



星嘉源

SINJIA LAND
limited

SHAPING AND INNOVATING TOMORROW

ANNUAL REPORT 2023

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SPONSOR STATEMENT

This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Evolve Capital Advisory Private Limited., in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("**Exchange**") Listing Manual Section B: Rules of Catalyst for compliance with the relevant rules of the Exchange.

This annual report has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this annual report including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr Jerry Chua
Telephone number: 6241 6626



CORPORATE PROFILE

SINJIA LAND LIMITED (“**SINJIA**”) was incorporated in Singapore on 26 February 2004. It was listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Catalist (formerly “**SESDAQ**”) on 25 November 2005 and subsequently upgraded to the SGX-ST Main Board on 22 January 2008. SINJIA transferred from the SGX-ST Main Board to the SGX-ST Catalist, the sponsor-supervised listing platform of SGX-ST on 8 May 2015.

The Group engages in hostel management, by managing and operating lodging and boarding houses, as well as backpackers hostels. The Group also invests in investment properties.

SINJIA has been continually exploring new business opportunities which can enhance long term shareholder value. These include geographical expansion, mergers and acquisitions, divestment and partnering with long term strategic investor(s) who can add depth and breadth to the Group's existing business portfolio.



MESSAGE TO SHAREHOLDERS



CHEUNG CHI KIN, KEN
Independent and Non-Executive Chairman

DEAR SHAREHOLDERS,

On behalf of the board of directors (“**Board**”) of Sinjia Land Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”), we are pleased to present to shareholders the annual report for the financial year ended 31 December (“**FY**”) 2023.

The global business environment has been increasingly volatile and corporates are facing more uncertainties and complexities. The Group will continue to stay lean and maintain a healthy financial position as to stay competitive in this challenging business environment and also actively pursue its diversification strategy.

In FY2023, the Group reported a lower net loss before tax of S\$1.50 million as compared to S\$1.75 million last year. Lower losses in the current year largely due to hospitality management segment businesses have recovered from the impact of COVID-19.

OUTLOOK FOR THE YEAR AHEAD

Looking ahead, the hostel management business will remain cautious in FY2024 due to current global geopolitical and economic conditions. The Board generally remains optimistic about tourism prospects in Singapore for the year ahead and will be mindful of the intense competition as well as the increasing costs.

We believe we should focus on the long-term success of the Group in order to create the highest value for all stakeholders and the Company will continue to explore new business opportunities including geographical expansion, mergers and acquisitions, divestment and partnering with long-term strategic investor(s) who can add depth and breadth to the Group’s existing business portfolio.

MESSAGE TO SHAREHOLDERS

ACKNOWLEDGEMENTS

On behalf of the Board, we would like to take this opportunity to express my deepest gratitude to all the stakeholders who have supported us in this challenging financial year. We would also like to thank the board of directors for the valuable time and meaningful insights throughout the year. Finally, many thanks to our dedicated and loyal staff for their hard work and dedication throughout the year.

We look forward to your continued support as we can attain great heights and success in the long term.

CHEUNG CHI KIN, KEN

Independent and Non-Executive Chairman

CHEONG WEIXIONG, JEFF

Group Chief Executive Officer and
Executive Director



CHEONG WEIXIONG, JEFF

Group Chief Executive Officer and Executive Director

FINANCIAL AND BUSINESS REVIEW

BUSINESS REVIEW

The Group's principal businesses are in (i) hostel management (operating under G4 Station Pte. Ltd. ("G4")); and (ii) investment properties.

The Board of Directors maintains a cautious outlook for the upcoming year due to uncertainties in the global economic environment, influenced by geopolitical tensions and inflationary pressures. The primary emphasis will be on sustaining a streamlined operation and securing adequate cash flow to navigate through the crisis.

Despite the challenges, the Group remains committed to exploring new business opportunities aimed at enhancing shareholder value.

The Board reviews the risk exposure of the Group for all its businesses, including G4, at regular intervals to ensure that there are sufficient guidelines and procedures in place to monitor its operations.

FINANCIAL REVIEW INCOME STATEMENT

Revenue increased by 11% from \$0.61 million in FY2022 to \$0.68 million in FY2023. The increase was primarily due to increase in revenue from hostel guests following the increase in occupancy rate and price adjustment.

Other credits decreased by \$0.05 million from \$0.05 million in FY2022 to \$Nil million in FY2023. The other credits in FY2022 was mainly due to (1) gain on disposal of a property classified as held for sales of \$0.02 million and (2) gain on disposal of an investment property of \$0.01 million.

Administrative expenses decreased by \$0.28 million, from \$1.83 million in FY2022 to \$1.55 million in FY2023, mainly due to (i) decrease of staff costs by \$0.15 million due to a reduction of headcount and (ii) reduction of professional fee by \$0.10 million for professional fees in relation to the proposed acquisition of BINEX (Singapore) Pte. Ltd. in FY2022.

Interest expenses relate to interest on lease liabilities.

Other charges of \$0.05 million (2022: \$0.05 million) in FY2023 due to (i) exchange loss of \$0.02 million (2022: \$0.04 million) from the weakening of the Ringgit Malaysia against the Singapore Dollar causing the proceeds from the disposal of properties in subsidiary to depreciate (ii) fair value loss on investment property in Dakota of \$0.03 million (2022: \$0.01 million).

As a result of the above, the Group registered a net loss before tax of \$1.50 million in FY2023, as compared to \$1.75 million in FY2022. The Group posted a loss attributable to equity holders of the Company of \$1.50 million in FY2023, as compared to \$1.75 million in FY2022.

FINANCIAL POSITION Current Assets

The Group's current assets decreased by \$1.29 million to \$1.31 million as at 31 December 2023, from \$2.60 million as at 31 December 2022. The Group's current assets as at 31 December 2023 comprised trade and other receivables of \$0.05 million, other current assets of \$1.09 million and cash and cash equivalents of \$0.17 million.

Trade and other receivables amounted to \$0.05 million (2022: \$0.07 million) as at 31 December 2023. This was mainly caused by (i) Goods and Service Tax Receivables of \$0.02 million (2022: \$0.03 million) as at 31 December 2023 and (ii) receivables from hostel guests of \$0.02 million (2022: \$0.02 million) as at 31 December 2023.

Other current assets remained same at \$1.09 million (2022: \$1.09 million) at 31 December 2023. This consists mainly refundable deposit due from BINEX Japan of \$1.00 million (2022: \$1.00 million).

Cash and cash equivalents decreased by \$1.27 million, from \$1.44 million as at 31 December 2022 to \$0.17 million as at 31 December 2023. The fluctuation was mainly caused by (i) cash outflows to fund the operating activities of the Group of approximately \$1.00 million and (ii) cash outflows for repayment of lease liabilities of \$0.25 million. Please refer to the section on "Consolidated Statement of Cash Flows" below for the reasons on the decrease in cash and cash equivalents.

FINANCIAL AND BUSINESS REVIEW

Non-current Assets

The Group's non-current assets increased by \$0.27 million to \$1.49 million as at 31 December 2023, from \$1.22 million as at 31 December 2022. The Group's non-current assets as at 31 December 2023 comprised plant and equipment of \$0.44 million and investment properties of \$1.05 million.

Plant and equipment increased by \$0.30 million from \$0.14 million as at 31 December 2022 to \$0.44 million as at 31 December 2023 mainly due to depreciation expenses of \$0.24 million recognized during FY2023 and capitalized the cost for right of use for the lease for the hostel premises of \$0.54 million.

Investment properties decreased by \$0.03 million from \$1.08 million as at 31 December 2022 to \$1.05 million as at 31 December 2023 mainly fair value loss on investment property in Dakota of \$0.03 million.

Current Liabilities

The Group's current liabilities increased by \$0.32 million, from \$0.51 million as at 31 December 2022 to \$0.83 million as at 31 December 2023. The Group's current liabilities as at 31 December 2023 comprised mainly trade and other payables of \$0.56 million and borrowings of \$0.27 million.

Trade and other payables increased from \$0.38 million as at 31 December 2022 to \$0.56 million as at 31 December 2023, which mainly consists of accruals of fees payables to directors, auditors and unutilised leave.

Current borrowings increased from \$0.13 million as at 31 December 2022 to \$0.27 million as at 31 December 2023 due to the borrowings consisting of lease payments for 12 months compared to 7 months as at 31 December 2022.

The Group reported a positive working capital approximately of \$0.48 million as at 31 December 2023.

Non-current Liabilities

The Group's non-current liability increased from \$Nil million as at 31 December 2022 to \$0.16 million as at 31 December 2023, consisting of the lease liabilities payable from January 2025 to July 2025.

Equity

Total equity decreased by \$1.50 million, from approximately \$3.31 million as at 31 December 2022 to \$1.81 million as at 31 December 2023, as a result of a net loss incurred in FY2023 of \$1.50 million.

CONSOLIDATED STATEMENT OF CASH FLOWS

Net cash outflow for operating activities for FY2023 amounted to \$1.00 million, mainly due to cash used in operating activities of \$1.20 million and net cash inflow arising from working capital changes of \$0.20 million.

The Group incurred cash outflows in investing activities for FY2023 of \$2,000 for the purchase of plant and equipment.

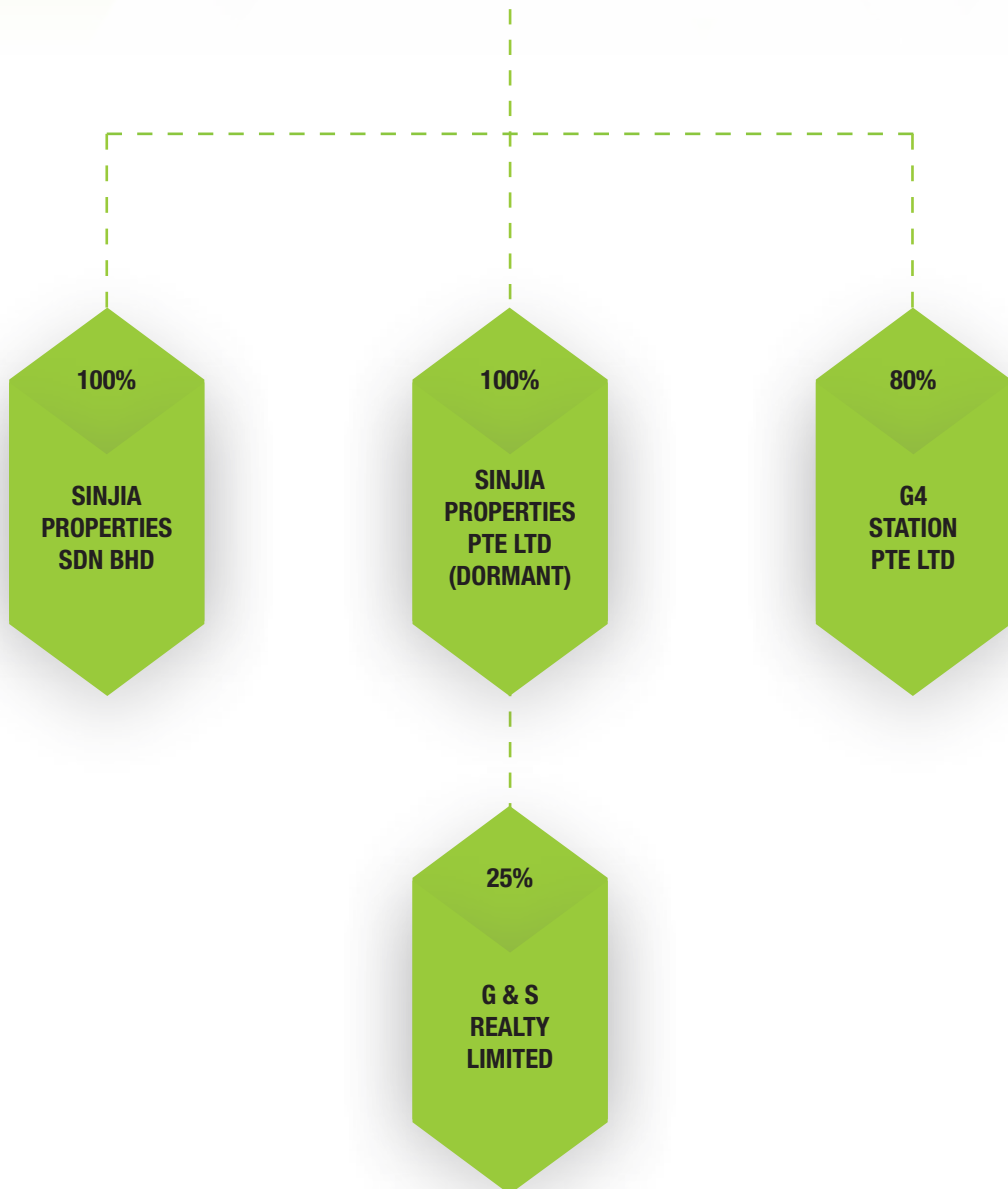
Net cash outflows from financing activities of \$0.25 million in FY2023 were due for payment of the lease liability.

As a result of the above, the Group had cash and cash equivalents of \$0.17 million as at 31 December 2023, representing a decrease of \$1.27 million as compared to \$1.44 million at 31 December 2022.

GROUP STRUCTURE



SINJIA LAND
limited



(a) The group structure is as at 31 December 2023.

BOARD OF DIRECTORS



MR CHEONG WEIXIONG, JEFF was appointed as an Executive Director of the Company and Group Chief Executive Officer ("**CEO**") on 4 August 2009. As Group CEO, Mr Cheong is responsible for the overall management of the Group as well as overseeing the Group's corporate strategy and human resources functions.

Mr Cheong has approximately 17 years of experience in the investment advisory industry. His growing reputation in the investment advisory industry led him to join Kim Eng Securities Pte Ltd as senior vice president of the equity sales department in 2007. He handled professional securities brokerage and provided investment advisory services to institutions, corporations and high net worth investors.

Mr Cheong holds an Executive Master in Business Administration from the Singapore Management University.



MR CHEUNG CHI KIN, KEN was appointed as an Independent and Non-Executive Director of the Company on 12 May 2016 and was redesignated as an Independent and Non-Executive Director and Non-Executive and Independent Chairman on 1 March 2024.

Mr Cheung is a consultant providing professional advice in real estate investments for Yangpu Qunan Commercial Management Co. Ltd in Hong Kong. Mr Cheung has more than 20 years of property investment experience which covers areas such as sales and marketing, property management and property development.

Mr Cheung holds a Master's in Business Administration from the Open University of Macau.

BOARD OF DIRECTORS



MS HO YOKE FOONG, IRENE was appointed as an Independent and Non-Executive Director of the Company on 1 March 2024.

Ms Irene has almost 10 years of professional services experience and was previously an IPO Audit Manager with Deloitte Singapore. She has over 10 years of experience in luxury entrepreneurship and on NGO Boards.

Ms Irene is a Fellow of Association of Chartered Certified Accountants. She holds a Masters of Financial Analysis from the University of New South Wales and a Diploma in Accountancy from Singapore Polytechnic.



MR MANNAR RAJKUMAR was appointed as an Independent and Non-Executive Director of the Company on 1 March 2024.

Mr Mannar is a Director at CHP Law LLC and has been practicing law for 11 years. His areas of practice include Corporate and Commercial advisory, Mergers & Acquisitions and Employment.

He holds a Bachelor of Laws (Hons) from the University of Queensland (Australia), and is an Advocate & Solicitor of the Supreme Court of Singapore.

KEY MANAGEMENT

MR LEE FUT HUA

Mr Lee Fut Hua is the Group Chief Financial Officer since 05 September 2018 and also appointed as the Company Secretary from 15 August 2016. He is responsible for all financial matters including financial accounting and reporting, taxation, risk management, internal control and treasury functions of the Group's business.

Prior to joining the Group, Mr Lee has over 25 years of experience in accounting and finance. Mr Lee was the group finance director of Lorenzo International Limited (a listed company on Mainboard of the SGX-ST) and was primarily responsible for its group accounting and financial operations, overseeing its financial reporting requirements and ensuring corporate compliance with the relevant regulations. Previously, he was a corporate development manager with HL Cement Co Pte Ltd, and was responsible for overseeing the corporate finance and accounts division.

Mr Lee holds a global Master in Business Administration from the University of Manchester, UK. He is a member of the Institute of Singapore Chartered Accountants and a fellow member of the Association of Chartered Certified Accountants.

