(5,679)
Net finance expenses recognised in profit or loss	(6,568)	(4,565)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

25 TAX EXPENSE/(CREDIT)

	Note	Group	
		2024 \$'000	2023 \$'000
Current tax expense			
Current year		452	386
Under/(over) provided in prior years		336	(104)
		<u>788</u>	<u>282</u>
Deferred tax credit			
Origination and reversal of temporary differences		(269)	(275)
Over provided in prior years		(355)	(291)
	20	<u>(624)</u>	<u>(566)</u>
Total tax expense/(credit)		<u>164</u>	<u>(284)</u>
Reconciliation of effective tax rate			
Loss for the year		(20,541)	(27,104)
Tax expense/(credit)		164	(284)
Share of loss of associates (net of tax)		792	84
Loss before share of results of associates and tax credit/expense		<u>(19,585)</u>	<u>(27,304)</u>
Tax using Singapore tax rate at 17% (2023: 17%)		(3,329)	(4,642)
Effect of tax rates in foreign jurisdictions		(9)	5
Tax exempt income		(410)	(80)
Tax incentives		(1)	(14)
Non-deductible expenses		281	913
Tax losses and deductible temporary differences for which deferred tax assets were not recognised		3,660	4,168
Utilisation of previously unrecognised deferred tax assets		(9)	(239)
Over provided in prior years		<u>(19)</u>	<u>(395)</u>
		<u>164</u>	<u>(284)</u>

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2024 \$'000	2023 \$'000
Tax losses arising from operations in:		
– Singapore	86,878	77,991
– Others	25,219	20,294
	<u>112,097</u>	<u>98,285</u>
Deductible temporary differences		
– Singapore	79,595	73,494
– Others	8,480	6,918
	<u>88,075</u>	<u>80,412</u>

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which certain subsidiaries of the Group can utilise the benefits therefrom.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

26 LOSS FOR THE YEAR

The following items have been included in arriving at loss for the year:

	Group	
	2024	2023
	\$'000	\$'000
Allowance for inventory obsolescence	(89)	–
Audit fees paid or payable to:		
– auditors of the Company and other firms affiliated with KPMG International Limited	(398)	(392)
– other auditors	(26)	(23)
Non-audit fees paid or payable to:		
– auditors of the Company and other firms affiliated with KPMG International Limited*	(154)	(125)
– other auditors	(114)	(77)
Bad debts recovered/(written off)	63	(21)
Depreciation of property, plant and equipment included in:		
– cost of sales	(16,477)	(19,309)
– administrative expenses	(1,526)	(1,157)
Depreciation of right-of-use assets included in:		
– cost of sales	(2,174)	(2,224)
– administrative expenses	(2,834)	(2,996)
Directors' remuneration (excluding directors' fees)	(1,201)	(740)
Directors' fees	(375)	(420)
Foreign exchange loss	(1,709)	(1,938)
Gain on disposal of:		
– property, plant and equipment	929	964
– other investments	48	–
– assets held for sale	573	–
Government grants deducted from:		
– cost of sales	66	711
– administrative expenses	118	129
Impairment losses reversed/(recognised) on:		
– property, plant and equipment	–	100
– trade and other receivables and contract assets	971	(328)
– assets held for sale	(189)	–
Inventories written down	(99)	(127)
Inventories written off	(9)	(8)
(Loss)/Gain on termination of lease liabilities	(3)	14
Property, plant and equipment written off	–	(6)
Salaries, bonus and other costs	(55,626)	(52,344)
Contributions to defined contribution plans	(2,736)	(2,679)

* Non-audit fees paid to auditors of the Company and other firms affiliated with KPMG International Limited include audit-related services of \$46,000 (2023: \$38,000).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

27 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share at 31 March 2024 was based on the loss attributable to ordinary shareholders of the Company divided by the weighted-average number of ordinary shares outstanding of 3,515,693,635 (2023: 3,520,447,008), calculated as follows:

	Group	
	2024 \$'000	2023 \$'000
Loss attributable to ordinary shareholders	(20,161)	(26,681)
	No. of shares	No. of shares
Weighted average number of:		
Issued ordinary shares at beginning of the year	3,588,348,176	3,588,348,176
Ordinary shares held as treasury shares	(72,654,541)	(67,901,168)
Weighted average number of shares used to compute loss per share	3,515,693,635	3,520,447,008

(b) Diluted loss per share

The diluted loss per share as at 31 March 2024 and 31 March 2023 were the same as the basic loss per share as at that date as there were no dilutive potential ordinary shares.

28 FINANCIAL INSTRUMENTS

Overview

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

In the opinion of the Board of Directors, the Group has taken appropriate quality control measures to mitigate the effect from any claims caused by product and construction defects, which may affect adversely its financial results, even though the Group is not covered by insurance against such events.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Risk management framework (cont'd)

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amounts of financial assets represent the Group's maximum exposures to credit risk, before taking into account any collateral held. The Group does not hold any collateral in respect of their financial assets.

Impairment losses on financial assets and contract assets (reversed)/recognised in profit or loss were as follows:

	2024 \$'000	2023 \$'000
Group		
Trade receivables and contract assets arising from contracts with customers	(1,075)	(404)
Trade receivables arising from rental income	90	732
Amount owing by THAB – other investment (non-trade)	14	–
	<u>(971)</u>	<u>328</u>
Company		
Amounts owing by:		
– subsidiaries (trade)	(107)	407
– subsidiaries (non-trade)	(975)	(45)
	<u>(1,082)</u>	<u>362</u>

Trade and other receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The Group performs ongoing credit evaluations of its counterparties' financial condition and the review includes external ratings, if they are available, and credit agency information.

In monitoring counterparty credit risk, counterparties are grouped according to their credit characteristics, including their geographic location, external credit ratings, aging profile, and existence of previous financial difficulties.

The Group does not require collateral in respect of trade receivables and contract assets. The Group does not have trade receivables and contract assets for which no loss allowance is recognised because of collateral.

For loans receivables, lease receivables, other receivables, non-trade receivables and deposits, the Group also determines if there has been a significant increase in credit risk at the reporting date by reviewing any changes in the credit characteristics of their counterparties and supplementing it with other information that could affect the counterparty's behaviour.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Credit risk (cont'd)

Exposure to credit risk

The maximum exposure to credit risk for trade and other receivables (excluding prepayments) and contract assets at the reporting date by geographic region was as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Singapore	110,384	109,729	20,744	18,175
Malaysia	30,715	29,546	11,183	10,453
India	22,465	16,390	*	*
Thailand	823	1,013	—	—
Vietnam	341	241	—	—
Hong Kong	772	707	—	—
Philippines	611	938	—	—
Others	43	57	—	—
	166,154	158,621	31,927	28,628

* Less than \$1,000

The maximum exposure to credit risk for trade and other receivables (excluding prepayments) and contract assets at the reporting date by business segment was as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Foundation and geotechnical engineering	116,261	114,769	16,308	15,334
Trading and lease of equipment	42,689	37,971	30	18
Others	7,204	5,881	15,589	13,276
	166,154	158,621	31,927	28,628

At the reporting date, there were no significant concentrations of credit risk with any counterparties for the Group. At the reporting date, there is no significant concentration of credit risk for the Company, except for the amounts owing by subsidiaries of \$31,045,000 (2023: \$27,925,000).