CORPORATE INFORMATION

BOARD OF DIRECTORS

CHEUNG CHI KIN, KEN

Non-Executive Chairman and Independent Director

CHEONG WEIXIONG, JEFF

Group Chief Executive Officer and Executive Director

HO YOKE FOONG, IRENE

Non-Executive and Independent Director

MANNAR RAJKUMAR

Non-Executive and Independent Director

NOMINATING COMMITTEE

MANNAR RAJKUMAR Chairman

HO YOKE FOONG, IRENE Member

CHEUNG CHI KIN, KEN Member

REMUNERATION COMMITTEE

CHEUNG CHI KIN, KEN Chairman

HO YOKE FOONG, IRENE Member

MANNAR RAJKUMAR Member

AUDIT COMMITTEE

HO YOKE FOONG, IRENE Chairman

CHEUNG CHI KIN, KEN Member

MANNAR RAJKUMAR Member

COMPANY SECRETARY

LEE FUT HUA

REGISTERED OFFICE

Block 16 Kallang Place,
#01-16, Kallang Basin Industrial Estate
Singapore 339156
Telephone number: 6224 7320
Facsimile number: 6224 7231
Website: www.sinjl.com

SHARE REGISTRAR

BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD

1 Harbourfront Avenue
#14-03/07 Keppel Bay Tower
Singapore 098632

AUDITORS

PKF-CAP LLP

6 Shenton Way
#38-01 OUE Downtown 1
Singapore 068809

Director-In-Charge: Titus Kuan Tjian
(Effective From Year Ended 31 December 2021)

SPONSOR

EVOLVE CAPITAL ADVISORY PRIVATE LIMITED

138 Robinson Road
#13-02 Oxley Tower
Singapore 068906

CORPORATE ADDRESS

SINJIA LAND LIMITED

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Kallang Basin Industrial Estate,
Singapore 339156
Telephone: (65) 6224 7320
Facsimile: (65) 6224 7231

PROPERTY BUSINESS UNIT

SINJIA PROPERTIES PTE. LTD.

Block 16 Kallang Place, #01-16,
Kallang Basin Industrial Estate,
Singapore 339156
Telephone: (65) 6224 7320
Facsimile: (65) 6224 7231

HOSPITALITY MANAGEMENT UNIT **G4 STATION PTE. LTD.**

11 Mackenzie Road
Singapore 228675
Telephone: (65) 6224 7320
Facsimile: (65) 6224 7231

SINJIA PROPERTIES SDN. BHD.

56, Jalan Kempas Utama 2/2,
Taman Kempas Utama,
81200 Johor Bahru, Johor,
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Facsimile: (65) 6224 7231

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PROXY FORM

CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**” or “**Directors**”) and management (“**Management**”) of Sinjia Land Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) recognizes the importance of corporate governance and are committed to ensuring high standard of corporate governance is practised throughout the Group. This is a fundamental part of their responsibilities to protect and enhance shareholder value and the financial performance of the Group.

This report outlines the Group’s corporate governance activities, structures and practices that were in place throughout the financial year ended 31 December 2023 (“FY2023”), with specific reference made to the principles and provisions of the Code of Corporate Governance 2018 (the “Code”) and accompanying Practice Guidance issued in August 2018, which forms part of the continuing obligations of the Listing Rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The Board is pleased to confirm that for FY2023, the Group has adhered to the principles and provisions as set out in the Code. In so far as any provision has not been complied with, appropriate reasons have been provided. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure compliance with the Code.

BOARD MATTERS

The Board’s Conduct of Affairs

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

The Board provides leadership to the Group through setting overall strategic aims, establishing framework of controls, reviewing the overall performance of Management and approving important decisions affecting the Group. The principal function of the Board is to protect and enhance long-term value and returns for its shareholders. In addition to carrying out its statutory responsibilities, the Board’s role is to:

- (1) Provide entrepreneurial leadership, set strategic objectives and ensure that the necessary resources are in place for the Company to meet its objectives;
- (2) Approve corporate objectives, plans, strategies, policies and financial objectives of the Group, constructively challenge Management and review its performance;
- (3) Oversee the processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance, which includes establishing and maintaining a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and company performance;
- (4) Approve nominations and appointments of Directors, Board committee members and key executives;
- (5) Approve annual budgets, investments, capital expenditures, major acquisitions and divestment proposals;
- (6) Set the Company’s values, standards, policies and practices (including ethical standards) and ensure that obligations to shareholders and other stakeholders are understood and met;
- (7) Consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation and ensure transparency and accountability to key stakeholder groups; and
- (8) Assume responsibility for corporate governance.

CORPORATE GOVERNANCE REPORT

The Board exercises objective judgment independently from Management on corporate affairs of the Group and no individual or small group of individuals dominate the decisions of the Board. All Directors are expected to exercise due diligence and independent judgment in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interests of the Group. All Directors are obliged to promptly disclose any conflict or potential conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Group as soon as it is practicable after the relevant facts have come to his knowledge. In the event that any Director faces a conflict of interest, he will recuse himself from any discussion and decision involving the issue of conflict.

The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are disclosed in the company's annual report.

When a new director is appointed, the Company will conduct a comprehensive and customized induction program. This is to provide the new Director with background information about the Group's structure and core values, its strategic direction and corporate governance practices as well as industry-specific knowledge. The orientation program gives the new Director an understanding of the Group's businesses to enable him to assimilate into his new role. It also allows the new Director to get acquainted with the Management, thereby facilitating interaction and independent access to the Management. In addition, for first-time directors of a listed company in Singapore, the Company will arrange for these Directors to attend relevant training and courses conducted by the Singapore Institute of Directors in relation to the roles and responsibilities of a director of a listed company and in areas such as accounting, legal and industry-specific knowledge as appropriate. The training of Directors will be arranged and funded by the Company. Newly appointed Directors would receive a formal letter from the Company, setting out their duties and obligations.

The Company adopts a policy whereby Directors are encouraged to request further information or informal discussion on aspects of the Group's operations or issues from Management, to ensure that the Directors are apprised of the business and operations of the Company on a regular basis.

The Company works closely with external professionals to update its directors on any new requirements of the Catalist Rules, Companies Act or changes to relevant laws, regulations and accounting standards from time to time. During FY2023, all Directors received updates on changes to the Catalist Rules and developments in financial reporting and governance standards, so as to enable them to make well-informed decisions and to properly discharge their duties as Directors.

The Company also encourages the Directors to attend appropriate courses, conferences, briefings and seminars, at the Company's expense, to keep themselves abreast of development in regulatory, legal and accounting frameworks and regulations that are of relevance to the Group, so as to improve themselves in the discharge of their duties as directors. The Directors can also request for further explanations, briefings or information on any aspect of the Company's operations or business issues from Management. In addition, the Group's business and strategic developments pertaining to the Group's business are also reported to the Board periodically at board meetings.

The Company has adopted internal guidelines on matters such as annual budgets and transactions relating to investment, financing, treasury, legal and corporate secretarial and the parameters of such matters that require the Board's approval. The Board will review the guidelines on a periodic basis to ensure their relevance to the operations of the Group.

The matters requiring the Board's approval include:

- Annual Budgets/Forecasts of the Group;
- Announcement of the Group's half-year and full-year results, and release of the annual report as well as sustainability report;
- Issuance of shares and dividend payout;
- Convening of shareholders' meetings;
- Incorporation of new entities;
- Material acquisition and disposal of assets/investment, divestment or capital expenditure;
- Corporate or financial restructuring;
- Any other matters as prescribed under the relevant legislation and regulations, as well as the provisions of the Company's Constitution.

CORPORATE GOVERNANCE REPORT

To assist the Board in discharging its duties, the Board has established various Board Committees, namely the Nominating Committee (“NC”), the Remuneration Committee (“RC”) and the Audit Committee (“AC”). Each of these committees is empowered to make decisions on matters within its terms of reference. The composition of each Board Committee, the key terms of reference and a summary of each Board Committee’s activities are presented in the following sections of this report. Any change to the terms of reference for any Board Committee requires the approval of the Board.

All the Board Committees are actively engaged and play an important role in ensuring good corporate governance within the Group. Minutes of all Board Committee meetings held are made available to the Board members. The Board acknowledges that while these Board Committees have the authority to examine specific issues and report back to the Board with their decisions and recommendations, the ultimate responsibility on all matters lies with the Board.

A schedule of all Board and Board Committee meetings as well as the Annual General Meeting for the next calendar year is planned in advance, in consultation of the Board and all participating parties, like the auditors and Sponsors. The Board held two scheduled meetings in FY2023. In addition to the scheduled meetings, ad-hoc board briefings, conference calls and physical meetings are held as warranted by particular circumstances or as deemed appropriate by the Board members. The Company’s Constitution permits meetings of the Directors to be conducted by telephone or other methods of simultaneous communication by electronic means. The Board and Board Committees may also make decisions through circulating resolutions.

The attendance of the Directors at meetings of the Board, Board Committees and Annual General Meeting, as well as the frequency of such meetings held during FY2023, are as follows:

Name of Director	Board		Audit Committee		Nominating Committee		Remuneration Committee		Annual General Meeting	
	No. of meetings	Attendance	No. of meetings	Attendance	No. of meetings	Attendance	No. of meetings	Attendance	No. of meetings	Attendance
Li Anhua (Resigned with effect from 1 March 2024)	2	2	2	2	1	1	1	1	1	1
Cheong Weixiong, Jeff	2	2	2	2	1	1	1	1	1	1
Lee Jim Teck, Edward (Resigned with effect from 1 March 2024)	2	2	2	2	1	1	1	1	1	1
Cheung Chi Kin	2	2	2	2	1	1	1	1	1	1
Ho Yoke Foong, Irene (Appointed with effect from 1 March 2024)	2	N.A.	2	N.A.	1	N.A.	1	N.A.	1	N.A.
Mannar Rajkumar (Appointed with effect from 1 March 2024)	2	N.A.	2	N.A.	1	N.A.	1	N.A.	1	N.A.

The profiles of these Directors are set out on pages 7 to 8 of this Annual Report.

Minutes of all Board and Board Committees’ meetings will be circulated to the Board so that Directors are aware of and kept updated as to the proceedings and matters discussed during the respective meetings.

If a Director is unable to attend a Board or Board Committee meeting, he will still receive all the papers and materials for discussion at that meeting. He will review them and advise the Chairman of the Board or the Board Committee of his views and comments on the matters to be discussed so that they can be conveyed to other members at the meeting.

CORPORATE GOVERNANCE REPORT

All Directors are required to declare their board representations. The Board is of the view that the effectiveness of each director is best assessed by a qualitative assessment of the director's contribution and his ability to devote sufficient time and attention to the Company's affairs. Hence, the Board has decided not to set a numerical limit on the number of listed company board representations as it does not wish to omit from its consideration outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as new members of the Board. The NC has reviewed and is satisfied that notwithstanding his multiple board appointments.

The Board is furnished with Board papers prior to any Board meeting. These papers are issued in sufficient time to enable the Directors to obtain additional information or explanations from the Management, if necessary. The Board papers include minutes of the previous meeting, reports relating to investment proposals, budgets, financial results announcements and reports from committees, internal and external auditors. Any additional material or information requested by the Directors is promptly furnished. All directors have unrestricted access to the Company's records and information.

The Board receives half-yearly management financial statements, periodic financial performance reports, annual budgets and explanations on material forecast variances to enable them to understand and oversee the Group's operational and financial performance. The Board papers provide adequate background and explanatory information from the Management on financial impact, risk analysis, expected outcome, regulatory implications and corporate issues which enable the directors to have an appropriate understanding of issues discussed at Board and Board Committees meetings.

The Directors may communicate directly with the Management team on all matters whenever they deem necessary. The Directors also have separate and independent access to the Company Secretary, the Company's external auditors, internal auditors and other professional advisors, where relevant. The Company Secretary attends Board and Board Committee meetings and is responsible for ensuring that Board procedures are followed and minutes of all meetings are recorded and circulated to the Board and the Board Committees. The Company Secretary also assists the Chairman and CEO, the Chairman of each committee and Management in the development of the agendas for the various Board and Board Committee meetings. The appointment and removal of the Company Secretary are subject to the approval of the Board.

The Company currently does not have a formal procedure for Directors to seek independent professional advice for the furtherance of their duties. However, directors may, on a case-to-case basis, propose to the Board for such independent professional advice, the cost of obtaining such professional advice may be borne by the Company.

The Company has a transparent policy wherein directors are welcome to request further information or informal discussions and make recommendations on any aspect of the Company's operations or business issues.

Management provides directors with complete, adequate and timely information prior to meetings, and on an ongoing basis to enable them to make informed decisions and discharge their duties and responsibilities.

CORPORATE GOVERNANCE REPORT

Board Composition and Guidance

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

The Company endeavors to maintain a strong and independent element on the Board. As at the date of this report, the Board consists of four directors, of whom three are non-executive & independent directors. The Chairman of the Board is a non-executive & independent director. Accordingly, the Company is in compliance with the requirements of the Code. As the majority of the members of the Board are non-executive & independent directors, there is a strong and independent element on the Board. The roles of the Chairman and the Chief Executive Officer (“CEO”) are assumed by different persons. The membership of the Directors on the Board Committees are as follows:

Name of Director	Audit Committee	Nominating Committee	Remuneration Committee
Li Anhua (Non-executive & Independent) Resigned with effect from 1 March 2024	Chairman	Chairman	Chairman
Cheung Chi Kin (Non-executive & Independent Director/Chairman) * Re-designate with effect from 1 March 2024	Member	Member	Chairman*
Cheong Weixiong, Jeff (Chief Executive Officer)	–	–	–
Lee Jim Teck, Edward (Non-executive & Independent) Resigned with effect from 1 March 2024	Member	Member	Member
Ho Yoke Foong, Irene (Non-executive & Independent Director) Appointed with effect from 1 March 2024	Chairman	Member	Member
Mannar Rajkumar (Non-executive & Independent Director) Appointed with effect from 1 March 2024	Member	Chairman	Member

The following two new directors were newly appointed on 1 March 2024.

- Ms Ho Yoke Foong, Irene (“Ms Ho”) was appointed on 1 March 2024 as a Non-executive & independent director, Chairman of the Audit Committee and member of the Nominating Committee and Remuneration Committee of the Company. Ms Ho will attend the mandatory training as required under Rule 210(5)(a) of the Listing Manual.
- Mr Mannar Rajkumar (“Mr Raj”) was appointed on 1 March 2024 as a Non-executive & independent director, Chairman of the Nominating Committee and member of the Audit Committee and Remuneration Committee of the Company. Mr Raj will attend the mandatory training as required under Rule 210(5)(a) of the Listing Manual.
- Mr Cheung Chi Kin (“Mr Cheung”) has been re-designated on 1 March 2024 as a Non-executive & independent director, Independent Chairman, Chairman of the Remuneration Committee and member of the Nominating Committee and Audit Committee of the Company.

The independent director do not exercise management function in the Group.

CORPORATE GOVERNANCE REPORT

The Non-executive & independent director meet for discussions as and when required, without the presence of Management or the executive directors to review any matters that must be raised privately and provide feedback to the Board as appropriate.

The NC reviews annually the independence of each Director, adopting the guidelines and definitions in the Code and the Catalyst Rules. In addition, each Director is required to complete a checklist to confirm his/her independence.

The Board recognizes that Non-executive & independent directors may over time develop significant insights in the Group's business and operations, and can continue to provide noteworthy and valuable contribution objectively to the Board as a whole. The independence of the independent directors must be based on the substance of their professionalism, integrity, and objectivity, and not merely based on form; such as the number of years which they have served on the Board. The NC and Board will determine annually whether there is any Director who has served on the Board beyond nine years from the date of his first appointment.

For FY2023, Mr Li Anhua ("Mr Li") and Mr Lee Jim Teck, Edward ("Mr Lee") are considered to be independent as they have no relationship with the Company, its related corporations, substantial shareholders or its officers that could interfere or be reasonably perceived to interfere with the exercise of their independent business judgment with a view to the best interests of the Company.