Expected credit loss assessment for counterparties

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about counterparties) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Credit risk (cont'd)

Expected credit loss assessment for counterparties (cont'd)

The following tables provide information about the exposure to credit risk and lifetime ECLs for trade and other receivables (excluding prepayments) and contract assets:

	Weighted average loss rate %	Not credit- impaired \$'000	Credit- impaired \$'000	Gross carrying amount \$'000	Total loss allowance \$'000	Net \$'000
31 March 2024						
Group						
Grade AA	–	803	–	803	–	803
Grade A	0.20	46,352	2	46,354	(91)	46,263
Grade B	0.99	24,007	4	24,011	(237)	23,774
Grade C	4.45	70,786	3,170	73,956	(3,289)	70,667
Grade D	18.46	24,519	5,709	30,228	(5,581)	24,647
Total gross carrying amount		166,467	8,885	175,352	(9,198)	166,154
Loss allowance		(456)	(8,742)			
		166,011	143			
Company						
Grade AA	–	16	–	16	–	16
Grade C	–	144	–	144	*	144
Grade D	17.69	23,007	15,585	38,592	(6,825)	31,767
Total gross carrying amount		23,167	15,585	38,752	(6,825)	31,927
Loss allowance		(481)	(6,344)			
		22,686	9,241			
31 March 2023						
Group						
Grade AA	–	969	–	969	–	969
Grade A	0.53	43,955	176	44,131	(233)	43,898
Grade B	0.33	46,854	56	46,910	(156)	46,754
Grade C	5.15	54,739	3,013	57,752	(2,973)	54,779
Grade D	39.37	11,912	8,244	20,156	(7,935)	12,221
Total gross carrying amount		158,429	11,489	169,918	(11,297)	158,621
Loss allowance		(457)	(10,840)			
		157,972	649			
Company						
Grade AA	–	27	–	27	–	27
Grade A	–	1,199	–	1,199	–	1,199
Grade B	–	465	–	465	–	465
Grade C	0.39	3,369	–	3,369	(13)	3,356
Grade D	27.61	15,585	16,990	32,575	(8,994)	23,581
Total gross carrying amount		20,645	16,990	37,635	(9,007)	28,628
Loss allowance		(1,536)	(7,471)			
		19,109	9,519			

* Less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Credit risk (cont'd)

Movements in allowance for impairment in respect of trade and other receivables (excluding prepayments) and contract assets

The movements in the allowance for impairment in respect of trade and other receivables (excluding prepayments) and contract assets during the year were as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Balance at 1 April	11,297	12,003	9,007	8,645
Impairment loss (reversed)/recognised	(971)	328	(1,082)	362
Impairment loss transferred to investment in a subsidiary	–	–	(1,100)	–
Impairment losses utilised	(987)	(790)	–	–
Effect of movements in exchange rates	(141)	(244)	–	–
Balance at 31 March	9,198	11,297	6,825	9,007

Trade and other receivables (excluding prepayments) and contract assets with contractual amounts of \$987,000 written off during 2024 (2023: \$790,000) are still subject to enforcement activity.

Cash and cash equivalents

The cash and cash equivalents of the Group and the Company are held with banks and financial institution counterparties, which are regulated. Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

Intra-group financial guarantees

The principal risk to which the Company is exposed is credit risk in connection with the guarantee contracts it has issued. The credit risk represents the loss that would be recognised upon a default by the parties to which the guarantees were given on behalf of. To mitigate these risks, management continually monitors the risk and has established processes including performing credit evaluations of the parties it is providing the guarantee on behalf of. Guarantees are given to its subsidiaries, an associate and a joint operation.

There are no terms and conditions attached to the guarantee contracts that would have a material effect on the amount, timing and uncertainty of the Company's future cash flows.

The intra-group financial guarantees are eliminated in preparing the consolidated financial statements. Estimates of the Company's obligation arising from financial guarantee contracts may be affected by future events, which cannot be predicted with any certainty. The assumptions made may well vary from actual experience so that the actual liability may vary considerably from the best estimates, as presented under 'Liquidity risk' section.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Credit risk (cont'd)

Source of estimation uncertainty

In deriving the impairment losses on trade and other receivables (excluding prepayments) under the expected credit loss model, the Group is required to make estimates to reflect reasonable and supportable information about creditworthiness, which includes historical, current and forecast information. The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full. The amount and timing of recorded impairment losses would differ if the Group made different estimates and judgement.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

To ensure continuity of funding, the Group's policy is to use a mix of long-term and short-term financing. Short-term funding is obtained through overdraft, trust receipt and financing loan facilities. Long-term funding is primarily used for acquisition of property, plant and equipment. The Group evaluates various alternative financing arrangements to balance its debt leverage.

Included in total assets of the Group at the reporting date are contract assets, trade receivables and lease receivables totalling \$151,667,000 (2023: \$145,049,000). The liquidity of the Group is primarily dependent on the timely settlement of contract assets, trade receivables and lease receivables. The Group carefully monitors current and expected liquidity requirements to ensure that it maintains sufficient working capital and adequate external financing to meet its liquidity requirements in the short and longer term.

The Group maintains adequate short term facilities (which also contains banker's guarantee facilities for projects undertaken by the Group) totalling approximately \$116,563,000 (2023: \$123,896,000) that can be drawn down to meet short term financing needs. As at reporting date, \$79,078,000 (2023: \$74,654,000) of the facilities had been utilised. The short term facilities attract a short term interest rate imposed by the applicable banks from time to time.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

	Carrying amount \$'000	Cash flows			
		Contractual cash flows \$'000	Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000
Group					
2024					
Non-derivative financial liabilities					
Secured bank loans	5,465	(5,940)	(2,039)	(3,901)	–
Unsecured bank loans	23,178	(23,444)	(21,891)	(1,553)	–
Lease liabilities	60,521	(70,844)	(17,154)	(23,018)	(30,672)
Bank overdrafts	2,607	(2,778)	(2,778)	–	–
Bills payable	39,342	(39,946)	(39,946)	–	–
Commercial papers	5,850	(5,935)	(5,935)	–	–
Trade and other payables [#]	120,645	(120,645)	(112,096)	(8,549)	–
Recognised financial liabilities	257,608	(269,532)	(201,839)	(37,021)	(30,672)

[#] Excludes deposits received

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk (cont'd)

Exposure to liquidity risk (cont'd)

		Cash flows			
	Carrying amount \$'000	Contractual cash flows \$'000	Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000
Group					
2023					
Non-derivative financial liabilities					
Secured bank loans	7,409	(8,184)	(2,515)	(5,669)	–
Unsecured bank loans	31,120	(31,693)	(27,151)	(4,542)	–
Lease liabilities	65,119	(76,433)	(17,233)	(25,269)	(33,931)
Bank overdrafts	4,547	(4,795)	(4,795)	–	–
Bills payable	28,498	(28,957)	(28,957)	–	–
Trade and other payables [#]	113,633	(113,633)	(102,758)	(10,875)	–
Recognised financial liabilities	250,326	(263,695)	(183,409)	(46,355)	(33,931)
Company					
2024					
Non-derivative financial liabilities					
Unsecured bank loan	900	(911)	(781)	(130)	–
Lease liabilities	36,633	(45,329)	(2,870)	(12,053)	(30,406)
Commercial papers	6,620	(6,716)	(6,716)	–	–
Trade and other payables [#]	14,977	(14,977)	(14,977)	–	–
Intra-group financial guarantee	–	(141,731)	(141,731)	–	–
Recognised financial liabilities	59,130	(209,664)	(167,075)	(12,183)	(30,406)
2023					
Non-derivative financial liabilities					
Unsecured bank loan	1,655	(1,692)	(781)	(911)	–
Lease liabilities	38,321	(48,143)	(2,814)	(11,821)	(33,508)
Trade and other payables [#]	14,794	(14,794)	(14,794)	–	–
Intra-group financial guarantee	–	(143,886)	(143,886)	–	–
Recognised financial liabilities	54,770	(208,515)	(162,275)	(12,732)	(33,508)

[#] Excludes deposits received

At the reporting date, the Company does not consider it probable that a claim will be made against the Company under the financial guarantees granted to the subsidiaries, an associate and a joint operation.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

Managing interest rate benchmark reform and associate risks

Overview

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates ('IBORs') with alternative nearly risk-free rates (referred to as 'interest rate benchmark reform').

The Group has exposures to SIBOR on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. In Singapore, the Steering Committee for SOR and SIBOR transition to SORA ('SC-STs') together with the Association of Banks in Singapore ('ABS') and Singapore Foreign Exchange Market Committee ('SFEMC'), has identified the Singapore Overnight Rate Average ('SORA') as the alternative interest rate benchmark to replace SIBOR and SOR in Singapore. The timeline for SORA to replace SOR and SIBOR is by the end of June 2023 and December 2024 respectively.

Non-derivative financial liabilities

The Group's IBOR exposures to non-derivative financial liabilities as at 31 March 2024 included an unsecured bank loan indexed to SIBOR. The Group is still in the process of communication with counterparties for the SIBOR indexed exposures and specific changes have yet been agreed.

Total amounts of unreformed contracts, including those with an appropriate fallback clause

The Group monitors the progress of transition from IBORs to new benchmark rates by reviewing the total amounts of contracts that have yet to transition to an alternative benchmark rate and the amounts of such contracts that include an appropriate fallback clause. The Group considers that a contract is not yet transitioned to an alternative benchmark rate when interest under the contract is indexed to a benchmark rate that is still subject to interest rate benchmark reform, even if it includes a fallback clause that deals with the cessation of the existing IBOR (referred to as an 'unreformed contract').