The rigorous review and the factors taken into consideration by the NC and the Board to assess and determine Mr Li and Mr Lee's independence include:

- (a) their contribution in terms of professionalism, integrity, objectivity and ability to exercise independent judgement in their deliberation of matters in the interest of the Company;
- (b) they have no personal and business relationship with the Company's substantial shareholders, executive directors or management that could impair their fair judgement;
- (c) they are non-executive and they do not interfere with the day-to-day management of the business operations or participate in any operational or management meetings;
- (d) their attendance in Board Committee meetings and time commitment to the affairs of the Group;
- (e) they did not receive any gift or financial assistance from the Group; and
- (f) they are not financially dependent on fees received from the Company and their fees are not linked to the performance of the Group.

Based on the above assessments and with the concurrence of the NC, the Board is of the view that Mr Li and Mr Lee are considered independent notwithstanding that they have served on the Board for more than 9 years. They have demonstrated strong independence in character and judgement as there were no circumstances which have affected or appeared to have affected his judgement.

Accordingly, for FY2023, the NC and Board have ascertained and are satisfied with the independence of the Company's independent directors.

As at the end of FY2023, Mr Li and Mr Lee have served on the Board for more than nine years from the date of their first appointment. Under Rule 406(3)(d)(iv) of the Catalyst Rules, which takes effect for an issuer's annual general meeting for the financial year ending on or after 31 December 2023, a director will not be independent if he has been a director of the issuer for an aggregate period of more than 9 years (whether before or after the listing). In view of the requirements under Rule 406(3)(d)(iv) of the Catalyst Rules, Mr Li and Mr Lee have resigned as non-executive & independent directors of the Company with effect from 1 March 2024. Accordingly, Ms Ho Yoke Foong, Irene and Mr Mannar Rajkumar were appointed as non-executive & independent directors of the Company.

CORPORATE GOVERNANCE REPORT

The Board recognizes that a diverse Board is an important element, which will better support the Company's achievement of its strategic objectives for sustainable development by enhancing the decision-making process of the Board through the perspectives derived from the various skills, knowledge, business experience, industry discipline, gender and age.

When reviewing and assessing the composition of the Board and making recommendations to the Board for the appointment of Directors, the NC will consider all aspects of diversity in order to arrive at an optimum balanced composition of the Board. The final decision on selection of Directors will be based on merit against an objective criterion that complements and expands the skills and experience of the Board as a whole, and after having given due regard to the overall balance and effectiveness of a diverse Board.

The Group recognize the importance and value of diversity across its organization. The Company has adopted a Board Diversity Policy which endorses the principle that its Board should have a balance of skills, knowledge, experience and diversity of perspectives appropriate to its business so as to mitigate against groupthink and to ensure that the Group has the opportunity to benefit from all available talents. In reviewing the Board composition and succession planning, the NC considers the benefits of all aspects of diversity, including diversity of gender, age, independence and other relevant factors.

The NC will take the principles of the diversity policy into consideration when determining the optimal composition of the Board, and when recommending any proposed changes to the Board. The Board has the opportunity to apply the principles in its recent search for new Non-executive & independent directors to succeed the current Non-executive & independent directors. A thorough evaluation process was undertaken, engaging a wide array of candidates with diverse gender, age, professional backgrounds, and skillsets, sourced through personal and corporate networks.

The current Board composition reflects the Company's commitment to Board diversity. The Board currently comprises business leaders and professionals with financial (including accounting), legal, risk management and business management qualifications and backgrounds. The Board has Directors with ages ranging from 30 to early 51 years old who have served on the Board for different tenures. The members of the Board with their combined business, management and professional experience, knowledge and expertise, provide the core competencies to allow for diverse and objective perspectives on the Group's business and direction. Further information on the individual directors' background, experience and skills can be found in the 'Board of Directors' section in the AR.

Having considered the scope and nature of the operations of the Group, the Board is satisfied that the current composition mix and size of the Board provide for diversity and allow for informed and constructive discussion and effective decision making at meetings of the Board and Committees. The Board will however continue to review opportunities to refresh the Board with a view to expanding the skills, experience and diversity of the Board as a whole.

Management regularly puts up proposals or reports for the Board's consideration and approval, for instance, proposals relating to strategy formulation, policies, management performance appraisal and monitoring of the Company's financial performance and financial position of the Group. Non-executive & independent directors will then evaluate these proposals or reports and where appropriate, provide guidance to Management. Non-executive & independent directors have been actively participating in discussions and decision-making at the Board and the Board Committees' levels, and had open discussions with the Management. Where necessary, the Non-executive & independent directors meet on a need-to basis amongst themselves without the presence of the Management to discuss matters such as the Group's financial performance, corporate governance and risk management initiatives, board processes and any audit observations. The outcome or suggestion arising from such meetings will be provided to the Board and/or Chairman as appropriate.

The Board believes that its current board size and the existing composition of the Board Committees effectively serve the Group. It provides diversity and allow for informed and constructive discussion and effective decision making. The Board will, however, continue to review opportunities to refresh the Board with a view to expanding the skills, experience and diversity of the Board as a whole.

The Non-executive & independent directors will meet on a need-to basis amongst themselves and with the Company's external auditors and internal auditors without the presence of Management to discuss matters such as the Group's financial performance, corporate governance and risk management initiatives, board processes and any audit observations. The outcome or suggestion arising from such meetings will be provided to the Board and/or Chairman as appropriate.

CORPORATE GOVERNANCE REPORT

Chairman and Chief Executive Officer

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

The roles of Chairman and the CEO are separate to ensure a clear division of responsibilities, increased accountability and greater capacity of the Board for independent decision-making, ensuring a balance of power and authority within the Company. The Chairman and the CEO are not related.

The CEO has full executive responsibilities over the running of the Group's businesses, the business direction and operational decisions of the Group. The CEO leads the Management and he reports to and is accountable to the Board.

The overall role of the Chairman is primarily responsible in leading and ensuring the effectiveness of the Board and this includes promoting a culture of openness and debate at the Board, facilitating the effective contribution of all directors and promoting high standards of corporate governance.

The Chairman's duties and responsibilities includes:-

- (a) Leading the Board to ensure it is effective in its role;
- (b) Setting directions and agendas for the Company and scheduling of meetings to enable the Board to perform its duties responsibly;
- (c) Ensuring the proper conduct of meetings and accurate documentation of the proceedings;
- (d) Ensuring the smooth and timely flow of information between the Board and Management;
- (e) Ensuring compliance with internal policies and guidelines of the Company and high standards of corporate governance;
- (f) Ensuring effective communication with shareholders through investors' relationship channels and timely announcements of Company's development; and
- (g) Encouraging constructive relations between the Board and Management as well as between all directors.

In addition to the above duties, the Chairman will assume duties and responsibilities as may be required from time to time.

In view of the current composition of the Board which consists of a majority of Non-executive directors, the Board believes that there is a strong and independent element on the Board and adequate safeguards in place against an uneven concentration of power and authority in a single individual. As such, the Company has not appointed any independent director of the Company to assume the role of a Lead Independent Director.

Board Membership

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

The NC is established and it comprises 3 members, and consist of all Non-executive & independent directors. Mr Mannar Rajkumar, is acting as the Chairman of NC.

Chairman	:	Mr Mannar Rajkumar (appointed with effect from 1 March 2024)
Member	:	Cheung Chi Kin
Member	:	Ho Yoke Foong, Irene (appointed with effect from 1 March 2024)
Former Chairman	:	Li Anhua (resigned with effect from 1 March 2024)
Former Member	:	Lee Jim Teck, Edward (resigned with effect from 1 March 2024)

CORPORATE GOVERNANCE REPORT

The NC held two meetings during the financial year ended 31 December 2023. The NC Chairman reports formally to the Board on its proceedings after the meeting on all matters within its duties and responsibilities.

The NC is established for the purposes of ensuring that there is a formal and transparent process for all Board appointments. It has adopted written terms of reference defining its membership, administration and duties. Some of the duties of the NC include:

- (a) To make recommendations to the Board on all Board appointments, including development of a set of criteria for director appointments, which includes qualifications of director; ability to exercise sound business judgments, relevance to the Company and the industry and appropriate personal qualities;
- (b) to review and make recommendation to the Board on the succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel;
- (c) To re-nominate directors having regard to the director's contribution and performance (e.g. attendance, participation and critical assessment of issues deliberated upon by the Board) including, if applicable, as an independent director;
- (d) To determine annually whether or not a director is independent;
- (e) to make recommendation to the Board on the process and criteria for evaluation of the performance of the Board, its board committees and directors; and
- (f) to review and make recommendation to the Board on the training and professional development programmes for the Board and its directors.

A summary of the NC's activities during FY2023 is shown below:

- (i) Reviewed the Board's performance for FY2023 on a collective basis
- (ii) Reviewed and recommended to the Board the re-election of Mr Cheong Weixiong ("Mr Cheong")
- (iii) Annual review of the independence of the independent directors; and
- (iv) reviewed and recommended the nomination of the appointment of new Non-executive & independent directors

Process for selection and appointment of new directors

The NC is responsible for identifying candidates and reviewing all nominations for the appointment of new directors.

Where an existing director chooses to retire or the need for a new director arises, either to replace a retiring director or to enhance the Board's strength, the NC, in consultation with the Board, evaluates and determines the selection criteria so as to identify candidates with the appropriate expertise and experience for the appointment as a new director. The selection criterion includes age, gender, qualification, skills, caliber, industry experience and financial literacy. A comprehensive and detailed process in the selection of new Directors is adopted by the NC. Candidates will be first sourced through an extensive network of contacts and selected based on, inter alia, the needs of the Group and the relevant expertise required.

When necessary, the NC may seek the help of external consultant(s) in the search process. In selecting suitable candidates, the NC, in consultation with the Board, will consider the Group's strategic goals, business direction and needs. The NC then meets with the shortlisted potential candidates with the appropriate profile to assess suitability and to ensure that the candidates are aware of the expectation and the level of commitment required, before nominating the most suitable candidate to the Board for approval and appointment as director.

CORPORATE GOVERNANCE REPORT

Process for re-appointment of directors

The role of NC also includes the reviewing of the re-nomination of directors who retire by rotation, taking into consideration the director's integrity, independence, contribution and performance. The Constitution of the Company requires one-third of the directors to retire and subject themselves to re-election by the shareholders in every Annual General Meeting. In addition, the Company shall require all directors (including the CEO) to submit themselves for re-nomination and re-election at least once every three years. The Constitution of the Company also provides that a newly appointed director must retire and submit himself for re-election at the next AGM following his appointment. Thereafter, he is subject to be re-elected at least once every three years. A Director who is due for retirement shall abstain from voting on any resolution in respect of his re-nomination as a Director. In this aspect, the NC has recommended and the Board has agreed for Mr Cheong Weixiong to retire and seek re-election at the forthcoming AGM.

The NC is charged with determining the independence of the directors as set forth in Provision 2.1 of the Code.

On an annual basis, the NC determines whether or not a director is independent, taking into account the Code definition of an "independent" director and guidance on relationships, the existence of which could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the interest of the Group.

Each independent director is required to complete a Director's Independence Form to confirm his independence annually to confirm his independence based on the guidelines as set out in the Code. For FY2023, the NC carried out a review on the independence of each independent director based on the foregoing considerations, the respective Director's Independence Form and their actual performance on the Board and Board Committees. Having carried out their review, the NC is satisfied that the two Directors, who are non-executive, are independent.

The NC ensures that new directors are aware of their duties and obligations. All directors are required to declare their board representations. For re-nomination and re-appointment of directors, when a director has multiple board representations, the NC takes into consideration the competing time commitments faced by directors and their ability to allocate adequate time and attention to the Group, so that they are able to adequately discharge their duties as a director of the Company.

The Board is of the view that the effectiveness of each Director is best assessed by a qualitative assessment of the Director's contribution and his ability to devote sufficient time and attention to the Company's affairs. Hence, the Board has decided not to set a numerical limit on the number of listed company board representations as it does not wish to omit from consideration, outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as new members of the Board.

The details of the Board members' directorship including the year of initial appointment and election are disclosed as follows:

Name of Director	Board appointment	Date of first appointment	Date of last re-election	Functions/Board Committees served	Directorships or chairmanships both present and held over the preceding three (3) years in other listed companies and other principal commitments
Li Anhua (resigned with effect from 1 March 2024)	Non-executive & independent	13 August 2009	25 April 2022	Chairman of the Board, the AC, the NC and the RC	<u>Other principal commitment</u> None <u>Present Directorship</u> None <u>Past Directorships</u> None

CORPORATE GOVERNANCE REPORT

Name of Director	Board appointment	Date of first appointment	Date of last re-election	Functions/Board Committees served	Directorships or chairmanships both present and held over the preceding three (3) years in other listed companies and other principal commitments
Cheung Chi Kin	Non-executive & independent	12 May 2016	19 April 2023	Chairman of the Board and RC, Member of the AC and the NC	<p><u>Other principal commitment</u></p> <ul style="list-style-type: none"> Consultant of Yangpu Quanan Commercial Management Co., Ltd. <p><u>Present Directorship</u> None</p> <p><u>Past Directorship</u> None</p>
Cheong Weixiong	Executive	4 August 2009	25 April 2022	Nil	<p><u>Other principal commitment</u> None</p> <p><u>Present Directorship</u> None</p> <p><u>Past Directorship</u> None</p>
Lee Jim Teck, Edward (resigned with effect from 1 March 2024)	Non-executive & Independent	27 July 2011	19 April 2023	Member of the AC, the NC and the RC	<p><u>Other principal commitment</u> None</p> <p><u>Present Directorship</u> None</p> <p><u>Past Directorship</u> None</p>
Ho Yoke Foong, Irene	Non-executive & Independent	1 March 2024	N.A	Chairman of AC, Member of the NC and the RC	<p><u>Other principal commitment</u> None</p> <p><u>Present Directorship</u> None</p> <p><u>Past Directorship</u> None</p>
Mannar Rajkumar	Non-executive & Independent	1 March 2024	N.A	Chairman of NC and Member of the AC and the RC	<p><u>Other principal commitment</u> None</p> <p><u>Present Directorship</u> None</p> <p><u>Past Directorship</u> None</p>

The Directors are appointed based on the strength of their ability and experience. For other information on the Directors, please refer to the sections entitled “Board of Directors” and “Directors ‘Statement” of this Annual Report.

CORPORATE GOVERNANCE REPORT

Board Performance

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

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

The NC has established a performance appraisal process to assess the performance of the Board as a whole instead of individual assessment. The performance appraisal includes qualitative and quantitative factors including board structure, board processes, corporate strategy and planning, board performance and risk management and internal control etc.

The NC undertakes the Board performance appraisal annually. All Directors are requested on an annual basis to complete a Board assessment checklist designed to seek their views on the various performance criteria set by the Board, so as to assess the overall performance and effectiveness of the Board. The checklists are completed and submitted to the Company Secretary for collation and the consolidated responses are presented to the NC for review and discussion before making any recommendations to the Board. The performance criteria will not change from year to year unless they are deemed necessary and the Board is able to justify the changes. The key objective of the evaluation exercise is to obtain constructive feedback from each Director on the board procedures and processes and the changes which should be made to enhance the effectiveness of the Board. The responses are reviewed by the NC and discussed with Board members for determining areas of improvement.

The NC has also decided unanimously, that the Directors will not be evaluated individually, as each member of the Board contributes in different aspects to the success of the Group, and therefore, it would be more appropriate to assess the Board as a whole. Following its review, the NC is of the view that the Board and its Board Committees operate effectively and despite multiple board representations in certain instance, each Director has been adequately contributing to the overall effectiveness and objectives of the Board.

The Board has not engaged any external facilitator in conducting the assessment of the Board's performance. Where relevant, the NC will consider such engagement.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

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

The RC comprises of three (3) members, all of whom are Non-executive and independent directors. Mr Cheung Chi Kin, is acting as the Chairman of RC and the RC comprises the following members:

Chairman	:	Cheung Chi Kin
Member	:	Ho Yoke Foong, Irene (appointed with effect from 1 March 2024)
Member	:	Mannar Rajkumar (appointed with effect from 1 March 2024)
Former Chairman	:	Li Anhua (resigned with effect from 1 March 2024)
Former Member	:	Lee Jim Teck, Edward (resigned with effect from 1 March 2024)

CORPORATE GOVERNANCE REPORT

The RC is established for the purposes of ensuring that there is a formal and transparent procedure for fixing the remuneration packages of individual directors and key management personnel. The overriding principle is that no director should be involved in deciding his own remuneration and the level of remuneration should be appropriate to attract, retain and motivate the executive directors to run the Company successfully and ensure that they are fairly rewarded for their individual contributions to overall performance. The RC will work within the principle that the remuneration should be structured so as to link rewards to corporate and individual performance.

The RC has adopted written terms of reference that defines its membership, roles and functions and administration. The duties of the RC are as follows:

- (a) review and make recommend to the Board, a framework of remuneration and specific remuneration packages of each Director (executive and non-executive) and key management personnel;
- (b) recommend to the Board, the Company's compensation policies, structures and service contracts, based on proposal by the CEO; and
- (c) determine the Company's compensation policies, structures and service contracts as proposed by the CEO, for relatives of a Director and/or a substantial Shareholder who are employed in managerial positions by the Company, or any of its subsidiaries.

During FY2023, the RC reviewed and recommended to the Board the directors' fee for the financial year ended 31 December 2023.

The RC considers all aspects of remuneration (including directors' fees, salaries, allowances, bonuses, benefits in kind and termination payments) and will aim to be fair and avoid rewarding poor performance. The RC also review the Company's obligations arising in the event of termination of the executive directors, the CEO and key management personnel's contracts of service, to ensure that such contract of service contain fair and reasonable termination clauses.

The RC, has explicit authority within its terms of reference to seek appropriate expert advice in the field of executive compensation outside the Company on remuneration matters where necessary. There being no specific necessity, the RC did not seek the service of an external remuneration consultant in FY2023.

No director shall participate in decisions relating to any remuneration, compensation or any form of benefits to be granted to him or her.

Level and Mix of Remuneration

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

The annual reviews of the compensation are carried out by the RC to ensure that the remuneration of the Executive Directors, CEO and key management personnel commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. As part of its review, the RC ensures that the Directors, CEO and key management personnel are adequately but not excessively remunerated as compared to industry benchmarks and other comparable companies. The RC also ensures that the Independent and Non-executive directors are not overly compensated to the extent that their independence may be compromised.

The Company adopts a remuneration policy for staff comprises mainly of a fixed component and a variable component, taking into account factors such as individual performance and the duties and responsibilities required of the position. The fixed component is paid in the form of a base salary which reflects market worth. The variable component comprises both short-term incentive and longer-term incentives, which is linked to Company and individual performance. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance so as to promote the long-term sustainability of the Group.

The RC has agreed on a performance-based compensation package for the Executive Director. The remuneration structure for the Executive Director is based on service contract which comprises a basic salary component and an annual incentive bonus which is pegged to the Group's financial performance.

CORPORATE GOVERNANCE REPORT

The RC has adopted a framework to remunerate the Non-executive Directors based on their appointments and roles in respective Board Committees and contributions to the Board and Company. The remuneration packages of the Non-executive Directors comprise a basic Director's retainer fee and additional fees for appointment to Board Committees. The RC has assessed and is satisfied that the Non-executive Independent Directors are not overly compensated to the extent that their independence is compromised. While the remuneration frameworks are not subject to Shareholders' approval, the fees for the Non-executive directors will be subject to the approval of Shareholders at the AGM.

Directors' fees of S\$135,000 for FY2023 are recommended by the Board and subject to the approval of Shareholders at the forthcoming AGM. The Board concurred with the RC that the proposed directors' fees for FY2023 is appropriate and not excessive, taking into consideration the level of contributions by the directors and factors such as effort and time spent for serving on the Board and Board Committees, as well as the responsibilities and obligations of the directors.

Given the expiry of the HLN Technologies Limited Performance Share Plan in May 2018, the Company has no share-based compensation scheme or any long term scheme involving the offer of shares or options in place to encourage non-executive directors to hold shares in the Company. The Company will consider the establishment of other forms of long-term incentive schemes, as and when appropriate.

The Group is of the view that it is not necessary to incorporate contractual provisions to allow it to reclaim incentive components of remuneration from Executive Directors, CEO and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group. The Executive Directors owe a fiduciary duty to the Company, and the Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

In addition, the Company has in place alternative corporate governance practices described herein, such as the establishment of a whistle-blowing policy, rigorous selection criteria of its Directors and key management personnel, private discussions between the independent directors with the internal and external auditors and the granting of full access to all employees and documents of the Group to the independent directors, as checks and balances to prevent the occurrence of such instances.

Disclosure on Remuneration

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

Remuneration of Directors and CEO of the Company

A breakdown, showing the level and mix of each individual director's and CEO's remuneration paid for FY2023, is as follows:–

Remuneration Band	Fee ⁽¹⁾ (%)	Salary & fixed allowance ⁽²⁾ (%)	Bonus & incentives ⁽²⁾ (%)	Total (%)
S\$500,001 to S\$750,000				
Cheong Weixiong, Jeff	Nil	100	Nil	100
S\$250,000 and below				
Li Anhua	100	Nil	Nil	100
Lee Jim Teck, Edward	100	Nil	Nil	100
Cheung Chi Kin	100	Nil	Nil	100
Ho Yoke Foong, Irene (appointed with effect from 1 March 2024)	N/A	N/A	N/A	N/A
Mannar Rajkumar (appointed with effect from 1 March 2024)	N/A	N/A	N/A	N/A

(1) Directors fees are payable in 2024 after approval by Shareholders at the AGM.

(2) Salary & fixed allowance, and bonus & incentives shown are inclusive of employer CPF.

CORPORATE GOVERNANCE REPORT

Remuneration of Key Management personnel of the Group

The remuneration policy for key management personnel takes into consideration the responsibility and performance of individual personnel. The breakdown for the remuneration of the Company's key management personnel (who are not Directors and CEO of the Company) for FY2023:-

Remuneration Bands	Salary & fixed allowance⁽¹⁾	Bonus & incentives⁽¹⁾	Total
<u>Below S\$250,000</u>			
Lee Fut Hua	100%	Nil	100%

Note:

(1) Salary & fixed allowance and bonus & incentives shown are inclusive of employer CPF.

Save as disclosed above, there are no other key management personnel.

In considering the disclosure of remuneration of the Directors and key management personnel, the Company has regarded the industry conditions in which the Group operates, as well as the confidential nature of such remuneration. The Company believes that full detailed disclosure of the remuneration of each Director and each key management personnel and the aggregated total remuneration paid to the key management personnel, as recommended by the Code would be prejudicial to the interests of the Group and hamper its ability to retain and nurture the Group's talent pool. The Company has instead presented such information in remuneration bands.

For FY2023, there was no employee in the Group who is a substantial shareholder of the Company or is an immediate family member of a Director, the CEO or a substantial shareholder, and whose annual remuneration exceeded S\$100,000.

The Board is of the opinion that the information as disclosed above would be sufficient for shareholders to have an adequate appreciation of the Company's compensation policies and practices and therefore does not intend to issue a separate remuneration report.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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

The Board is responsible for the governance of risk and sets the tone and direction for the Group in the way risks are managed in businesses. The Board has ultimate responsibility for approving the strategy of the Group in a manner which addresses stakeholders' expectations and does not expose the Group to an unacceptable level of operational, financial and compliance risks. The Board approves the key management policies and ensures the maintenance of a system of risk management and internal controls and monitors performance against them. In addition to determining the approach to risk governance, the Board sets and instils the right risk-focused culture throughout the Group for effective risk governance.

The Company has engaged the internal auditors to develop a risk management policy and perform an Enterprise Risk Assessment exercise. The risk management policy is aligned to ISO 31000: 2009, the international standards on Enterprise Risk Management ("ERM") with the objectives of meeting the compliance in the design, implementation and monitoring of the ERM and internal control systems in place. In consultation with the internal auditors, the Group has developed and implemented the appropriate risk management procedures to address the key risks identified. All significant matters will be highlighted to the AC and the Board.

CORPORATE GOVERNANCE REPORT

The AC will ensure that a review of the effectiveness of the Group's risk management policies and procedures and internal controls in addressing material risks, including financial, operational, compliance and information technology risks are conducted annually. In this respect, the AC will also review the audit plans and the findings of the external and internal auditors and will ensure that Management follows up on the external and internal auditors' recommendations raised, if any, during the audit process.

For FY2023, the Board has received:

- (a) assurance from the CEO and the Chief Financial Officer that the Group's 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) assurance from the CEO and the Chief Financial Officer that the Group's risk management and internal control systems in place were adequate and effective to address the financial, operational, compliance and information technology risks in the current scope of the Group's business operations.

The Board notes that the system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also 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 error, losses, fraud or other irregularities.

Based on the internal control policies and procedures established and maintained by the Group, work performed by the external and internal auditors and reviews performed by the Management, the Board, with the concurrence of the AC, is of the opinion that the risk management and internal control systems of the Group, addressing the financial, operational, compliance and information technology risks are adequate and effective as at 31 December 2023.

The Board remains committed to improving the Group's internal controls and will not hesitate to take necessary action to ensure the adequacy and effectiveness of the Group's internal controls and risk management systems.

Audit & Risk Management Committee

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

The AC comprises 3 members, all of whom, including the Chairman are non-executive and independent directors.

Chairman	:	Ho Yoke Foong, Irene (appointed with effect from 1 March 2024)
Member	:	Mannar Rajkumar (appointed with effect from 1 March 2024)
Member	:	Cheung Chi Kin
Former Chairman	:	Li Anhua (resigned with effect from 1 March 2024)
Former Member	:	Lee Jim Teck, Edward (resigned with effect from 1 March 2024)

The Chairman, Ho Yoke Foong, Irene, has close to 10 years of experience in professional services and served as an IPO Audit Manager at Deloitte Singapore. She has also over 10 years of experience in luxury entrepreneurship and served on NGO Boards..

The Board is of the opinion that the members of the AC have sufficient financial management expertise and experience in discharging their duties. None of the members of the AC is a former partner or director of the Company's external or internal auditors.

As a sub-committee of the Board of Directors, the AC assists the Board in discharging their responsibility to safeguard the Group's assets, maintain adequate accounting records, and develop and maintain effective systems of internal control, with the overall objective of ensuring that the management creates and maintains an effective control environment in the Group. The AC also reviews and supervises the internal audit functions of the Group.

CORPORATE GOVERNANCE REPORT

The AC provides a channel of communication between the Board, Management and the external auditors on matters relating to audit.

The AC has adopted written terms of reference defining its membership, administration and duties. The duties and responsibilities of the AC include:

- (a) review significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performances;
- (b) review at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- (c) review the assurance from the CEO and the CFO on the financial records and financial statements;
- (d) discuss with the external auditors, prior to the commencement of audit, on the audit plan which states the nature and scope of the audit;
- (e) review the scope and results of the external audit;
- (f) review with external auditors, on the adequacy and effectiveness of the system of internal controls, the Management Letter and Management's response thereto;
- (g) discussion of problems and concerns, if any, arising from the interim and final audits and any matters that the external auditors may wish to discuss with the AC in the absence of the Management;
- (h) review of the independence and objectivity of the external auditors;
- (i) recommend to the Board on, the appointment, re-appointment and removal of the external auditors, and the remuneration and the terms of engagement of the external auditors;
- (j) review the adequacy, effectiveness, independence, scope and results of the company's internal audit function;
- (k) review interested person transactions (as defined in Chapter 9 of the Catalist Rules) to ensure that each transaction has been conducted on an arm's length basis; and
- (l) any other functions that are requested by the Board, as may be required by statutes or the Catalist Rules.

Apart from the duties listed above, the AC shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position.

In discharging the above duties, the AC confirms that it has full access to and co-operation from Management and is given full discretion to invite any Director to attend its meetings. In addition, the AC has also been given reasonable resources to enable it to perform its functions properly.

The AC has approved a Whistle Blowing Policy to provide employees of the Group with an independent and confidential channel to our independent internal auditor to report suspected fraud, corruption, dishonest practices or irregularities involving the Company and its subsidiaries. The policy encourages the reporting of such matters by employees with confidence that the reporting made in good faith will be handled on a confidential and anonymous basis in compliance with applicable laws and the employees will not be penalized. Details of the Whistle Blowing Policy has been disseminated to all employees of the Group and reminders circulated to all existing employees and new employees on a semi-annual basis.

CORPORATE GOVERNANCE REPORT

An external professional firm is appointed as the independent administrator of the policy and their contact e-mail address is sinjia@whistleblow.com.sg.

During FY2023, there were no complaints, concerns or issues received.

The AC is responsible for oversight and monitoring of whistleblowing and will report to the Board on such matters at the Board meetings.

The AC is kept abreast by the Management and the external auditors on changes and updates to account standards, and other issues which could have a direct impact on the financial statements of the Group, if any.

In the review of the financial statements, the AC has discussed with the Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements. The significant matters as disclosed in independent auditor's report, pages 43 that impacting the financial statements were discussed with the Management and the external auditor, and were reviewed by the AC.

The Company has complied with Rules 712 and 716 of the Catalist Rules on the appointment of the external auditors for the Group in FY2023.

PKF-CAP LLP has been appointed as the auditors of the Company and its Singapore-incorporated subsidiary corporations. The Group has appointed different auditors for its overseas subsidiary corporations. The Board and the AC have reviewed the appointment of the different auditors for its overseas subsidiary corporations and were satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Group.

For FY2023, the Company outsourced its Internal Audit ("IA") function to In.Corp Business Advisory Pte. Ltd. (Formerly Ardent Business Advisory Pte. Ltd.) ("In.Corp"), a corporate member of the Institute of Internal Auditors Singapore. In.Corp's engagement team is headed by a director, Ms. Ruby Rouben, who has over 15 years of experience in audit and advisory services. She is leading the Risk Assurance practice at In.Corp and has extensive experience in a broad range of assurance and advisory services, including corporate governance, enterprise risk management, internal audit, and sustainability reporting. Prior to In.Corp, she has been involved in internal and external audits and started her career in one of the big four auditing firms. She is a Chartered Accountant (Singapore), Certified Internal Auditor, and a member of The Institute of Singapore Chartered Accountants (ISCA), The Institute of Internal Auditors Singapore (IIA), and The Information Systems Audit and Control Association (ISACA). The team is accordingly made up of qualified and experienced professionals and adheres to the International Professional Practices Framework issued by the IIA.

The internal auditors report directly to the AC. The internal auditors plan their internal audit schedule in consultation with, but independent of the Management. The AC reviews and approves the internal audit scope and plan to ensure that there is sufficient coverage of the Group's activities. The internal control weaknesses identified during the internal audit reviews and the recommended corrective actions are reported to the AC periodically. The AC approves the hiring, removal, evaluation and compensation of the certified public accounting firm to which the internal audit function is outsourced. The internal auditors report primarily to the Chairman of the AC and has unrestricted access to the documents, records, properties and personnel of the Company and of the Group.

The primary role of internal audit is to assist the Board to evaluate the reliability, adequacy and effectiveness of the internal controls and risk management processes of the Group, reviewing the internal controls of the Group to ensure prompt and accurate recording of transactions and proper safeguarding of assets and reviewing that the Group complies with the relevant laws, regulations and policies established.

CORPORATE GOVERNANCE REPORT

The AC reviews annually and is satisfied that the internal audit function is independent and the audit work is conducted with impartiality and adequately resourced. The AC is also satisfied that the internal auditors is staffed by qualified and experienced personnel. The internal auditors completed one review during the FY2023 in accordance with the internal audit plan approved by the AC. The findings and recommendations of the internal auditors, management's responses, and management's implementation of the recommendations have been reviewed and approved by the AC.

A summary of the AC's activities during FY2023 is shown below:

- (i) Reviewed the Group's financial performance, internal and external audit reports.
- (ii) Reviewed with the Management and the external auditors, the financial results of the Group before submitting them to the Board for its approval and announcement of the financial results.
- (iii) Conducted an annual review of the volume of non-audit services provided by the external auditors to ensure that the nature and extent of such services will not prejudice the independence and objectivity of the auditors before recommending their re-nomination to the Board. Pursuant to Rule 1204(6)(a) of the Catalist Rules, the aggregate amount of paid to the external auditors of the Company and other auditor of the Group in FY2023 were S\$65,000 comprising audit fees of S\$65,000 and non-audit fees of S\$0. A breakdown of the fees in total for audit and non-audit services is set out on pages 67 of this Annual Report. The AC is satisfied with the independence of the external auditors and has recommended the re-appointment of the external auditors at the forthcoming Annual General Meeting of the Company.
- (iv) Reviewed the adequacy of the resources, experience of the external auditors and of the audit engagement partner assigned to the audit. The AC is satisfied that the external auditors are able to meet their audit obligations.
- (v) The AC meets with the internal auditors and the external auditors, at least once a year, without the presence of Management, to have free and unfettered access to unfiltered information and feedback.
- (vi) The external auditors updated the AC on changes and updates to the accounting standards, and other issues which might have a direct impact on the financial statements of the Group.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

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

The Company's corporate governance practices promote fair and equitable treatment of all shareholders. To facilitate shareholders' ownership rights, the Company ensures that all material information is disclosed on a comprehensive and timely basis via SGXNET and the Company's website, especially information pertaining to the Group's business development and financial performance which could have a material impact on the share price of the Company, so as to enable shareholders to make informed decisions in respect of their investments in the Company.