The following table shows the total amounts of unreformed contracts and those with appropriate fallback language at 31 March 2024. The amounts of financial liabilities are shown at their carrying amounts.

	SIBOR	
	Total amount of unreformed contracts \$'000	Amount with appropriate fallback clause \$'000
Group		
31 March 2024		
Financial liability		
Secured floating rate bank loan	3,232	3,232

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Market risk (cont'd)

Interest rate risk (cont'd)

Exposure to interest rate risk

The Group's exposure to changes in interest rates relates primarily to its interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates. The Group does not use derivative financial instruments to hedge its interest rate risk.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments, as reported to the management, was as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Fixed rate instruments				
Financial assets	3,029	6,428	–	–
Financial liabilities	(91,782)	(99,666)	(44,153)	(39,976)
	(88,753)	(93,238)	(44,153)	(39,976)
Variable rate instruments				
Financial assets	2,300	2,433	–	–
Financial liabilities	(45,181)	(37,027)	–	–
	(42,881)	(34,594)	–	–

Fair value sensitivity analysis for fixed rate instruments

The fixed rate financial assets and liabilities are not accounted for at fair value through profit or loss and therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

For the variable rate financial assets and liabilities, an increase of 50 basis point ('bp') in interest rate at the reporting date would decrease profit or loss (and equity) (before any tax effect) by the amounts shown below. A decrease in 50 bp in interest rate would have an equal but opposite effect. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2023.

	Group	
	2024	2023
	\$'000	\$'000
Variable rate financial instruments	(214)	(173)

There is no impact on other comprehensive income and equity.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Market risk (cont'd)

Currency risk

Risk management policy

The Group is exposed to currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the Group's entities. The currencies in which these transactions primarily are denominated are the Euro, US Dollar, Chinese Renminbi, British Pound, Malaysian Ringgit and Japanese Yen. Exposure to foreign currency risk is monitored on an ongoing basis by the Group to ensure that the net exposure is at an acceptable level.

The Group enters into forward exchange contracts with banks from time to time to reduce the adverse impact of foreign exchange risk on the Group's profitability.

Exposure to currency risk

The summary of quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

	Euro \$'000	US Dollar \$'000	Chinese Renminbi \$'000	British Pound \$'000	Malaysian Ringgit \$'000	Japanese Yen \$'000
Group						
2024						
Trade and other receivables	75	1,404	6,992	–	1,892	–
Cash and cash equivalents	40	247	178	1	40	2
Loans and borrowings	–	(78)	(70)	–	–	–
Trade and other payables	(229)	(2,326)	(14,788)	(50)	(22)	–
Net exposure	(114)	(753)	(7,688)	(49)	1,910	2
2023						
Trade and other receivables	126	1,782	5,035	–	942	–
Cash and cash equivalents	100	316	589	1	3	101
Loans and borrowings	(387)	(372)	–	–	–	–
Trade and other payables	(108)	(1,788)	(17,794)	(4)	–	–
Net exposure	(269)	(62)	(12,170)	(3)	945	101

Sensitivity analysis

A 10% strengthening of following major currencies against the functional currency of each of the Group's entities at the reporting date would decrease/(increase) loss before tax by the amounts shown below. Similarly, a 10% weakening would have had the equal but opposite effect. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2023.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Market risk (cont'd)

Currency risk (cont'd)

Sensitivity analysis (cont'd)

	Loss 2024 \$'000	Loss 2023 \$'000
Group		
Euro	(11)	(27)
US Dollar	(75)	(6)
Chinese Renminbi	(769)	(1,217)
British Pound	(5)	*
Malaysian Ringgit	191	95
Japanese Yen	*	10

* Less than \$1,000

There is no impact on other comprehensive income and equity.

The Group and the Company is not exposed to any significant equity price risk as at 31 March 2024 and 31 March 2023.

Fair values versus carrying amounts

The carrying amounts and fair values of the financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group	Note	Carrying amount				Fair value			
		Amortised cost	FVOCI – equity instruments	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
31 March 2024									
Financial assets not measured at fair value									
Trade and other receivables#	14	101,679	–	–	101,679	–	101,679	–	101,679
Cash and cash equivalents	15	18,808	–	–	18,808				
		120,487	–	–	120,487				
Financial liabilities not measured at fair value									
Bank overdrafts	19	–	–	(2,607)	(2,607)				
Bills payable	19	–	–	(39,342)	(39,342)				
Commercial papers	19	–	–	(5,850)	(5,850)	–	(5,850)	–	(5,850)
Secured bank loans	19	–	–	(5,465)	(5,465)	–	(5,509)	–	(5,509)
Unsecured bank loans	19	–	–	(23,178)	(23,178)	–	(23,376)	–	(23,376)
Trade and other payables*	21	–	–	(120,645)	(120,645)	–	(120,645)	–	(120,645)
		–	–	(197,087)	(197,087)				

[#] Excludes prepayments

^{*} Excludes deposits received

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Market risk (cont'd)

Fair values versus carrying amounts (cont'd)

	Note	Carrying amount				Fair value			
		Amortised cost \$'000	FVOCI – equity instruments \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group									
31 March 2023									
Financial assets not measured at fair value									
Trade and other receivables [#]	14	91,282	–	–	91,282	–	91,282	–	91,282
Cash and cash equivalents	15	22,804	–	–	22,804				
		114,086	–	–	114,086				
Financial liabilities not measured at fair value									
Bank overdrafts	19	–	–	(4,547)	(4,547)				
Bills payable	19	–	–	(28,498)	(28,498)				
Secured bank loans	19	–	–	(7,409)	(7,409)	–	(7,437)	–	(7,437)
Unsecured bank loans	19	–	–	(31,120)	(31,120)	–	(31,181)	–	(31,181)
Trade and other payables*	21	–	–	(113,633)	(113,633)	–	(113,633)	–	(113,633)
		–	–	(185,207)	(185,207)				

[#] Excludes prepayments^{*} Excludes deposits received

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Market risk (cont'd)

Fair values versus carrying amounts (cont'd)

	Note	Carrying amount			Fair value			
		Amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000

Company

31 March 2024

Financial assets not measured at fair value

Trade and other receivables [#]	14	31,927	–	31,927	–	31,927	–	31,927
Cash and cash equivalents	15	720	–	720				
		<u>32,647</u>	<u>–</u>	<u>32,647</u>				

Financial liabilities not measured at fair value

Commercial papers	19	–	(6,620)	(6,620)	–	(6,620)	–	(6,620)
Unsecured bank loan	19	–	(900)	(900)	–	(957)	–	(957)
Trade and other payables [*]	21	–	(14,977)	(14,977)				
		<u>–</u>	<u>(22,497)</u>	<u>(22,497)</u>				

31 March 2023

Financial assets not measured at fair value

Trade and other receivables [#]	14	28,628	–	28,628	–	28,628	–	28,628
Cash and cash equivalents	15	711	–	711				
		<u>29,339</u>	<u>–</u>	<u>29,339</u>				

Financial liabilities not measured at fair value

Unsecured bank loan	19	–	(1,655)	(1,655)	–	(1,670)	–	(1,670)
Trade and other payables [*]	21	–	(14,794)	(14,794)				
		<u>–</u>	<u>(16,449)</u>	<u>(16,449)</u>				

[#] Excludes prepayments

^{*} Excludes deposits received

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28 FINANCIAL INSTRUMENTS (CONT'D)

Market risk (cont'd)

Estimation of fair values

The following methods and assumptions are used to estimate fair values of the following significant classes of financial instruments:

Non-current trade and other receivables, trade and other payables and fixed interest rate bank loans and commercial papers

The fair values have been determined by discounting the expected payments with current interest rates for similar instruments at the reporting date.

Floating interest rate bank loans

The carrying amounts of floating interest bearing loans, which are repriced within 1 to 6 months from the reporting date, reflect the corresponding fair values.

Other financial assets and liabilities

The notional amounts of financial assets and liabilities with a maturity of less than one year (including current trade and other receivables, cash and cash equivalents, current trade and other payables and short term borrowings) are assumed to approximate their fair values because of the short period to maturity.