Shareholders are informed of general meetings through notices published in the newspaper and the Company's announcements and press releases via SGXNET as well as through reports and circulars sent to all shareholders. They are given the opportunity to participate effectively and vote at general meetings of the Company. All shareholders are entitled to vote in accordance with the established voting rules and procedures. The Company conducted poll voting for all resolutions tabled at the general meetings. The rules, including the voting process, were explained by the scrutineers at such general meetings.

CORPORATE GOVERNANCE REPORT

The Constitution of the Company allows each shareholder to appoint up to two proxies to attend general meetings. Under the Companies Act 1967, a member who is defined as a “relevant intermediary” may appoint more than two proxies to attend and participate in general meetings. Relevant intermediaries includes corporations holding licenses in providing nominee and custodial services and the CPF Board which purchases shares on behalf of the CPF investors.

All shareholders of the company receive the annual report of the company and notice of AGM within the mandatory period. The notice is also published in the local newspaper and made available on the SGXNET and the Company’s website. Participation of shareholders is encouraged at the Company’s general meetings. Resolutions tabled at general meetings are on each substantially separate issue. Each item of special business included in the notice of meeting will be accompanied by the relevant explanatory notes. This is to enable the shareholders to understand the nature and effect of the proposed resolutions.

To facilitate voting by shareholders, the Company’s Constitution allows shareholders to appoint up to two proxies to attend and vote at the same general meeting. The Board of Directors (including the Chairman of the respective Board committees), Management, as well as the external auditors will attend the Company’s Annual General Meeting to address any questions that shareholders may have. The attendance of the Directors at the last AGM is set out under Principle 1 of this report.

The Company encourages and supports shareholder participation at general meetings, and views the AGM as a good opportunity for Shareholders to meet the Board. The Shareholders will be informed of Shareholders’ Meetings through notices published in the newspapers and circulars sent to all Shareholders. All registered Shareholders are invited to attend the AGM they are given the opportunity to seek clarification or question the Group’s strategic direction, business, operations, performance and proposed Resolutions.

The Board is of the view that absentia voting at general meeting may only be possible following careful study to ensure that the integrity of the information and authentication of the identify of shareholders through the web is not compromised.

Substantial and relevant comments or queries from shareholders relating to the agenda of the AGM together with responses from the Board and the Management will be prepared by the Company. The minutes of all general meetings are posted on the Company’s corporate website within one month from the date of such meeting. The minutes include comments and questions received from shareholders, together with responses from the Board and the Management, as well as details of the proceedings.

All resolutions at general meetings of the Company will be put to vote by poll so as to better reflect shareholders’ shareholding interest and ensure greater transparency. The results of the poll voting on each resolution tabled will be announced after the general meetings via SGXNET and the Company’s website.

The Company does not have a fixed dividend policy at present. The frequency and amount of dividends declared each year will take into consideration the Group’s profit growth, cash position, projected capital requirements for business growth and other factors as the Board may deem appropriate. Given that the Company was loss making for FY2023, the Board has decided not to recommend a dividend for the financial year ended 31 December 2023.

Engagement with Shareholders

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

The Company endeavours to communicate regularly and proactively with its shareholders. Timely, as well as, detailed disclosure is made to the public in compliance with the Catalist Rules. The Company ensures that shareholders are informed of all major developments that may have an impact on the Group. Information is communicated to shareholders on a timely basis and is made through:

- (a) annual reports that are prepared and issued to all shareholders;
- (b) half yearly and full year unaudited financial results announcements;

CORPORATE GOVERNANCE REPORT

- (c) circulars and notices issued to all shareholders;
- (d) disclosures to the SGX-ST via SGXNET; and
- (e) the Company's website, <http://sinjialand.listedcompany.com/>, which provides corporate information, Company's announcement, press releases and other information pertaining to the Group.

In addition, the Company will engage an investor relations firm to assist in its communication with shareholders as and when required.

Price-sensitive information is first publicly released, either before the Company meets with any group of investors or analysts or simultaneously with such meetings. Results, including dividend announcements and annual reports are announced or issued within the mandatory period and are available on the Company's website. Notices of shareholders' meetings are also published in the local newspaper and announced via SGXNET. The Company does not practice selective disclosure as all materials and price-sensitive information are released through SGXNET in a timely manner.

Shareholders are encouraged to attend and raise questions to the directors at the Company's general meetings. At these meetings, shareholders are given the opportunity to express their views and raise issues either formally or informally. These meetings provide opportunities for the Board to engage with shareholders and solicit their feedback.

The Company's website at <http://sinjialand.listedcompany.com/>, is also another channel to solicit and understand the views of the shareholders.

Engagement with Stakeholders

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

The Board considers ongoing stakeholder engagement as an important activity to develop effective management strategies and pursue sustainable business practices. The Company's approach to stakeholder engagement is to ensure that it has a good understanding of the key stakeholders' concerns and expectation and develop practical and responsive sustainability strategies. In its pursuit of sustainable business practices, the Group has regularly engaged its stakeholders in the implementation of various initiatives and programs that ensure the sustainability of its business, the environment, and society.

The stakeholders have been identified as entities or individuals who are either directly or indirectly involved in the Group's business, have specific interests in the Group and may be significantly impacted by how the Group operates. The key stakeholders include the investors, shareholders, online booking agents, government, regulators, employees, customers and hostel guests. The Company identified and prioritized the factors and ranked them in accordance to importance to the stakeholders and the importance to the Group.

The Group has undertaken a process to determine the economic, environmental, social and governance (EESG) factors which are important to these stakeholders. These factors form the materiality matrix upon which targets, performance and progress are reviewed and endorsed by the Board annually.

A more detailed elaboration on the Company's sustainability strategy and key areas of focus in relation to the management of stakeholder relationships is set out in the Sustainability Report 2023.

The Company will make available all media releases, financial results, annual reports, SGXNET announcements and other corporate information relating to the Group in the "Investor Relations" section of its corporate website at http://sinjialand.listedcompany.com.

CORPORATE GOVERNANCE REPORT

DEALING IN SECURITIES

(Rule 1204(19) of the Catalyst Rules)

The Company has devised and adopted its own internal Code of Conduct on dealing in the securities of the Company (the “Code”). This code will provide guidance to the Group’s directors and employees on their dealings in its securities. The key guidelines are:

- Directors and key officers are prohibited from trading in the Company’s securities during the period commencing one month (“prohibition period”) before the announcement of the Company’s half year and full year financial statements and the prohibition ends on the day of the results announcement. If the Company announces quarterly financial statements, the prohibition period will commence two weeks before the announcement of the Company’s financial statements for each of the first three quarters; and one month before the announcement of the Company’s full year financial statement and prohibition period shall end on the day of the results announcement.
- Directors and key officers should not deal in the Company’s securities on short-term consideration.
- Directors and key officers are required to observe the insider trading laws under the Securities and Futures Act 2001 at all times even when engaging in dealings of securities within the non-prohibitory periods. To enable the Company to monitor such share transactions, Directors and key officers are required to report to the Company whenever they deal in the Company’s securities.

The Company has complied with the Code for the FY2023.

INTERESTED PERSON TRANSACTIONS

(Rule 907 of the Catalyst Rule)

The AC will review all interested person transactions to be entered to ensure that the relevant rules under Chapter 9 of the Catalyst Rules are complied with. The main objective is to ensure that all IPTs are conducted on arm’s length basis and on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. IPTs are subject to review by the AC on a quarterly basis.

The Group does not have a general mandate from Shareholders for IPT pursuant to Rule 920(1)(a)(i) of the Catalyst Rules. There were no IPTs entered into between the Company or its subsidiaries and any of its interested persons exceeding S\$100,000 during FY2023.

MATERIAL CONTRACTS

There is no other material contract entered into between the Company or any of its subsidiaries involving the interests of any Director, Chief Executive Officer or controlling Shareholder, which are subsisting at the end of the financial year reported on or, if not then subsisting, entered into since the end of the previous financial year except for Director’s remuneration as disclosed in the Notes to the Financial Statements in this Annual Report.

CATALIST SPONSOR

The continuing sponsor of the Company is to Evolve Capital Advisory Private Limited (the “Sponsor”).

With reference to Rule 1204(21) of the Catalyst Rules, no non-sponsorship fee was payable or paid to Evolve Capital Advisory Private Limited in FY2023.

CORPORATE GOVERNANCE REPORT

MISCELLANEOUS INFORMATION AND ADDITIONAL INFORMATION REQUIRED PURSUANT TO RULE 720(5) OF THE LISTING MANUAL SECTION B: RULES OF CATALIST OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“CATALIST RULES”) ON DIRECTORS SEEKING FOR RE-ELECTION

The following additional information on Mr Cheong Weixiong, Ms Ho Yoke Foong, Irene and Mr Mannar Rajkumar, of whom are seeking re-election as Directors at the upcoming Annual General Meeting (“AGM”), is to be read in conjunction with their respective biographies in the section headed “Board of Directors” in this Annual Report.

Name of Director	Cheong Weixiong	Ho Yoke Foong, Irene	Mannar Rajkumar
Date of Appointment	4 August 2009	1 March 2024	1 March 2024
Date of last re-appointment (if applicable)	25 April 2022	N.A.	N.A.
Age	43	46	37
Country of principal Residence	Singapore	Singapore	Singapore
The Board’s comments on this re-election (including rationale, selection criteria, and the search and nomination process)	The NC has recommended and the Board has agreed for Cheong Weixiong to retire and seek re-election at the forthcoming AGM.	The NC has recommended and the Board has agreed for Ho Yoke Foong, Irene to retire and seek re-election at the forthcoming AGM.	The NC has recommended and the Board has agreed for Mannar Rajkumar to retire and seek re-election at the forthcoming AGM.
Whether appointment is executive, and if so, the area of responsibility	Executive	Non-executive	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	<ul style="list-style-type: none"> Group Chief Executive Officer 	<ul style="list-style-type: none"> Non-executive and independent director, AC Chairman, Member of NC and Member of RC 	<ul style="list-style-type: none"> Non-executive and independent director, NC Chairman, Member of AC and Member of RC
Professional Qualifications	<ul style="list-style-type: none"> Executive Master in Business Administration from the Singapore Management University 	<ul style="list-style-type: none"> Association of Chartered Certified Accountants (“ACCA”) Masters of Financial Analysis at the University of New South Wales 	<ul style="list-style-type: none"> LLB (HONS), The University Of Queensland Advocate & Solicitor of The Supreme Court of Singapore
Working experience and occupation(s) during the past 10 years	Approximately 17 years of experience in the investment advisory industry	GUIDEPOINT, GLOBAL – Advisor 2019 to Present THE LUXURY NETWORK, SINGAPORE – Founder & CEO 2013 to Present	CHP LAW LLC – Advocate & Solicitor of The Supreme Court of Singapore 2014 to Present
Shareholding interest in the listed issuer and its subsidiaries	2,599,700 shares (1.26%)	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

CORPORATE GOVERNANCE REPORT

Name of Director	Cheong Weixiong	Ho Yoke Foong, Irene	Mannar Rajkumar
<p>Other Principal Commitments including Directorships</p> <ul style="list-style-type: none"> Past (for the last 5 years) Present 	<p>Directorships</p> <ul style="list-style-type: none"> Non-executive Chairman, Chairman of the NC and the RC of CWX Global Limited Non-executive Director of Fortune Asia Long Short Fund. <p>Directorships NIL</p>	<p>Directorships NIL</p> <p>Directorships NIL</p>	<p>Directorships NIL</p> <p>Directorships NIL</p>
(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?	No	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

CORPORATE GOVERNANCE REPORT

Name of Director	Cheong Weixiong	Ho Yoke Foong, Irene	Mannar Rajkumar
(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

CORPORATE GOVERNANCE REPORT

Name of Director	Cheong Weixiong	Ho Yoke Foong, Irene	Mannar Rajkumar
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-</p> <p>i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No	No
<p>(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?</p>	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Cheong Weixiong	Ho Yoke Foong, Irene	Mannar Rajkumar
<p>Any prior experience as a director of a listed Company?</p> <p><i>If yes, please provide details of prior experience.</i></p> <p><i>If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</i></p>	<p>Yes.</p> <p>Mr Cheong Weixiong is currently the Group CEO of the Company.</p>	<p>Yes.</p> <p>Ho Yoke Foong, Irene is currently an independent Director of the Company, which is listed on the SGX-ST.</p>	<p>Yes.</p> <p>Mannar Rajkumar is currently an independent Director of the Company, which is listed on the SGX-ST.</p>

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2023 and the balance sheet of the Company as at 31 December 2023.

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2023 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; 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.

Directors

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

Cheong Weixiong, Jeff
Cheung Chi Kin, Ken
Ho Yoke Foong, Irene (Appointed on 1 March 2024)
Mannar Rajkumar (Appointed on 1 March 2024)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was 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.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

The Company (No. of ordinary shares)	Holdings registered in name of director	
	At 31.12.2023	At 1.1.2023
Cheong Weixiong, Jeff	2,599,700	2,599,700

The directors' interests in the ordinary shares of the Company as at 21 January 2024 were the same as those as at 31 December 2023.

Share options

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Audit Committee

The members of the Audit Committee at the end of the financial year were as follows:

Li Anhua	(Chairman of Audit Committee and Independent Director) (Resigned on 1 March 2024)
Lee Jim Teck, Edward	(Non-Executive Director and Independent Director) (Resigned on 1 March 2024)
Cheung Chi Kin, Ken	(Independent and Non-Executive Director)

All members of the Audit Committee are independent and non-executive directors.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2023 before their submission to the Board of Directors.

The Audit Committee has recommended to the Board that the independent auditor, PKF-CAP LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent auditor

The independent auditor, PKF-CAP LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Cheong Weixiong, Jeff
Director

Cheung Chi Kin, Ken
Director

Singapore
1 April 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SINJIA LAND LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Sinjia Land Limited (the "Company") and its subsidiary corporations (the "Group"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2023, and the 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 policies.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet 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)") 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 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2.25 in the financial statements, which indicates that the Group incurred a net loss of \$1.50 million (2022: \$1.76 million) for the financial year ended 31 December 2023 and that its cash balance has decreased significantly from the previous financial year. As stated in Note 2.25, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2023. 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. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SINJIA LAND LIMITED

Key Audit Matter (continued)

Key Audit Matter	How our audit addressed the Key Audit Matters
<p>Valuation of investment property (Refer to Note 2.9 and Note 19)</p> <p>We focused on this area given the significance of its carrying amount as at 31 December 2023 and the involvement of significant judgement on the determination of fair value of investment property and application of valuation methodology.</p> <p>Investment property represents 38% of the Group's total assets. Management engaged an independent valuer to perform the valuation and determine the indicative value of the investment property held as at financial year-end. Management has adopted the indicative value determined by the independent valuer as the fair value of the Group's investment property as at 31 December 2023 which amounted to \$1.06 million.</p>	<p>Our procedures included the following:</p> <p>We assessed the competency and capabilities of the independent professional valuer and noted that the valuer has good standing in the industry and has relevant expertise and experience in property valuation. We also considered whether there were any matters that might have affected the objectivity or may have imposed scope limitations upon their work.</p> <p>We considered the appropriateness of the valuation methods used. We assessed the reasonableness of the key assumptions used in the valuation which included price per square foot against available market data, taking into consideration comparability and market factors. We also considered the adequacy of the disclosures in the financial statements.</p>

Emphasis of Matter

Assistance in investigation by the Commercial Affairs Department ("CAD") and the Monetary Authority of Singapore ("MAS")

We draw your attention to Note 31 to the financial statements which describes the Company providing assistance in investigation by the Commercial Affairs Department ("CAD") and the Monetary Authority of Singapore ("MAS").