Interest rates used in determining fair values

The interest rates used to discount estimated cash flows, where applicable, are based on the government yield curve at 31 March plus an adequate credit spread, and are as follows:

	Group	
	2024	2023
	%	%
Non-current trade and other receivables and non-current contract assets	1.84 – 5.56	3.00
Non-current trade and other payables	2.08 – 2.35	1.84 – 2.50

Transfers between Levels 1, 2 and 3

There were no transfers of financial instruments between Levels 1, 2 and 3.

29 COMMITMENTS

As at reporting date, the Group had the following commitments:

Capital expenditure contracted for but not recognised in the financial statements is as follows:

	2024	2023
	\$'000	\$'000
Capital commitment in respect of:		
– acquisition of property, plant and equipment	1,694	255

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

30 RELATED PARTIES

Transactions with key management personnel

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The directors and senior management are considered as key management personnel of the Group.

Key management personnel compensation comprised:

	Group	
	2024	2023
	\$'000	\$'000
Short-term employee benefits	6,622	6,303
Post-employment benefits (including CPF)	339	290
	<u>6,961</u>	<u>6,593</u>

The aggregate value of transactions related to key management personnel over which they have control or significant influence are as follows:

	Transaction value for the year ended	
	2024	2023
	\$'000	\$'000
Professional fees	11	30
Interests paid/payable on commercial papers	12	–
	<u>23</u>	<u>30</u>

Other related party transactions

Other than as disclosed elsewhere in the financial statements, the transactions with related parties are as follows:

	Group	
	2024	2023
	\$'000	\$'000
Companies in which a director and a substantial shareholder of the Group have substantial financial interests		
Revenue from foundation engineering works	1,513	7
Revenue from trading of plant and equipment	–	176
Revenue from rental and service income	242	245
Expenses for foundation engineering works	(61)	–
Expenses related to short-term leases	(621)	(707)
Expenses related to transport, handling and service charges	(62)	–
Interests paid/payable on commercial papers	(36)	–
Purchase of plant and equipment	(30)	(330)
Upkeep of machinery and equipment expenses	<u>(43)</u>	<u>(69)</u>

Relatives of a director

Interests paid/payable on commercial papers	<u>(4)</u>	<u>–</u>
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

31 SEGMENT REPORTING

(a) Business segments

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different marketing strategies. For each of the strategic business units, the Group's Board of Directors reviews the internal management reports on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Foundation and geotechnical engineering: Includes civil engineering, piling, foundation and geotechnical engineering, soil investigation, land surveying and other related services

Sales and lease of equipment: Sales and rental of foundation engineering equipment, machinery and spare parts and other related services

Other operations include the sale and sublet of land, property development and fabrication, repair and maintenance services for heavy machinery. None of these segments meet any of the quantitative thresholds for determining reportable segments in 2024 or 2023.

The bases of measurement of the reportable segments are in accordance with the Group's accounting policies.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

31 SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

Information about reportable segments

	Foundation and geotechnical engineering		Sales and lease of equipment		Total reportable segments	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from contracts with customers	253,099	204,284	41,108	47,639	294,207	251,923
Rental income	13	2	11,118	12,674	11,131	12,676
External revenue	253,112	204,286	52,226	60,313	305,338	264,599
Inter-segment revenue	17,603	18,949	6,966	5,203	24,569	24,152
Finance income	384	930	271	184	655	1,114
Finance expenses	(3,661)	(2,586)	(2,100)	(1,691)	(5,761)	(4,277)
Reportable segment loss before tax	(17,080)	(23,279)	(2,590)	(2,989)	(19,670)	(26,268)
Reportable segment assets	187,900	192,841	122,059	125,362	309,959	318,203
Capital expenditure	8,620	10,093	349	4,421	8,969	14,514
Reportable segment liabilities	138,833	132,385	77,344	77,423	216,177	209,808
Other material items						
Depreciation of property, plant and equipment	(11,556)	(14,059)	(5,853)	(5,814)	(17,409)	(19,873)
Depreciation of right-of-use assets	(2,091)	(2,234)	(512)	(478)	(2,603)	(2,712)
Impairment losses reversed/ (recognised) on:						
– property, plant and equipment	–	–	–	100	–	100
– trade and other receivables and contract assets	1,068	314	(97)	(642)	971	(328)
– assets held for sale	–	–	(189)	–	(189)	–
Gain on disposal of:						
– property, plant and equipment	506	504	423	460	929	964
– assets held for sale	573	–	–	–	573	–
Inventories written down	–	–	(99)	(127)	(99)	(127)
Inventories written off	–	–	(9)	(8)	(9)	(8)
Provision for onerous contracts	(108)	–	–	–	(108)	–
Provision for rectification costs	(4,086)	(1,339)	–	–	(4,086)	(1,339)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

31 SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

Information about reportable segments (cont'd)

Reconciliations of reportable segment profit or loss, assets and liabilities and other segmental information:

	2024 \$'000	2023 \$'000
Finance income		
Total finance income for reportable segments	655	1,114
Finance income for other segments	1	*
	<u>656</u>	<u>1,114</u>
Finance expenses		
Total finance expenses for reportable segments	(5,761)	(4,277)
Finance expenses for other segments	(1,463)	(1,402)
	<u>(7,224)</u>	<u>(5,679)</u>
Profit or loss before tax		
Total loss before tax for reportable segments	(19,670)	(26,268)
Profit/(Loss) before tax for other segments	248	(548)
	<u>(19,422)</u>	<u>(26,816)</u>
Elimination of inter-segment transactions	9,976	9,258
Unallocated amount:		
– other corporate expenses	(10,139)	(9,746)
Share of loss of associates	(792)	(84)
Consolidated loss before tax	<u>(20,377)</u>	<u>(27,388)</u>
Depreciation of property, plant and equipment		
Total depreciation expenses for reportable segments	(17,409)	(19,873)
Depreciation expenses for other segments	(594)	(593)
	<u>(18,003)</u>	<u>(20,466)</u>
Depreciation of right-of-use assets		
Total depreciation expenses for reportable segments	(2,603)	(2,712)
Depreciation expenses for other segments	(2,405)	(2,508)
	<u>(5,008)</u>	<u>(5,220)</u>
Assets		
Total assets for reportable segments	309,959	318,203
Assets for other segments	18,684	17,736
	<u>328,643</u>	<u>335,939</u>
Investments in associates	7,373	8,175
Deferred tax assets	37	37
Tax recoverable	432	416
Other unallocated amounts	35,836	38,053
Consolidated total assets	<u>372,321</u>	<u>382,620</u>

* Less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

31 SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

Information about reportable segments (cont'd)

	2024 \$'000	2023 \$'000
Liabilities		
Total liabilities for reportable segments	216,177	209,808
Liabilities for other segments	3,509	3,872
	219,686	213,680
Deferred tax liabilities	1,109	1,729
Current tax payable	303	344
Other unallocated amounts	45,917	42,512
Consolidated total liabilities	267,015	258,265

There are no reconciling items with respect to the other items.

(b) Geographical segments

In presenting information on the basis of geographical segment, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

	2024		2023	
	Revenue from external customers \$'000	Non-current assets \$'000	Revenue from external customers \$'000	Non-current assets \$'000
Singapore	230,736	141,699	191,263	150,420
Malaysia	47,023	8,432	43,617	10,890
India	20,465	317	24,705	359
Thailand	1,409	4,653	1,364	7,031
Other regions	5,705	5,969	3,650	6,092
Consolidated	305,338	161,070	264,599	174,792

Non-current assets presented consist of property, plant and equipment, right-of-use assets, goodwill, investment property, investments in associates and other investments.

(c) Major customers

There are no major customers who solely account for 10% or more of the Group's total revenues.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

32 NEW STANDARDS AND INTERPRETATIONS NOT ADOPTED

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 April 2023 and earlier application is permitted. However, the Group has not early adopted the new or amended accounting standards in preparing these financial statements. The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position:

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants*
- Amendments to SFRS(I) 1-7 and SFRS(I) 7: *Supplier Finance Arrangements*
- Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*
- Amendments to SFRS(I) 1-21: *Lack of Exchangeability*

STATISTICS OF SHAREHOLDINGS

AS AT 18 JUNE 2024

Class of shares	: Ordinary shares
Issued and fully paid-up capital (including treasury shares)	: S\$93,276,415.12
Issued and fully paid-up capital (excluding treasury shares)	: S\$90,181,948.44
Number of issued shares (including treasury shares)	: 3,588,348,176
Number of issued shares (excluding treasury shares)	: 3,511,416,176
Number / percentage of treasury shares	: 76,932,000 (2.19%)
Number / percentage of subsidiary holdings	: NIL (0%)
Voting rights	: One vote per ordinary shares (No vote for treasury shares)

PUBLIC SHAREHOLDINGS

Based on the information available to the Company as at 18 June 2024, approximately 42.6% of the issued ordinary shares of the Company is held by the public and therefore Rule 723 of the Listing Manual Section is complied with.

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	64	0.75	2,204	0.00
100 – 1,000	204	2.38	156,737	0.00
1,001 – 10,000	2,602	30.33	19,129,111	0.55
10,001 – 1,000,000	5,540	64.59	486,256,008	13.85
1,000,001 & above	167	1.95	3,005,872,116	85.60
TOTAL	8,577	100.00	3,511,416,176	100.00

TOP 20 SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	% of Shares*
1	CITIBANK NOMINEES SINGAPORE PTE LTD	959,190,188	27.32
2	PHILLIP SECURITIES PTE LTD	568,800,642	16.20
3	KHOO YOK KEE OR CHIU HONG KEONG	309,213,500	8.81
4	DB NOMINEES (SINGAPORE) PTE LTD	226,129,896	6.44
5	UOB KAY HIAN PTE LTD	55,329,300	1.58
6	DBS NOMINEES PTE LTD	52,195,999	1.49
7	CGS INTERNATIONAL SECURITIES SINGAPORE PTE LTD	49,528,933	1.41
8	SZU WEI KUANG	43,987,900	1.25
9	ONG KIAN KOK	42,000,000	1.20
10	SUEY HUEH KING	29,482,500	0.84
11	LIN JIAN QUN	25,000,000	0.71
12	GOH GUAN SIONG (WU YUANXIANG)	22,837,600	0.65
13	POH CHEE KUAN OR LUO TAOHONG	19,910,998	0.57
14	ONG TIEW SIAM	18,000,000	0.51
15	RAFFLES NOMINEES (PTE) LIMITED	17,622,900	0.50
16	WA KOK LIANG	16,024,400	0.45
17	TENGKU SINANNAGA @ CHENG MIN SIONG @ ZENG MING XIONG	16,000,000	0.45
18	OCBC SECURITIES PRIVATE LTD	15,537,291	0.44
19	UNITED OVERSEAS BANK NOMINEES PTE LTD	14,729,828	0.42
20	TAN ENG CHUA EDWIN	14,449,700	0.41
		2,515,971,575	71.65

* The percentage of shareholdings was computed based on the issued share capital of the Company as at 18 June 2024 of 3,511,416,176 (which excludes 76,932,000 shares which are held as treasury shares representing approximately 2.19% of the total number of issued shares excluding treasury shares).

STATISTICS OF SHAREHOLDINGS

AS AT 18 JUNE 2024

SUBSTANTIAL SHAREHOLDERS AS AT 18 JUNE 2024

Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
TH Investments Pte Ltd ⁽²⁾	–	–	1,092,727,509	31.12
Tat Hong Investments Pte Ltd ⁽²⁾	–	–	1,092,727,509	31.12
Chwee Cheng & Sons Pte Ltd ⁽²⁾	–	–	1,092,727,509	31.12
Ng Sun Ho Tony ⁽²⁾	–	–	1,092,727,509	31.12
Ng San Wee David ⁽²⁾	–	–	1,092,727,509	31.12
Ng Sun Giam Roger ⁽²⁾	–	–	1,092,727,509	31.12
Ng San Tiong Roland ⁽²⁾⁽³⁾	–	–	1,116,648,503	31.80
Ng Chwee Cheng Corporation ⁽⁴⁾	314,542,494	8.96	–	–
BOS Trustee Limited ⁽⁴⁾	–	–	314,542,494	8.96
Bank of Singapore Limited ⁽⁴⁾	–	–	314,542,494	8.96
Oversea-Chinese Banking Corporation Limited ⁽⁴⁾	–	–	314,542,494	8.96
Ng Chwee Cheng ⁽⁴⁾⁽⁵⁾	3,760,000	0.11	318,442,494	9.07
Dr Chiu Hong Keong or Mdm Khoo Yok Kee ⁽⁶⁾	519,093,400	14.78	319,100	0.01

Notes:

- (1) The percentage of shareholdings was computed based on the issued share capital of the Company as at 18 June 2024 of 3,511,416,176 (which excludes 76,932,000 shares which are held as treasury shares representing approximately 2.19% of the total number of issued shares excluding treasury shares).
- (2) TH Investments Pte Ltd is a wholly-owned subsidiary of Tat Hong Investments Pte Ltd, which is a wholly-owned subsidiary of Chwee Cheng & Sons Pte Ltd ("CCSPL"). Being joint trustees of the Chwee Cheng Trust, which holds 38.33% of the issued share capital of CCSPL, each of the trustees, namely Mr Ng San Tiong Roland, Mr Ng Sun Ho Tony, Mr Ng San Wee David and Mr Ng Sun Giam Roger, is deemed to have an interest in 1,092,727,509 shares held by TH Investments Pte Ltd through nominee accounts.
- (3) Mr Ng San Tiong Roland is also deemed to have an interest in 23,920,994 shares held through his nominee accounts.
- (4) Ng Chwee Cheng Corporation is a company wholly owned by BOS Trustee Limited ("BOSTL") in its capacity as the trustee of the revocable trust in which Mr Ng Chwee Cheng has control and, therefore, each of BOSTL and Mr Ng Chwee Cheng is deemed to have an interest in 314,542,494 shares held by Ng Chwee Cheng Corporation.
BOSTL is a wholly owned subsidiary of Bank of Singapore Limited ("BOS"). Oversea-Chinese Banking Corporation Limited ("OCBC") wholly owns BOS, which in turn, wholly owns BOSTL. OCBC and BOS are, therefore, deemed to have an interest in 314,542,494 shares held by Ng Chwee Cheng Corporation.
- (5) Mr Ng Chwee Cheng is also deemed to have an interest in 3,900,000 shares held through a nominee account.
- (6) Dr Chiu Hong Keong or Mdm Khoo Yok Kee is deemed to have an interest in 319,100 shares held by their son through a nominee account.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM" or the "Meeting") of CSC Holdings Limited (the "Company" or "CSC") will be held at 2 Tanjong Penjuru Crescent, #06-02, Singapore 608968 on Tuesday, 30 July 2024 at 10:00 am for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 March 2024 together with the Auditors' Report thereon. (Resolution 1)
2. To re-elect Mr Ong Tiew Siam, a Director retiring by rotation pursuant to Regulation 104 of the Constitution of the Company.
[See Explanatory Note (i)] (Resolution 2)
3. To re-elect Mr Koo Chung Chong, a Director retiring pursuant to Regulation 108 of the Constitution of the Company.
[See Explanatory Note (ii)] (Resolution 3)
4. To re-elect Mr See Yen Tarn, a Director retiring pursuant to Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited.
[See Explanatory Note (iii)] (Resolution 4)
5. To approve the payment of Directors' fees of up to S\$350,000 for the financial year ending 31 March 2025, to be paid quarterly in arrears (FY2024: up to S\$420,000).
[See Explanatory Note (iv)] (Resolution 5)
6. To re-appoint KPMG LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. (Resolution 6)
7. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

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

8. Share Issue Mandate

"That pursuant to Section 161 of the Companies Act 1967 of Singapore ("Companies Act") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

NOTICE OF ANNUAL GENERAL MEETING

- (b) (notwithstanding 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 of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) shall not exceed fifty percent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company shall not exceed twenty percent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of 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:
 - (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and outstanding or subsisting at the time this Resolution is passed; and
 - (b) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in a general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier."