Our opinion is not modified in respect of the above matter.

Other Information

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

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SINJIA LAND LIMITED

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SINJIA LAND LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Titus Kuan Tjian.

PKF-CAP LLP

Public Accountants and
Chartered Accountants

Singapore

1 April 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$'000	2022 \$'000
Revenue	3(a)	676	609
Cost of sales	4	(573)	(538)
Gross profit		103	71
Other income	6	7	16
Other credits	7	–	50
Expenses			
– Administrative	4	(1,554)	(1,834)
– Interest	8	(6)	(6)
– Other charges	7	(48)	(50)
Loss before income tax		(1,498)	(1,753)
Income tax expense	9	*	(3)
Net loss for the financial year		(1,498)	(1,756)
Other comprehensive income:			
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Currency translation differences arising from consolidation	23(b)	3	5
Other comprehensive income, net of tax		3	5
Total comprehensive loss		(1,495)	(1,751)
Loss attributable to:			
Equity holders of the Company		(1,497)	(1,748)
Non-controlling interests		(1)	(8)
		(1,498)	(1,756)
Total comprehensive loss attributable to:			
Equity holders of the Company		(1,494)	(1,743)
Non-controlling interests		(1)	(8)
		(1,495)	(1,751)
Loss per share attributable to equity holders of the Company (cents per share)			
Basic and diluted loss per share	10	(0.72)	(0.90)

* Less than 1,000

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

BALANCE SHEETS

AS AT 31 DECEMBER 2023

	Note	Group		Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
ASSETS					
Current assets					
Trade and other receivables	11	50	71	23	642
Other current assets	12	1,086	1,091	1,024	1,036
Cash and cash equivalents	13	173	1,436	65	657
		<u>1,309</u>	<u>2,598</u>	<u>1,112</u>	<u>2,335</u>
Property classified as held-for-sale	14	–	–	–	–
		<u>1,309</u>	<u>2,598</u>	<u>1,112</u>	<u>2,335</u>
Non-current assets					
Financial assets, at fair value through other comprehensive income (“FVOCI”)	15	–	–	–	–
Investment in an associated company	16	–	–	–	–
Investments in subsidiary corporations	17	–	–	–	–
Plant and equipment	18	439	145	1	3
Investment property	19	1,055	1,076	1,055	1,076
		<u>1,494</u>	<u>1,221</u>	<u>1,056</u>	<u>1,079</u>
Total assets		<u>2,803</u>	<u>3,819</u>	<u>2,168</u>	<u>3,414</u>

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

BALANCE SHEETS

AS AT 31 DECEMBER 2023

	Note	Group		Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
LIABILITIES					
Current liabilities					
Trade and other payables	21	560	378	466	305
Borrowings	22	269	132	–	3,888
		<u>829</u>	<u>510</u>	<u>466</u>	<u>4,193</u>
Non-current liability					
Borrowings	22	160	–	–	–
		<u>989</u>	<u>510</u>	<u>466</u>	<u>4,193</u>
Total liabilities					
		<u>989</u>	<u>510</u>	<u>466</u>	<u>4,193</u>
NET ASSETS/(LIABILITIES)		<u>1,814</u>	<u>3,309</u>	<u>1,702</u>	<u>(779)</u>
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	23	27,559	27,559	27,559	27,559
Treasury shares	23	(2,602)	(2,602)	(2,602)	(2,602)
Accumulated losses		(20,042)	(18,545)	(24,034)	(22,592)
Other reserves	24	(3,136)	(3,139)	779	(3,144)
		<u>1,779</u>	<u>3,273</u>	<u>1,702</u>	<u>(779)</u>
Non-controlling interests	17	35	36	–	–
		<u>1,814</u>	<u>3,309</u>	<u>1,702</u>	<u>(779)</u>
Total equity		<u>1,814</u>	<u>3,309</u>	<u>1,702</u>	<u>(779)</u>

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group 2023	Attributable to equity holders of the Company						Non-controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Accumulated losses \$'000	Other reserves \$'000	Total \$'000	Total equity \$'000		
Balance at 1 January 2023	27,559	(2,602)	(18,545)	(3,139)	3,273	36	3,309	
Loss for the year	-	-	(1,497)	-	(1,497)	(1)	(1,498)	
Other comprehensive income for the year	-	-	-	3	3	-	3	
Total comprehensive loss for the year	-	-	(1,497)	3	(1,494)	(1)	(1,495)	
Balance at 31 December 2023	27,559	(2,602)	(20,042)	(3,136)	1,779	35	1,814	
2022								
Balance at 1 January 2022	25,247	(2,602)	(16,797)	(3,144)	2,704	44	2,748	
Loss for the year	-	-	(1,748)	-	(1,748)	(8)	(1,756)	
Other comprehensive income for the year	-	-	-	5	5	-	5	
Total comprehensive loss for the year	-	-	(1,748)	5	(1,743)	(8)	(1,751)	
Issue of shares	2,312	-	-	-	2,312	-	2,312	
Balance at 31 December 2022	27,559	(2,602)	(18,545)	(3,139)	3,273	36	3,309	

Note 23

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$'000	2022 \$'000
Cash flows from operating activities			
Net loss after income tax		(1,498)	(1,756)
Adjustments for:			
– Income tax expense	9	*	3
– Depreciation of plant and equipment	4	247	225
– Interest expense	8	6	6
– Write off of other payables	7	–	(14)
– Gain on disposal of property classified as held-for-sale	7	–	(21)
– Gain on disposal of investment property	7	–	(15)
– Unrealised currency translation losses		23	52
– Fair value loss on investment property	7	21	4
Operating cash flows before working capital changes		(1,201)	(1,516)
Change in working capital:			
– Trade and other receivables		21	(49)
– Other current assets		5	(976)
– Trade and other payables		182	7
Cash flows used in operations		(993)	(2,534)
Income tax paid		–	(5)
Net cash used in operating activities		(993)	(2,539)
Cash flows from investing activities			
Additions to plant and equipment ⁽¹⁾		(2)	(11)
Proceeds from redemption of financial assets, at FVPL		–	128
Proceeds from disposal of property classified as held-for-sale		–	334
Proceeds from disposal of investment property		–	548
Net cash (used in)/provided by investing activities		(2)	999

* Less than 1,000

⁽¹⁾ Additions of \$541,000 (2022: \$11,000) disclosed in plant and equipment (Note 18) consists of addition of right-of-use assets amounting to \$539,000 (2022: \$Nil) (Note 20(i)(f)).

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$'000	2022 \$'000
Cash flows from financing activities			
Net proceeds from issuance of shares	23	–	2,312
Principal payment of lease liabilities		(242)	(215)
Interest paid		(6)	(6)
Net cash (used in)/provided by financing activities		<u>(248)</u>	<u>2,091</u>
Net (decrease)/increase in cash and cash equivalents		<u>(1,243)</u>	<u>551</u>
Cash and cash equivalents			
Beginning of financial year		1,436	902
Net foreign exchange difference		(20)	(17)
End of financial year	13	<u>173</u>	<u>1,436</u>

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Beginning of financial year \$'000	Principal and interest payments \$'000	Non-cash changes		End of financial year \$'000
			Additions \$'000	Interest expenses \$'000	
Lease liabilities					
2023	132	(248)	539	6	429
2022	<u>347</u>	<u>(221)</u>	<u>–</u>	<u>6</u>	<u>132</u>

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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

1. General information

Sinjia Land Limited (the “Company”) is a Company incorporated in the Republic of Singapore and is listed on the Catalyst, the sponsor-supervised listing platform of Singapore Exchange Securities Trading Limited (“SGX-ST”). The address of its registered office is 16 Kallang Place, #01-16, Singapore 339156.

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiary corporations are described in Note 17 to the financial statements.

2. Material accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed as follow:

Valuation of investment property

As disclosed in Note 19 to the financial statements, investment property are stated at fair value based on valuations performed by an independent professional valuer. In determining their fair values, the valuer used a valuation method which involves certain estimates. In relying on the valuation report, management has exercised its judgement and is satisfied that the valuation method is reflective of current market conditions and the estimations used are appropriate.

Interpretations and amendments to published standards effective in 2023

On 1 January 2023, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Lodging income

Revenue from lodging income is recognised when the Company satisfies the performance obligation at a point in time upon rendering of the services to the customers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.2 Revenue recognition (continued)

(b) Rental income

Rental income (net of any incentives given to the lessee) is recognised on a straight-line basis over the lease term.

(c) Interest income

Interest income is recognised using the effective interest rate method.

2.3 Government grants

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

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

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

2.4 Group accounting

(a) Subsidiary corporations

(i) Consolidation

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.4 Group accounting (continued)

(a) *Subsidiary corporations* (continued)

(ii) *Acquisitions*

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

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary corporation measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

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

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

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Goodwill" for the subsequent accounting policy on goodwill.

(iii) *Disposals*

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

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

Please refer to the paragraph "Investments in subsidiary corporations and associated companies" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

(b) *Transactions with non-controlling interests*

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.4 Group accounting (continued)

(c) Associated companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisition

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associated companies over the Group's share of the fair value of the identifiable net assets of the associated companies are included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associated companies' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in associated companies equals to or exceeds its interest in the associated companies, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated companies. If the associated companies subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in associated companies includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

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

Please refer to the paragraph "Investments in subsidiary corporations and associated companies" for the accounting policy on investments in associated companies in the separate financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.5 Property, plant and equipment

(a) Measurement

(i) Plant and equipment

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

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

(b) Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Building and leasehold improvements	19 months to 5 years
Office equipment	3 to 10 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other credits and other charges".

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.6 Goodwill

Goodwill on acquisitions of subsidiary corporations and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiary corporation is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of associated companies represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associated companies is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiary corporations and associated companies include the carrying amount of goodwill relating to the entity sold.

2.7 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.8 Investments in subsidiary corporations and associated companies

Investments in subsidiary corporations and associated companies are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.9 Investment properties

Investment properties includes properties that are held for long-term rental yields and/or for capital appreciation.

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

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

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.10 Impairment of non-financial assets

Plant and equipment
Right-of-use assets
Investments in subsidiary corporations and associated companies

Plant and equipment, right-of-use assets, investments in subsidiary corporations and associated companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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

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

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

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.11 Financial assets

(a) Classification and measurement

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.11 Financial assets (continued)

(a) Classification and measurement (continued)

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents and trade and other receivables.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

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

FVOCI: Debt instruments that are held for collection for contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interests, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

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

(ii) Equity investments

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.11 Financial assets (continued)

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 26(b) details how the Group determines whether there has been a significant increase in credit risk.

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

(c) Recognition and derecognition

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

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

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

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

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.13 Borrowings

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

2.14 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.15 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the reporting date. The quoted market prices used for financial assets are the current bid prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each reporting date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.16 Leases

(a) When the Group is the lessee:

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

- Right-of-use assets

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

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

Right-of-use assets are presented within "Plant and equipment".

- Lease liabilities

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

Lease payments include the following:

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.16 Leases (continued)

(a) When the Group is the lessee: (continued)

- Lease liabilities (continued)

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

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

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

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

- Short-term and low value leases

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

(b) When the Group is the lessor:

- Lessor – Subleases

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.17 Income taxes

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

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

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

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

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment properties measured at fair value are presumed to be recovered entirely through sale.

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

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

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.19 Employee compensation

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

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) *Short-term compensated absences*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for unutilised annual leave as a result of services rendered by employees up to the reporting date.

2.20 Currency translation

(a) *Functional and presentation currency*

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

(b) *Transactions and balances*

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

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

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "Finance expenses". All other foreign exchange gains and losses impacting profit or loss are presented in the statement of comprehensive income within "Other credits and other (charges)".

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.20 Currency translation (continued)

(c) Translation of Group entities' financial statements

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

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

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

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments.

2.22 Cash and cash equivalents

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

2.23 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

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

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

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Material accounting policies (continued)

2.24 Dividends to Company's Shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

2.25 Going Concern

The Group incurred a net loss of \$1.50 million (2022: \$1.76 million) for the financial year ended 31 December 2023 and that its cash balance has decreased significantly from the previous financial year. This indicates the existence of events or conditions which may cast significant doubt on the Company's and the Group's ability to continue as a going concern. Nevertheless, the directors of the Group and Company believe that the use of the going concern assumption in the preparation and presentation of the financial statements for the financial year ended 31 December 2023 remains appropriate after taking into account the following factors:

- The Group has implemented various cost containing measures to generate savings and conserve financial resources such as cost reductions; and
- The Board and the management are currently exploring possible fundraising options to allow the Group to have access to additional working capital where required.

Management has assessed the cash flow forecasts of the Group for the next 12 months and concluded that there will be sufficient cash flows and resources to allow the Group to continue its operations and meet its obligations for the foreseeable future. The Board has assessed the ability of the Group to meet its short-term obligations as and when it falls due and is also of the opinion that the Group will be able to raise the necessary funds for its working capital purposes when required.

If the Group is unable to continue in operational existence for the foreseeable future, the Group may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the Group may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

3. Revenue

(a) Disaggregation of revenue from contracts with customers

	Group	
	2023 \$'000	2022 \$'000
<u>At a point in time</u>		
Lodging service	555	431
<u>Over time</u>		
Rental income	121	178
	<u>676</u>	<u>609</u>

Revenue from lodging service and rental income of \$676,000 (2022: \$600,000) are derived in Singapore and \$Nil (2022: \$9,000) in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. Revenue (continued)

(b) Contract liability

	Group	
	2023	2022
	\$'000	\$'000
Contract liability		
– Lodging service (Note 21)	23	14
	<u>23</u>	<u>14</u>

The contract liability relates to consideration received from customers for the unsatisfied performance obligation in providing lodging service for a contract period. Revenue will be recognised when the lodging service is provided to the customers.

Management expects that the transaction price allocated to unsatisfied performance obligations as at 31 December 2023 and 2022 may be fully recognised as revenue in 2024 and 2023 respectively.

4. Expense by nature

	Group	
	2023	2022
	\$'000	\$'000
Fees on audit services paid/payable to:		
– Auditor of the Company	64	63
– Other auditor	1	7
Fees on non-audit services paid/payable to:		
– Tax agents	11	10
Depreciation of plant and equipment (Note 18)	247	225
Employee compensation (Note 5)	1,147	1,298
Insurance	16	15
Professional fees	147	232
Rental expense (Note 20(i)(d))	30	35
Statutory charges	41	41
Telephone	12	13
Travelling	100	120
Upkeep of motor vehicle	4	9
Utilities, power and light	51	46
Others	256	258
Total cost of sales and administrative expenses	<u>2,127</u>	<u>2,372</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

5. Employee compensation

	Group	
	2023	2022
	\$'000	\$'000
Wages, salaries and benefits	975	1,111
Directors' fees	135	138
Employer's contribution to defined contribution plans including Central Provident Fund	37	49
	1,147	1,298

6. Other income

	Group	
	2023	2022
	\$'000	\$'000
IRAS Jobs Growth Incentive	6	15
Others	1	1
	7	16

7. Other credits and other (charges)

	Group	
	2023	2022
	\$'000	\$'000
Currency exchange loss – net	(27)	(46)
Gain on disposal of property classified as held-for-sale	–	21
Gain on disposal of investment property	–	15
Fair value loss on investment property (Note 19)	(21)	(4)
Write off of other payables	–	14
	(48)	–
Presented in consolidated statement of comprehensive income as:		
Other credits	–	50
Other charges	(48)	(50)
	(48)	–

8. Interest expense

	Group	
	2023	2022
	\$'000	\$'000
Interest expenses on lease liabilities (Note 20(i)(c))	6	6
	6	6

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

9. Income tax expense

	Group	
	2023	2022
	\$'000	\$'000
Tax expense attributable to loss is made up of:		
Over/(Under)-provision in prior financial years:		
– Foreign	*	*
Current income tax:		
– Foreign	–	3
	<u> *</u>	<u> 3</u>

* Less than 1,000

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2023	2022
	\$'000	\$'000
Loss before tax	(1,498)	(1,753)
Tax calculated at tax rate of 17% (2022: 17%)	(255)	(298)
Effects of:		
– Different tax rate in other country	(1)	2
– Expenses not deductible for tax purposes	255	302
– Income not subject to tax	–	(9)
– Deferred tax assets not recognised	1	6
– (Over)/Under-provision of tax in prior financial years	*	*
Tax charge	<u> *</u>	<u> 3</u>

* Less than 1,000

The Group has unrecognised tax losses of \$699,000 (2022: \$694,000) at the reporting date which can be carried forward and used to offset against future taxable income, subject to meeting certain statutory requirements. The tax losses have no expiry date

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

10. Loss per share

Basic and diluted loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of shares outstanding during the financial year.