[See Explanatory Note (v)]

(Resolution 7)

9. Proposed Renewal of the Share Buy-Back Mandate

"That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("Shares") not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
 - (i) on-market purchase(s) (each a "Market Purchase") transacted on the SGX-ST through the ready market, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for that purpose; and/or
 - (ii) off-market purchase(s) (each an "Off-Market Purchase") in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

NOTICE OF ANNUAL GENERAL MEETING

and otherwise in accordance with all other laws and regulations, including but not limited to the provisions of the Companies Act, the Listing Manual of the SGX-ST and the Constitution of the Company as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Buy-Back Mandate");

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
 - (i) the date on which the next AGM of the Company is held; or
 - (ii) the date by which the next AGM of the Company is required by law to be held; or
 - (iii) the date on which purchases of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated;

- (c) in this Resolution:

"Maximum Limit" means ten percent (10%) of the total number of issued ordinary shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of this Resolution;

"Maximum Price", in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares;

"Average Closing Price" means the average of the closing market prices of the Shares traded on the SGX-ST over the last five (5) Market Days ("**Market Day**" being a day on which the SGX-ST is open for trading in securities), on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Days period and the day on which the purchases are made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase;

"day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

- (d) the Directors of the Company and each of them be and are hereby authorised to deal with the Shares purchased by the Company, pursuant to the Share Buy-Back Mandate in any manner as they and/or he may think fit, which is permitted under the Companies Act and the Listing Manual of the SGX-ST; and

NOTICE OF ANNUAL GENERAL MEETING

- (e) the Directors of the Company and each of them be and are hereby authorised to complete and do all such acts and things (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents), as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution."

[See Explanatory Note (vi)]

(Resolution 8)

By Order of the Board

Hazel Chia Luang Chew
Juliana Tan Beng Hwee
Company Secretaries

Singapore
15 July 2024

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES:

- (i) Ordinary Resolution 2 is to re-elect Mr Ong Tiew Siam ("Mr Ong") as a Director. Mr Ong will, upon re-election, remain as Independent Non-Executive Director, Chairman of the Audit Committee and Risk Management Committee, and a member of the Remuneration Committee. There are no relationships (including immediate family relationships) between Mr Ong and the other Directors, the substantial shareholders of the Company or the Company. The board of directors ("Board") of the Company considers Mr Ong to be independent for the purposes of Rule 210(5)(d) and Rule 704(8) of the Listing Manual of the SGX-ST.
- (ii) Ordinary Resolution 3 is to re-elect Mr Koo Chung Chong ("Mr Koo") who was appointed as Executive Director of the Company on 11 August 2023. Mr Koo will, upon re-election, remain as Executive Director of the Company. He is also the Deputy Group Chief Executive Officer, Group Chief Operating Officer and Chief Sustainability Officer. Save as disclosed in the Company's Annual Report, there are no relationships (including immediate family relationships) between Mr Koo and the other Directors, the substantial shareholders of the Company or the Company.
- (iii) Ordinary Resolution 4 is to re-elect Mr See Yen Tarn ("Mr See") as a Director. Mr See will, upon re-election, remain as Executive Director of the Company and a member of the Nominating Committee and Risk Management Committee. He is also the Group Chief Executive Officer. Save as disclosed in the Company's Annual Report, there are no relationships (including immediate family relationships) between Mr See and the other Directors, the substantial shareholders of the Company or the Company.

Note: Information on Directors who are proposed to be re-elected as Directors of the Company can be found under sections entitled "Board of Directors" and "Disclosure of Information on Directors Seeking Re-election" in the Company's Annual Report for the financial year ended 31 March 2024.

- (iv) Ordinary Resolution 5, if passed, will authorise the Company to make payment of fees to the Non-Executive Director and Independent Directors (including fees payable to members of the various Board Committees) for the financial year ending 31 March 2025 on a quarterly basis in arrears, for their services rendered during the course of the financial year. This will facilitate Directors' compensation for services rendered in a more timely manner.
- (v) Ordinary Resolution 7, if passed, will empower the Directors of the Company, effective 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 or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 20% may be issued other than on a *pro rata* basis to shareholders of the Company.
- (vi) Ordinary Resolution 8, if passed, will empower the Directors of the Company, effective until the date the next AGM of the Company is held or is required by law to be held, or the date on which the share buy-backs are carried out to the full extent of the Share Buy-Back Mandate, or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to purchase Shares (whether by way of Market Purchases or Off-Market Purchases on an equal access scheme) of up to the Maximum Limit at prices up to but not exceeding the Maximum Price in accordance with the Share Buy-Back Mandate as set out in the Letter to Shareholders in relation to the Proposed Renewal of the Share Buy-Back Mandate dated 15 July 2024 ("Letter to Shareholders"). The rationale for, the authority and limitation on, the source of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate are set out in greater detail in the Letter to Shareholders.

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. The AGM is being convened, and will be held physically at 2 Tanjong Penjuru Crescent, #06-02, Singapore 608968 on Tuesday, 30 July 2024 at 10:00 am. **There will be no option for shareholders to participate virtually.**
2. Each of the resolutions to be put to vote at the AGM (and at any adjournment thereof) shall be decided by way of a poll.

Appointment of Proxy(ies)

3. (a) A member of the Company ("Member" or "Shareholder") who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM.
 - (b) A Member who is a *relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member.
- * "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.
- (c) A Member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory. A proxy need not be a Member. The Chairman of the Meeting, as proxy, need not be a Member.
 - (d) An instrument appointing a proxy or proxies ("Proxy Form") must be executed under the hand of the appointor or of his/her/its attorney duly authorised in writing. If the appointor is a corporation, the Proxy Form must be executed either under its seal or under the hand of its duly authorised officer or attorney.
 - (e) The Proxy Form is not valid for use by investors holding shares through relevant intermediaries (including investors holding shares through the Central Provident Fund ("CPF") or Supplementary Retirement Scheme ("SRS") (collectively, the "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 CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies. CPF/SRS Investors who wish to appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5:00 pm on 18 July 2024**, being at least seven (7) working days before the date of the AGM.

Investors holding shares through relevant intermediaries (other than CPF/SRS Investors) who wish to vote at the AGM should approach their relevant intermediaries as soon as possible to submit their votes.

4. The Proxy Form, duly completed and signed, must be submitted to the Company no later than **10:00 am on 27 July 2024**, being not less than 72 hours before the time appointed for holding the AGM, in the following manner:
 - (a) if submitted personally or by post, be lodged with the Share Registrar of the Company, B.A.C.S Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
 - (b) if submitted electronically, a scanned PDF copy be sent via email to the Share Registrar of the Company at main@zicoholdings.com,

failing which the Proxy Form may be treated as invalid.

5. Completion and submission of the Proxy Form by a Member will not preclude him/her from attending, speaking and voting at the AGM if he/she subsequently wishes to do so, and at any adjournment thereof. The relevant Proxy Form submitted by the Member shall be deemed to be revoked and in such an event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant Proxy Form to the AGM.

NOTICE OF ANNUAL GENERAL MEETING

Submission of Questions prior to the AGM by Members (including investors holding shares through relevant intermediaries and CPF/SRS Investors)

6. Members (including investors holding shares through relevant intermediaries and CPF/SRS Investors) who have any questions in relation to the items of the agenda of the AGM may raise their questions at the Meeting or submit questions in advance, by **10:00 am on 22 July 2024** ("Cut-Off Time"), via any one of the following means:
 - (a) by depositing a physical copy at the registered office of the Company, at 2 Tanjong Penjuru Crescent, #06-02, Singapore 608968; or
 - (b) via email to the Company at corp@cschl.com.sg.
7. When sending in their questions by post (physical copy) or email, Members are required to indicate (1) full name of Member; (2) identification / company registration number; (3) number of shares held in the Company; and (4) the manner in which such Members hold shares in the Company (e.g. via CDP, CPF or SRS) for verification purposes, failing which the submission will be treated as invalid.
8. The Company will endeavour to respond to substantial and relevant questions received from Members (including investors holding shares through relevant intermediaries and CPF/SRS Investors) by the Cut-Off Time via SGXNet and the Company's website prior to the AGM and in any case no later than 24 July 2024. Where there are substantially similar questions, the Company will consolidate such questions; and consequently, not all questions may be individually addressed.

Despatch of Documents and Access to Documents or Information relating to the Business of the Meeting

9. Printed copies of this Notice of AGM, Proxy Form and the Request Form have been sent to Shareholders. These documents are also available for download from the website of the SGX-ST and the Company's website at the URL <http://www.cschl.com.sg>.
10. Printed copies of the Annual Report of the Company for the financial year ended 31 March 2024 ("2024 Annual Report") and Letter to Shareholders will not be sent to Shareholders. Instead, these documents are sent to Shareholders by electronic means via publication on the website of the SGX-ST and the Company's website at the URL <http://www.cschl.com.sg>.

For Members who prefer to receive a printed copy of the 2024 Annual Report and/or Letter to Shareholders, please refer to the Request Form on how to make a request.

NOTICE OF ANNUAL GENERAL MEETING

PERSONAL DATA PRIVACY

By submitting a Proxy Form appointing the Chairman of the Meeting or any other person(s) as a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Member (i) consents to the collection, use and disclosure of the Member's personal data by the Company (or its agents or service providers) for the purposes of the processing and administration and analysis by the Company (or its agents or service providers) of proxy(ies) and/or representative(s) appointed for the AGM (including any adjournment thereof); and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities (collectively, the "Purposes"), (ii) warrants that where the Member discloses the personal data of the Member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Member's breach of warranty.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Ong Tiew Siam, Mr See Yen Tarn and Mr Koo Chung Chong are the Directors seeking re-election (the “**Retiring Directors**”) at the forthcoming Annual General Meeting of the Company to be convened on 30 July 2024 (“**AGM**”).

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	MR ONG TIEW SIAM	MR SEE YEN TARN	MR KOO CHUNG CHONG
Date of Appointment	28 July 2018	11 November 2005	11 August 2023
Date of last re-election/re-appointment	29 July 2021	29 July 2021	Not applicable
Age	71	67	55
Country of principal residence	Singapore	Singapore	Singapore
The Board’s comments on this re-election/appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board of Directors (“Board”) of the Company has considered, among others, the recommendation of the Nominating Committee (“NC”) and has reviewed and considered (a) the qualifications, expertise, skills, business knowledge, experience and independence of Mr Ong Tiew Siam (“Mr Ong”) and his overall contribution to the Company and attendance and contributions (such as participation, preparedness and candour) at Board and/or Board Committee meetings, and (b) the Board present composition provides an appropriate balance and diversity of relevant skills, age, industry knowledge, experience and expertise required to meet the Group’s operational and business needs. The Board is satisfied that Mr Ong possesses the relevant experience, expertise, knowledge and skills to contribute towards the core competencies of the Board. Accordingly, the Board accepted the recommendation of the NC and approved the nomination of Mr Ong for re-election as Director of the Company at the forthcoming AGM.	The Board of Directors (“Board”) of the Company has considered, among others, the recommendation of the Nominating Committee (“NC”) and has reviewed and considered (a) the qualifications, expertise, skills, business knowledge and experience of Mr See Yen Tarn (“Mr See”) and his overall contribution to the Company and attendance and contributions (such as participation, preparedness and candour) at Board and/or Board Committee meetings, and (b) the Board present composition provides an appropriate balance and diversity of relevant skills, age, industry knowledge, experience and expertise required to meet the Group’s operational and business needs. The Board is satisfied that Mr See possesses the relevant experience, expertise, knowledge and skills to contribute towards the core competencies of the Board. Accordingly, the Board accepted the recommendation of the NC and approved the nomination of Mr See for re-election as Director of the Company at the forthcoming AGM.	The Board of Directors (“Board”) of the Company has considered, among others, the recommendation of the Nominating Committee (“NC”) and has reviewed and considered (a) the qualifications, expertise, skills, business knowledge and experience of Mr Koo Chung Chong (“Mr Koo”) and his overall contribution to the Company and attendance and contributions (such as participation, preparedness and candour) at Board and/or Board Committee meetings, and (b) the Board present composition provides an appropriate balance and diversity of relevant skills, age, industry knowledge, experience and expertise required to meet the Group’s operational and business needs. The Board is satisfied that Mr Koo possesses the relevant experience, expertise, knowledge and skills to contribute towards the core competencies of the Board. Accordingly, the Board accepted the recommendation of the NC and approved the nomination of Mr Koo for re-election as Director of the Company at the forthcoming AGM.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Executive. Mr See is responsible for, among others, the day-to-day operations of the Group, as well as monitoring the quality, quantity and timeliness of information flow between the Board and the Management.	Executive. Mr Koo works closely with the Group Chief Executive Officer on corporate development and strategic planning of the Group. He is also responsible for the marketing, operational and sustainability matters of the Group.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR ONG TIEW SIAM	MR SEE YEN TARN	MR KOO CHUNG CHONG
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Chairman of Audit Committee and Risk Management Committee and a member of Remuneration Committee	Executive Director, Group Chief Executive Officer, a member of the Nominating Committee and Risk Management Committee	Executive Director, Deputy Group Chief Executive Officer, Group Chief Operating Officer and Chief Sustainability Officer
Professional qualifications	- Bachelor of Commerce (Accountancy) (Honours) degree from the former Nanyang University, Singapore - Lifetime fellow member of the Institute of Singapore Chartered Accountants	- Bachelor degree in Accountancy from the National University of Singapore - Chartered Accountant (England and Wales) in London	Bachelor degree (Honours) in Engineering (Civil & Structural) from the University of Sheffield, England
Working experience and occupation(s) during the past 10 years	Director of: - ACE Achieve Infocom Limited - Lizhong Wheel Group Limited - Tiong Hua Whee Pte Ltd - Fung Choi Media Group Limited - Tat Hong Properties Sdn Bhd - Tat Hong Equipment Services Co. Ltd - Tat Hong Holdings Ltd - Thomson Ng Chwee Cheng Foundation Limited - Design Studio Group Ltd	Executive Director and the Chief Executive Officer of CSC Holdings Limited	Deputy Group Chief Executive Officer, Group Chief Operating Officer and Chief Sustainability Officer of CSC Holdings Limited
Shareholding interest in the listed issuer and its subsidiaries	Direct Interest: 18,000,000 shares in the Company	Direct Interest: 1 share in ICE Far East (Thailand) Co. Ltd Deemed Interest: 22,449,996 shares in the Company held through his nominee accounts	Direct Interest: 3,856,300 shares in the Company Deemed Interest: 2,253,100 shares in the Company held through his nominee account; and 40,000 shares in the Company held by his spouse.
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	No	No
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* Including Directorships (* "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018)			
Past (for the last 5 years)	Independent Director of Valuetronics Holdings Limited	Please refer to Annexure A.	Please refer to Annexure C.
Present	Independent Director of CosmoSteel Holdings Limited	Please refer to Annexure B.	Please refer to Annexure D.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR ONG TIEW SIAM	MR SEE YEN TARN	MR KOO CHUNG CHONG
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	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	Yes. Mr Ong Tiew Siam was an independent non-executive director of Fung Choi Media Group Limited ("FCM"), a Company incorporated in Bermuda which was previously listed on the mainboard of the SGX-ST. He was not in charge of the day-to-day running of FCM. On 20 March 2015, a winding up petition on the grounds of insolvency was made by BCA Best Business Service Limited (the "Bondholder") with the Supreme Court of Bermuda ("Bermuda Court") in relation to an outstanding debt of USD 43,939,101 due from FCM to the Bondholder. On 25 November 2016, the Bermuda Court heard the winding up petition and made an order for FCM to be wound up. FCM was accordingly delisted from the mainboard of the SGX-ST on 24 July 2017.	No	No
c) Whether there is any unsatisfied judgment against him?	No	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	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR ONG TIEW SIAM	MR SEE YEN TARN	MR KOO CHUNG CHONG
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	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	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	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	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	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR ONG TIEW SIAM	MR SEE YEN TARN	MR KOO CHUNG CHONG
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: – i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or 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 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 iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
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	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

ANNEXURE A

MR SEE YEN TARN LIST OF PAST (5) YEARS DIRECTORSHIPS

PUBLIC LISTED COMPANIES

No.	Company name	Remarks
1	LCT Holdings Limited	Resigned on 6/12/2019
2	Singhaiyi Group Ltd	Resigned on 24/6/2020
3	Eindec Corporation Limited	Retired at AGM held on 22/4/2022

PRIVATE COMPANIES

No.	Company name	Remarks
1	ICE Far East Offshore Pte Ltd	Company struck off on 4/3/2021
2	Cambridge (Coldham's Lane) Limited	Resigned on 28/6/2021
3	Hemingford (Coldhams Lane) Limited	Resigned on 28/6/2021

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

ANNEXURE B

MR SEE YEN TARN

LIST OF PRESENT DIRECTORSHIPS

PUBLIC LISTED COMPANY

No.	Company name	Nature of Interest
1	CSC Holdings Limited	Executive Director, Group Chief Executive Officer & Shareholder