	Group
2023	
Loss attributable to the equity holders of the Company (\$'000)	(1,497)
Weighted average number of ordinary shares ('000)	207,073
Basic and diluted loss per share (cents per share)	(0.72)
2022	
Loss attributable to the equity holders of the Company (\$'000)	(1,748)
Weighted average number of ordinary shares ('000)	194,580
Basic and diluted loss per share (cents per share)	(0.90)

There were no dilutive potential ordinary shares during the financial years ended 31 December 2023 and 2022.

11. Trade and other receivables

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Trade receivable:				
– Non-related parties	47	45	23	30
Loan to a subsidiary corporation ^(a)	–	–	329	410
Other receivables:				
– Subsidiary corporations ^(b)	–	–	431	966
– Non-related parties	3	26	–	–
Loan and other receivables	3	26	760	1,376
Less: Allowance for impairment of loan and other receivables – subsidiary corporation (Note 26(b))	–	–	(760)	(764)
Loan and other receivables – net	3	26	–	612
	50	71	23	642

- (a) The loan to a subsidiary corporation is unsecured, interest-bearing at SIBOR + 1.50% per annum and repayable twelve months from date of reimbursement.
 (b) Other receivables due from subsidiary corporations are unsecured, interest free and repayable upon demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. Other current assets

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Refundable deposit paid to Binex Inc ^(a)	1,000	1,000	1,000	1,000
Other deposits	56	62	7	19
Prepayments	30	29	17	17
	<u>1,086</u>	<u>1,091</u>	<u>1,024</u>	<u>1,036</u>

(a) On 31 January 2022, the Company entered into a sale and purchase agreement (the "SPA") with BINEX Inc., 3DOM Inc., Biomass Energy Corporation, Mebius Inc. and Future Science Research Inc. (collectively, the "Vendors"), in relation to the proposed acquisition of the entire issued and paid-up share capital of BINEX Singapore (Pte. Ltd.) (the "Target"), a company incorporated in the Republic of Singapore, by the Company.

On 23 June 2022, the Company paid a refundable deposit of \$1,000,000 to BINEX Inc.

At as of 30 December 2023, the Company and the Vendors had mutually agreed to terminate the SPA without the need for any further action on the part of any party. In view of the termination, the Company had also entered into agreement on 4 March 2024 (the "Loan Agreement") with BINEX Inc. (the "Borrower") to terminate the Deposit Agreement and restructure the deposit paid on 23 June 2022 of \$1,000,000 into a loan that will be paid in ten monthly instalments as described in Note 30(a).

13. Cash and cash equivalents

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	<u>173</u>	<u>1,436</u>	<u>65</u>	<u>657</u>

14. Property classified as held-for-sale

In December 2021, management committed to plan to sell one-plot of investment property located in Kulai, Malaysia. Accordingly, the specific unit of investment property was presented as property classified as held-for-sale. On 10 May 2022, the Group and the Company completed the sale transaction.

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Beginning of financial year	-	324	-	-
Disposal	-	(324)	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The details of the Group's property classified as held-for-sale was as follows:

Location	Description	Existing use	Tenure	Valuation Date
Nos. 22, Jalan Dataran Kulai 2, Taman Dataran Kulai, 81000 Kulai, Johor	2,161 sq. ft. Building (100% interest)	Vacant	Freehold	31 December 2021

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

15. Financial assets, at FVOCI

	Group and Company	
	2023	2022
	\$'000	\$'000
Non-current assets		
Unquoted security		
– Equity security – Singapore ^(a)	–	–

(a) Consists of 7,485,000 shares, initially valued at \$0.42 each. The fair value is assessed to be nil at balance sheet date.

16. Investment in an associated company

	Group	
	2023	2022
	\$'000	\$'000
Equity investment at cost	212	212
Accumulated share of losses	(212)	(212)
	–	–

The associated company listed below has share capital consisting solely of ordinary shares, which are held directly by the Group.

Name of company	Principal activities	Country of business/ incorporation	% of ownership interest	
			2023	2022
G&S Realty Limited	Property agency	Thailand	25	25

There are no contingent liabilities relating to the Group's interest in the associated company.

Summarised financial information for associated company

Summarised balance sheet

	G&S Realty Limited	
	2023	2022
	\$'000	\$'000
Current assets	9	8
Current liabilities	(188)	(156)
Non-current assets	15	39

Summarised statement of comprehensive income

	G&S Realty Limited	
	2023	2022
	\$'000	\$'000
Loss before income tax/total comprehensive loss	(58)	(90)

The information above reflects the amounts presented in the financial statements of the associated company (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associated company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

16. Investment in an associated company (continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in associated companies, is as follows:

	G&S Realty Limited	
	2023 \$'000	2022 \$'000
Net liabilities	(164)	(109)
Group's equity interest	25%	25%
Group's share of net liabilities	–	–
Carrying value	–	–

17. Investments in subsidiary corporations

	Company	
	2023 \$'000	2022 \$'000
Equity investments at cost		
Beginning and end of financial year	5,560	5,560
Allowance for impairment		
Beginning of financial year	(5,560)	(1,578)
Additions	–	(3,982)
End of financial year	(5,560)	(5,560)
Carrying amount		
End of financial year	–	–

The Group had the following subsidiary corporations as at 31 December 2023 and 2022:

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent	Proportion of ordinary shares directly held by the Group	Proportion of ordinary shares held by non- controlling interests
	%	%	%		
Sinjia Properties Pte Ltd ^(a)	Dormant	Singapore	100	100	–
G4 Station Pte Ltd ^(a)	Lodging and boarding houses and backpackers' hostel	Singapore	80	80	20
Sinjia Properties Sdn Bhd ^(b)	Investment holding company	Malaysia	100	100	–

(a) Audited by PKF-CAP LLP

(b) Audited by SQ Partners PLT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

17. Investments in subsidiary corporations (continued)

In accordance to Rule 716 of the Singapore Exchange Securities Trading Limited – Listing Rules, the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Group.

	Group	
	2023	2022
	\$'000	\$'000
Carrying value of non-controlling interests		
G4 Station Pte Ltd	35	36

18. Plant and equipment

	Building and leasehold improvements \$'000	Office equipment \$'000	Total \$'000
Group			
2023			
Cost			
Beginning of financial year	470	37	507
Additions	541	–	541
Written off	(434)	–	(434)
End of financial year	577	37	614
Accumulated depreciation			
Beginning of financial year	328	34	362
Depreciation charge	245	2	247
Written off	(434)	–	(434)
End of financial year	139	36	175
Net book value			
End of financial year	438	1	439
Group			
2022			
Cost			
Beginning of financial year	459	43	502
Additions	11	–	11
Written off	–	(6)	(6)
End of financial year	470	37	507
Accumulated depreciation			
Beginning of financial year	106	37	143
Depreciation charge	222	3	225
Written off	–	(6)	(6)
End of financial year	328	34	362
Net book value			
End of financial year	142	3	145

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

18. Plant and equipment (continued)

	Plant and equipment \$'000
Company	
2023	
Cost	
Beginning and end of financial year	37
Accumulated depreciation	
Beginning of financial year	34
Depreciation charge	2
End of financial year	36
Net book value	
End of financial year	1
Company	
2022	
Cost	
Beginning of financial year	43
Written off	(6)
End of financial year	37
Accumulated depreciation	
Beginning of financial year	37
Depreciation charge	3
Written off	(6)
End of financial year	34
Net book value	
End of financial year	3

Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 20(i).

19. Investment property

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Beginning of financial year	1,076	1,631	1,076	1,080
Fair value loss (Note 7)	(21)	(4)	(21)	(4)
Disposal	–	(551)	–	–
End of financial year	1,055	1,076	1,055	1,076

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

19. Investment property (continued)

As at the reporting date, the following amounts are recognised in profit and loss:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Direct operating expenses arising from:				
– Investment properties that generate rental income	–	3	–	–
– Investment properties that do not generate rental income	–	3	–	2

The details of the Group's investment property are as follows:

Location	Description	Existing use	Tenure	Valuation Date
30th Avenue SW and Interstate 94 Dickinson, North Dakota 58601	125 acres land (100% interest)	Vacant	Freehold	31 December 2023

The investment property are measured at fair value using significant other observable inputs (Level 2).

Valuation techniques and inputs used to derive Level 2 fair values.

Level 2 fair values of the Group's property were derived using the sales comparison approach. The most significant input into this valuation approach is the comparative indicators that are abstracted from sales of similar sites and applied to the appraised site.

Valuation processes of the Group

The Group had engaged external, independent and qualified valuers to determine the fair value of the Group's property based on the properties' highest and best use.

As at 31 December 2023 and 31 December 2022, the fair value of the property has been determined by Appraisal Services Inc.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. Leases

(i) Leases – The Group as a lessee

Nature of the Group's leasing activities

Building and leasehold improvements

The Group leases a hostel premise for the purpose of providing lodging and boarding houses and backpackers' hostel. There are no externally imposed covenants on these lease arrangements.

(a) Carrying amounts

ROU assets classified within building and leasehold improvements

	2023 \$'000	2022 \$'000
Building and leasehold improvements	426	126

(b) Depreciation charge during the year

	2023 \$'000	2022 \$'000
Building and leasehold improvements	239	217

(c) Interest expense

	2023 \$'000	2022 \$'000
Interest expense on lease liabilities (Note 8)	6	6

(d) Lease expense not capitalised in lease liabilities

	2023 \$'000	2022 \$'000
Lease expense – short-term leases (Note 4)	30	35

(e) Total cash outflow for all the leases in 2023 was \$278,000 (2022: \$256,000).

(f) Addition of ROU assets during the year was \$539,000 (2022: \$Nil).

(ii) Leases – The Group as a lessor

Nature of the Group's leasing activities – Group as an intermediate lessor

Subleases – classified as operating leases

The Group acts as an intermediate lessor under arrangement in which it subleases out hostel premise to third parties for monthly lease payments. The sublease periods do not form a major part of the remaining lease terms under the head leases and accordingly, the sub-leases are classified as an operating lease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. Leases (continued)

(ii) *Leases – The Group as a lessor (continued)*

Income from subleasing the hostel premise recognised during the financial year 2023 was \$121,000 (2022: \$169,000).

Undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

	2023 \$'000	2022 \$'000
Less than one year	72	91

21. Trade and other payables

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Trade payables:				
– Non-related parties	27	13	–	–
Accruals:				
– Directors' fees	270	135	270	135
– Operating expenses	144	138	109	111
Other payables:				
– Non-related parties	96	68	87	59
Deposits	–	10	–	–
Contract liability (Note 3(b))	23	14	–	–
	<u>560</u>	<u>378</u>	<u>466</u>	<u>305</u>

22. Borrowings

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Current</u>				
Loan from subsidiary corporation ^(a)	–	–	–	3,888
Lease liabilities	269	132	–	–
	<u>269</u>	<u>132</u>	<u>–</u>	<u>3,888</u>
<u>Non-current</u>				
Lease liabilities	160	–	–	–
Total borrowings	<u>429</u>	<u>132</u>	<u>–</u>	<u>3,888</u>

(a) The loan from subsidiary corporation is unsecured, interest free and repayable on demand.

Security granted

Total borrowings include secured liabilities of \$429,000 (2022: \$132,000) for the Group. Lease liabilities of the Group are secured over leased hostel premise (Note 20).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

23. Share capital and treasury shares

	No. of ordinary shares		Amount	
	Issued share capital '000	Treasury shares '000	Issued share capital \$'000	Treasury shares \$'000
Group and Company				
2023				
Beginning and end of financial year	222,051	(14,978)	27,559	(2,602)
2022				
Beginning of financial year	192,051	(14,978)	25,247	(2,602)
Issued during the year	30,000	–	2,312	–
End of financial year	222,051	(14,978)	27,559	(2,602)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividend as and when declared by the Company.

On 3 June 2022, the Company completed the issuance of 30,000,000 fully paid ordinary shares of \$0.082 per share pursuant to a share placement exercise. Share issue expenses incurred were \$147,600. The newly issued shares rank pari passu in all aspects with the previously issued shares.

24. Other reserves

(a) Composition:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Currency translation reserves	8	5	–	–
Fair value reserve	(3,144)	(3,144)	(3,144)	(3,144)
Capital reserve	–	–	3,923	–
	<u>(3,136)</u>	<u>(3,139)</u>	<u>779</u>	<u>(3,144)</u>

(b) Movements:

(i) Currency translation reserve

	Group	
	2023 \$'000	2022 \$'000
Beginning of financial year	5	*
Translation differences	3	5
End of financial year	<u>8</u>	<u>5</u>

* Less than 1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

24. Other reserves (continued)

(b) *Movements:* (continued)

(ii) *Fair value reserve*

Beginning and end of financial year

Group and Company

2023 2022

\$'000 \$'000

(3,144) (3,144)

(iii) *Capital reserve*

Relates to waiver of loan from subsidiary.

Other reserves are non-distributable.

25. Contingent liabilities

Company

Financial support

The Company has undertaken to provide financial support for subsidiaries corporations in the Group with a total capital deficiency of \$632,499 as at the financial year end, so as to enable the subsidiaries corporations to meet their obligations as and when they fall due.

26. Financial risk management

Financial risk factors

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

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes establishing the policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits.

(a) *Market risk*

(i) *Currency risk*

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies other than functional currency such as the United States Dollar ("USD"), Renminbi ("RMB") and Malaysia Ringgit ("MYR").

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's currency exposure based on the information provided to key management is as follows:

	SGD \$'000	USD \$'000	RMB \$'000	MYR \$'000	Total \$'000
<u>Group</u>					
<u>2023</u>					
Financial assets					
Trade and other receivables	50	–	–	–	50
Other current assets	1,056	–	–	–	1,056
Cash and cash equivalents	154	15	1	3	173
	<u>1,260</u>	<u>15</u>	<u>1</u>	<u>3</u>	<u>1,279</u>
Financial liabilities					
Trade and other payables	(535)	–	–	(2)	(537)
Borrowings	(429)	–	–	–	(429)
	<u>(964)</u>	<u>–</u>	<u>–</u>	<u>(2)</u>	<u>(966)</u>
Net financial assets	<u>296</u>	<u>15</u>	<u>1</u>	<u>1</u>	<u>313</u>
Currency exposure of financial assets net of those denominated in the respective entities' functional currencies					
	<u>–</u>	<u>15</u>	<u>1</u>	<u>–</u>	<u>16</u>
<u>Group</u>					
<u>2022</u>					
Financial assets					
Trade and other receivables	46	–	–	25	71
Other current assets	1,062	–	–	–	1,062
Cash and cash equivalents	813	46	1	576	1,436
	<u>1,921</u>	<u>46</u>	<u>1</u>	<u>601</u>	<u>2,569</u>
Financial liabilities					
Trade and other payables	(361)	(1)	–	(2)	(364)
Borrowings	(132)	–	–	–	(132)
	<u>(493)</u>	<u>(1)</u>	<u>–</u>	<u>(2)</u>	<u>(496)</u>
Net financial assets	<u>1,428</u>	<u>45</u>	<u>1</u>	<u>599</u>	<u>2,073</u>
Currency exposure of financial assets net of those denominated in the respective entities' functional currencies					
	<u>–</u>	<u>45</u>	<u>1</u>	<u>–</u>	<u>46</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. Financial risk management (continued)

(a) *Market risk* (continued)

(i) *Currency risk* (continued)

The Company's currency exposure based on the information provided to key management is as follows:

	SGD \$'000	USD \$'000	RMB \$'000	MYR \$'000	Total \$'000
<u>Company</u>					
<u>2023</u>					
Financial assets					
Trade and other receivables	23	–	–	–	23
Other current assets	1,007	–	–	–	1,007
Cash and cash equivalents	49	15	1	–	65
	<u>1,079</u>	<u>15</u>	<u>1</u>	<u>–</u>	<u>1,095</u>
Financial liabilities					
Trade and other payables	(466)	–	–	–	(466)
	<u>(466)</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(466)</u>
Net financial (liabilities)/assets	<u>613</u>	<u>15</u>	<u>1</u>	<u>–</u>	<u>629</u>
Currency exposure of financial assets net of those denominated in the Company's functional currency					
	<u>–</u>	<u>15</u>	<u>1</u>	<u>–</u>	<u>16</u>
<u>Company</u>					
<u>2022</u>					
Financial assets					
Trade and other receivables	156	–	–	486	642
Other current assets	1,019	–	–	–	1,019
Cash and cash equivalents	625	31	1	–	657
	<u>1,800</u>	<u>31</u>	<u>1</u>	<u>486</u>	<u>2,318</u>
Financial liabilities					
Trade and other payables	(304)	(1)	–	–	(305)
Borrowings	(3,888)	–	–	–	(3,888)
	<u>(4,192)</u>	<u>(1)</u>	<u>–</u>	<u>–</u>	<u>(4,193)</u>
Net financial (liabilities)/assets	<u>(2,392)</u>	<u>30</u>	<u>1</u>	<u>486</u>	<u>(1,875)</u>
Currency exposure of financial assets net of those denominated in the Company's functional currency					
	<u>–</u>	<u>30</u>	<u>1</u>	<u>486</u>	<u>517</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

If the USD, RMB and MYR change against SGD by 1% (2022: 1%), 10% (2022: 10%) and 6% (2022: 6%) respectively with all other variables including tax rate being held constant, the effects arising from the net financial assets/liabilities that are exposed to currency risk will be as follows:

	Increase/(decrease)	
	2023	2022
	Profit after tax	
	\$'000	\$'000
Group		
USD against SGD		
– strengthened	*	*
– weakened	*	*
	<hr/>	<hr/>
RMB against SGD		
– strengthened	*	*
– weakened	*	*
	<hr/>	<hr/>
Company		
USD against SGD		
– strengthened	*	*
– weakened	*	*
	<hr/>	<hr/>
RMB against SGD		
– strengthened	*	*
– weakened	*	*
	<hr/>	<hr/>
MYR against SGD		
– strengthened	–	29
– weakened	–	(29)
	<hr/>	<hr/>

* Less than 1,000

(ii) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing assets and liabilities at variable rates, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Company's exposure to cash flow interest rate risks arises mainly from loan to a subsidiary corporation at variable rates.