PRIVATE COMPANIES

No.	Company name	Nature of Interest
1	Asia East Investment Pte Ltd	Director
2	Borneo Geotechnic Sdn Bhd	Director
3	Changsha THL Foundation Equipment Co., Ltd	Director
4	Coldhams Alliance Pte Ltd	Director
5	CS Bored Pile System Pte Ltd	Director
6	CS Construction & Geotechnic Pte Ltd	Director
7	CS Geo (Malaysia) Sdn Bhd	Director
8	CS Ground Engineering (International) Pte Ltd	Director
9	CS Industrial Properties Pte Ltd	Director
10	CSC Ground Engineering Sdn Bhd	Director
11	CS Real Estate Investments Pte Ltd	Director
12	DW Foundation Pte Ltd	Director
13	G-Pile Sistem Sdn Bhd	Director
14	GPSS Geotechnic Sdn Bhd	Director
15	ICE Far East (HK) Limited	Director
16	ICE Far East Pte Ltd	Director
17	ICE Far East Sdn Bhd	Director
18	ICE Far East (Thailand) Co., Ltd	Director & Shareholder
19	IMT-THL India Private Limited	Director
20	L&M Foundation Specialist (Vietnam) Limited Company	Member of Members' Council
21	L&M Foundation Specialist Pte Ltd	Director
22	L&M Ground Engineering Sdn Bhd	Director
23	NHCS Investment Pte Ltd	Director
24	NH Singapore Biotechnology Pte Ltd	Director
25	Soil Investigation Pte Limited	Director
26	THL Engineering Pte Ltd	Director
27	THL Foundation Equipment Pte Ltd	Director
28	THL Foundation Equipment (Myanmar) Co., Ltd.	Director
29	THL Vietnam Company Limited	Member of Members' Council
30	Wisescan Engineering Services Pte Ltd	Director
31	2TPC Investments Pte Ltd	Alternate Director
32	2TPC Pte Ltd	Alternate Director

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

ANNEXURE C

MR KOO CHUNG CHONG LIST OF PAST (5) YEARS DIRECTORSHIPS

PRIVATE COMPANIES

No.	Company name	Remarks
1	Cambridge (Coldham's Lane) Limited	28/6/2021
2	Hemingford (Coldhams Lane) Limited	28/6/2021
3	Allunite Limited	15/10/2020
4	Corilios Hertford Limited	9/9/2020
5	Railway Street Hertford Ltd	7/9/2020

ANNEXURE D

MR KOO CHUNG CHONG LIST OF PRESENT DIRECTORSHIPS

PUBLIC LISTED COMPANY

No.	Company name	Nature of Interest
1	CSC Holdings Limited	Executive Director, Deputy Group Chief Executive Officer, Group Chief Operating Officer, Chief Sustainability Officer & Shareholder

No.	Company name	Nature of Interest
1	Borneo Geotechnic Sdn Bhd	Director
2	Coldhams Alliance Pte Ltd	Director
3	CS Bored Pile System Pte Ltd	Director
4	CS Construction & Geotechnic Pte Ltd	Director
5	CS Geo (Malaysia) Sdn Bhd	Director
6	CS Geotechnic Pte Ltd	Director
7	CS Ground Engineering (International) Pte Ltd	Director
8	CS Industrial Properties Pte Ltd	Director
9	CSC Ground Engineering Sdn Bhd	Director
10	CS Real Estate Investments Pte Ltd	Director
11	DW Foundation Pte Ltd	Director
12	G-Pile Sistem Sdn Bhd	Director
13	GPSS Geotechnic Sdn Bhd	Director
14	L&M Foundation Specialist (Vietnam) Limited Company	Member of Members' Council
15	L&M Foundation Specialist Pte Ltd	Director
16	L&M Ground Engineering Sdn Bhd	Director
17	NHCS Investment Pte Ltd	Director
18	NH Singapore Biotechnology Pte Ltd	Director
19	Soil Investigation Pte Limited	Director
20	THL Engineering Pte Ltd	Director
21	WB Top3 Development Sdn Bhd	Director
22	2TPC Investments Pte Ltd	Director
23	2TPC Pte Ltd	Director

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CSC HOLDINGS LIMITED
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)
(COMPANY REGISTRATION NO.: 199707845E)

ANNUAL GENERAL MEETING

PROXY FORM

(Please read notes overleaf before completing this form)

IMPORTANT:

1. A relevant intermediary (as defined in Section 181 of the Companies Act 1967) is entitled to appoint more than two (2) proxies to attend, speak and vote at the Annual General Meeting ("AGM").
2. This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by investors holding shares through relevant intermediaries (including CPF/SRS investors).
3. CPF/SRS investors should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies. CPF/SRS Investors who wish to appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5:00 pm on 18 July 2024**.

I/We, _____ (Name) _____ (NRIC/Passport/Registration No.)

of _____ (Address)

being a member/members of **CSC HOLDINGS LIMITED** (the "Company" or "CSC"), 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, speak and vote for me/us on my/our behalf at the Annual General Meeting ("AGM" or the "Meeting") of the Company to be held at 2 Tanjong Penjuru Crescent, #06-02, Singapore 608968 on Tuesday, 30 July 2024 at 10:00 am and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against, or to abstain from voting on, the resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her/their discretion.

(Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against", or "Abstain" from voting on, the relevant resolution, please tick [✓] within the relevant box provided below. Alternatively, if you wish your proxy/proxies to cast your votes both "For" and "Against" the relevant resolution, please indicate the number of shares in the relevant boxes provided below.)

No.	Resolutions relating to:	Number of Votes For	Number of Votes Against	Abstain
	Ordinary Business			
1	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2024 and the Auditors' Report thereon			
2	Re-election of Mr Ong Tiew Siam as a Director			
3	Re-election of Mr Koo Chung Chong as a Director			
4	Re-election of Mr See Yen Tarn as a Director			
5	Approval of Directors' fees of up to S\$350,000 for the financial year ending 31 March 2025, to be paid quarterly in arrears			
6	Re-appointment of KPMG LLP as Auditors and to authorise the Directors to fix their remuneration			
	Special Business			
7	Share Issue Mandate			
8	Proposed Renewal of the Share Buy-Back Mandate			

Dated this _____ day of _____ 2024

**Total number
of Shares held**

Signature or Common Seal of Member(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF

Glue all sides firmly. Stapling and spot sealing are disallowed.

Glue all sides firmly. Stapling and spot sealing are disallowed.

Affix
Postage
Stamp

B.A.C.S. PRIVATE LIMITED

The Share Registrar of
CSC Holdings Limited
77 Robinson Road, #06-03,
Robinson 77,
Singapore 068896

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NOTES :

1. A member should insert the total number of shares held. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies ("**Proxy Form**") shall be deemed to relate to all the shares held by you.
2. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form.
3. A member who is a relevant intermediary (as defined in Section 181 of the Companies Act 1967) is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.
"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.
4. A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.
5. A proxy need not be a member of the Company. The Chairman of the Meeting, as proxy, need not be a member of the Company.
6. The Proxy Form, duly completed and signed, must be submitted to the Company no later than **10:00 am on 27 July 2024**, being not less than 72 hours before the time appointed for holding the AGM, in the following manner:
 - (a) if submitted personally or by post, be lodged with the Share Registrar of the Company, B.A.C.S Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 or
 - (b) if submitted electronically, a scanned PDF copy be sent via email to the Share Registrar of the Company at main@zicoholdings.com, failing which the Proxy Form may be treated as invalid.
7. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of its duly authorised officer or attorney. Where the Proxy Form 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 together with the Proxy Form, failing which the Proxy Form may be treated as invalid.

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8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967.
9. Any alterations made in this Proxy Form should be initialled by the member/person signing it.
10. Completion and submission of the Proxy Form by a member will not preclude him/her from attending, speaking and voting at the AGM if he/she subsequently wishes to do so, and at any adjournment thereof. The relevant Proxy Form submitted by the member shall be deemed to be revoked and in such an event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant Proxy Form to the AGM.

GENERAL:-

The Company shall be entitled to reject the Proxy Form 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 Proxy Form (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any Proxy Form lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company. A depositor shall not be regarded as a member of the Company entitled to attend the Meeting and to speak and vote thereat unless his/her name appears on the Depository Register as at 72 hours before the time set for the Meeting.

PERSONAL DATA PRIVACY:

By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 15 July 2024.

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CSC HOLDINGS LIMITED
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