The Company's loan to a subsidiary corporation is at variable rates and denominated in SGD. If the SGD interest rates had been higher/lower by 1% (2022: 1%) with all other variables including tax rates being held constant, the net profit for the year of the Company would have been higher/lower by \$3,000 (2022: \$4,000) as a result of higher/lower interest income on these loans.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. Financial risk management (continued)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and the Company are cash and cash equivalents and trade and other receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit standing and history, and obtaining cash deposits where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by Chief Executive Officer based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored at the entity level by Chief Executive Officer.

Cash and bank balances are placed with banks and financial institutions with high credit-ratings assigned by international credit rating agencies. The cash and bank balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

Trade receivables arising from rental income are substantially companies with a good collection track record. The Group determines the lifetime expected credit loss allowance to trade receivables upon initial recognition. In calculating the expected credit loss rates, the Group considers historical loss rates for the trade receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. The Group considers a financial asset as in default if the counterparty fails to make contractual payments within 60 days when they fall due. Where receivables are written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

As at 31 December 2023, trade and other receivables and other current assets of the Group are not subject to any material credit losses.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheets.

For the loan to a subsidiary corporation, the loan is measured on 12-month expected credit losses and subject to credit loss.

The movement in credit loss allowance is as follows:

	Loan and other receivables \$'000
Company	
2023	
Balance at beginning of the year	764
Loss allowance recognised in profit or loss during the year	14
Loss allowance recovered during the year	(18)
Balance as end of the year (Note 11)	<u>760</u>
2022	
Balance at beginning of the year	492
Loss allowance recognised in profit or loss during the year	272
Balance as end of the year (Note 11)	<u>764</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. Financial risk management (continued)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At the reporting date, assets held by the Group and the Company for managing liquidity risk included cash and bank balances as disclosed in Note 13.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year \$'000	Between 1 to 2 years \$'000	Total \$'000
<u>Group</u>			
2023			
Trade and other payables	537	–	537
Lease liabilities	276	161	437
2022			
Trade and other payables	364	–	364
Lease liabilities	133	–	133
<u>Company</u>			
2023			
Trade and other payables	466	–	466
2022			
Trade and other payables	305	–	305
Borrowings	3,888	–	3,888

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders value. In order to maintain or achieve optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The Group and the Company do not have any externally imposed capital requirements.

No changes were made to the objectives, policies or processes during the financial years ended 31 December 2023 and 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. Financial risk management (continued)

(e) Fair value measurements

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

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

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of the reporting period.

There were no transfers between Levels 1 and 2 during the year.

The carrying amounts of current financial assets and current financial liabilities at amortised cost approximate their fair values.

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments are as follows:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Financial assets, at amortised cost	1,279	2,569	1,095	2,318
Financial liabilities at amortised cost	966	496	466	4,193
Financial assets, at fair value through other comprehensive income	–	–	–	–

27. Significant related party transactions

Key management personnel compensation is as follows:

	Group and Company	
	2023 \$'000	2022 \$'000
Salaries and benefits	708	707
Directors' fees	135	135
Employer's contribution to defined contribution plans, including Central Provident Fund	23	22
Others	–	2
	<u>866</u>	<u>866</u>
Analysed as:		
Directors of the Company	650	650
Other key management personnel	216	216
	<u>866</u>	<u>866</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

28. Segment information

The Chief Executive Officer (“CEO”) is the Group’s chief operating decision maker. Management has determined the operating segments based on the reports reviewed by the CEO that are used to make strategic decisions, allocate resources and assess performance.

The Group’s principal businesses are as follows:

- (1) The Hospitality Management (“HM”) segment manages and operates lodging and boarding houses and backpackers’ hostels.
- (2) The Corporate (“IH”) segment is involved in Group level corporate services, treasury functions and investments. It derives its income substantially from inter-company transactions and rental earned from investment properties.

	HM \$'000	IH \$'000	Group \$'000
2023			
Sales to external parties	676	–	676
Adjusted EBITDA	244	(1,489)	(1,245)
Depreciation	(244)	(3)	(247)
Segment assets	524	2,106	2,630
Segment assets includes:			
Additions to:			
– Plant and equipment	541	–	541
Segment liabilities	88	472	560
	HM \$'000	IH \$'000	Group \$'000
2022			
Sales to external parties	600	9	609
Adjusted EBITDA	191	(1,713)	(1,522)
Depreciation	(222)	(3)	(225)
Segment assets	211	2,172	2,383
Segment assets includes:			
Additions to:			
– Plant and equipment	11	–	11
Segment liabilities	68	310	378

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment’s operating results comprises two major financial indicators: (1) earnings from operations before depreciation, amortisation, interests and income taxes (“EBITDA”).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

28. Segment information (continued)

(a) Reconciliations

(i) Segment losses

A reconciliation of adjusted EBITDA to loss before tax is as follows:

	2023	2022
	\$'000	\$'000
Total adjusted EBITDA	(1,245)	(1,522)
Depreciation	(247)	(225)
Interest expense	(6)	(6)
Loss before tax	<u>(1,498)</u>	<u>(1,753)</u>

(ii) Segment assets

The amounts reported to the Chief Executive Officer with respect to total assets are measured in a manner consistent with that of the financial statements. All assets are allocated to reportable segments other than cash and cash equivalents.

Segment assets are reconciled to total assets as follows:

	2023	2022
	\$'000	\$'000
Segment assets for reportable segments	2,630	2,383
Unallocated:		
– Cash and cash equivalents (Note 13)	173	1,436
Total assets of the Group	<u>2,803</u>	<u>3,819</u>

(iii) Segment liabilities

The amounts provided to the Chief Executive Officer with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment. All liabilities are allocated to the reportable segments other than borrowings.

Segment liabilities are reconciled to total liabilities as follows:

	2023	2022
	\$'000	\$'000
Segment liabilities for reportable segments	560	378
Unallocated:		
– Borrowings (Note 22)	429	132
Total liabilities of the Group	<u>989</u>	<u>510</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

28. Segment information (continued)

(b) Revenue from lodging service and rental income

Revenues from external customers are derived mainly from lodging service and rental income. The breakdown of the Group's revenue by services is provided under Note 3(a).

(c) Geographical information

The Group's business segments operate in Singapore and Malaysia.

The Company is headquartered and has operations in Singapore. The operations in this area are principally hospitality management and investment holding.

	Non-current assets	
	2023	2022
	\$'000	\$'000
Singapore	439	145
United States	1,055	1,076
	<u>1,494</u>	<u>1,221</u>

29. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2024 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2024) Non-current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability
- information about the covenants, and
- facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

29. New or revised accounting standards and interpretations (continued)

The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-7 Statement of Cash Flows and SFRS(I) 7 Financial Statements: Disclosures: Supplier finance arrangements (effective for annual periods beginning on or after 1 January 2024)

The amendments clarify the characteristics of supplier finance arrangements ("SFA") and introduce new disclosures of such arrangements. The objective of the new disclosures is to provide information about supplier finance arrangements that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk.

There is a transitional relief of not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances.

The amendments will be effective for annual periods beginning on or after 1 January 2024. Early adoption is permitted.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 16 Leases: Lease liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024)

The narrow-scope amendments to SFRS(I) 16 explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

The Group does not expect any significant impact arising from applying these amendments.

30. Subsequent events

a) On 30 December 2023, the Company entered into a convertible loan agreement (the "CLA") with BINEX Inc ("the Borrower") to terminate the Deposit Agreement and restructure the Deposit paid on 23 June 2022 of \$1,000,000 into a convertible loan. The CLA is conditional on obtaining Shareholders' approval at an extraordinary general meeting (an "EGM") to be convened.

On 4 March 2024, the Company and the Borrower agreed to terminate the CLA and the loan of \$1 million shall be repayable in full, together with any accrued interest and/or all other unpaid sums in ten (10) equal monthly instalments and in any event no later than 29 December 2024. Interest shall accrue on the loan from the date of the CLA, at a simple interest rate of eight per cent. (8.0%) per annum on the loan. The interest shall become due and payable on a monthly basis.

b) On 5 March 2024 the Company entered into a loan agreement with a third party to borrow \$300,000 with upfront interest deduction. The loan bears interest rate of 7.14% per annum with total interest of \$20,000. The loan amount inclusive of accrued interest will be repaid in full on maturity date, which is 12 months from the date of the agreement. The net loan amount of \$280,000 has been received on 8 March 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

31. Assistance in investigation by the Commercial Affairs Department (“CAD”) and the Monetary Authority of Singapore (“MAS”)

On 19 July 2022, the Company received a letter from the CAD and MAS requiring the Company to provide certain information and documents in relation to an investigation into an offence under the Securities and Futures Act (Chapter 289, 2006 Rev Ed) and Securities and Futures Act 2001. Mr. Cheong Weixiong, being the Company’s Executive Director and Group Chief Executive Officer attended an interview on 19 July 2022 with CAD to assist in the Investigation.

On 22 July 2022, in response to Singapore Exchange Trading Limit queries, the Company stated that it is not aware that any other board directors, nor any other employees were notified to assist in the investigation. The Company also stated the letter from CAD and MAS did not state who is the subject of the investigation and as far as the Company is aware, no charges have been made against any Board members and/or employees (including Mr Cheong) of the Company.

There has been no update on this matter during the year.

32. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Sinjia Land Limited on 1 April 2024.

STATISTICS OF SHAREHOLDINGS

AS AT 13 MARCH 2024

Number of issued shares	:	222,050,685
Number of issued shares (excluding Treasury Shares)	:	207,072,685
Number/Percentage of Treasury Shares against the total number of issued shares excluding Treasury Shares	:	14,978,000/7.23%
Number of subsidiary holdings:	:	NIL
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS		NO. OF SHARES	
		%		%
1 – 99	2	0.18	145	0.00
100 – 1,000	59	5.45	47,460	0.02
1,001 – 10,000	366	33.80	2,527,640	1.22
10,001 – 1,000,000	631	58.26	69,219,100	33.43
1,000,001 AND ABOVE	25	2.31	135,278,340	65.33
TOTAL	1,083	100.00	207,072,685	100.00

Shareholding held by the public

Based on information available to the Company as at 13 March 2024, approximately 90.60 % of the issued ordinary shares of the Company is held in the hands of the public as defined in the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "Catalist Rules"). Accordingly, Rule 723 of the Catalist Rules is complied with.

NAME OF SHAREHOLDERS	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	% OF SHARES	NO. OF SHARES	% OF SHARES
Midori Ichijo ⁽¹⁾	–	–	16,875,000	8.15

Notes:-

(1) Midori Ichijo is deemed to be interested in the 16,875,000 Shares held under the name of its nominee, UOB Kay Hian Pte. Ltd.

STATISTICS OF SHAREHOLDINGS

AS AT 13 MARCH 2024

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	UOB KAY HIAN PRIVATE LIMITED	55,520,000	26.81
2	LOW CHUI HENG	10,180,000	4.92
3	TAY KWONG HUA	8,800,000	4.25
4	TAN BEE SIEW	7,500,000	3.62
5	LIM TIONG KHENG STEVEN	7,400,000	3.57
6	ST GLOBAL CAPITAL LIMITED	5,697,400	2.75
7	PHILLIP SECURITIES PTE LTD	4,287,600	2.07
8	RAFFLES NOMINEES (PTE.) LIMITED	4,039,300	1.95
9	TEO YONG PING (ZHANG RONGBIN)	3,585,900	1.73
10	DBS NOMINEES (PRIVATE) LIMITED	3,438,200	1.66
11	CHEONG WEIXIONG (ZHANG WEIXIONG)	2,599,700	1.26
12	OCBC SECURITIES PRIVATE LIMITED	2,123,000	1.03
13	CHUA SIEW LIAN	2,044,000	0.99
14	TAN LYE SENG	1,956,500	0.94
15	ANURAG BAID	1,911,000	0.92
16	LIM & TAN SECURITIES PTE LTD	1,771,000	0.86
17	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	1,718,800	0.83
18	CHIN GUEK HONG	1,700,000	0.82
19	MILANKUMAR MULCHANDBHAI PARIKH	1,507,000	0.73
20	CHUA YUE PENG	1,480,000	0.71
	TOTAL	129,259,400	62.42

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2024 Annual General Meeting of the shareholders of the Company be held at RNN Conference Centre, 137 Cecil Street, Cecil Building, Level 4, Room 2, Singapore 069537 on Wednesday, 24 April 2024 at 2.00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions:–

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2023 together with the Auditors' Report thereon. Resolution 1
2. To re-elect Mr Cheong Weixiong, who is retiring in accordance with Article 115 of the Company's Constitution, as a Director of the Company. Resolution 2

[See Explanatory Note (i)]
3. To re-elect Ms Ho Yoke Foong, Irene, who is retiring in accordance with Article 119 of the Company's Constitution, as a Director of the Company. Resolution 3

[See Explanatory Note (ii)]
4. To re-elect Mr Mannar Rajkumar, who is retiring in accordance with Article 119 of the Company's Constitution, as a Director of the Company. Resolution 4

[See Explanatory Note (iii)]
5. To approve the payment of Directors' fees of S\$135,000 for the financial year ended 31 December 2023 (2022: S\$135,000). Resolution 5
6. To re-appoint PKF-CAP LLP as the Company's Auditors for the ensuing year and to authorise the Directors to fix their remuneration. Resolution 6

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as ordinary resolution, with or without amendments:

7. **Authority to allot and issue shares** Resolution 7
 - (a) "That pursuant to Section 161 of the Companies Act 1967. ("Companies Act") and Rule 806 of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules"), authority be and is hereby given to the Directors of the Company to:
 - (i) allot and 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 may, in their absolute discretion, deem fit; and

NOTICE OF ANNUAL GENERAL MEETING

(b) provided that:

(i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 100% of the Company's total number of issued Shares excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the Company's total number of issued Shares excluding treasury shares and subsidiary holdings (as calculated in accordance with subparagraph (ii) below);

(ii) (subject to such manner of calculation as may be prescribed by the Catalist Rules), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Ordinary Resolution is passed, after adjusting for:–

(a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities;

(b) new Shares arising from exercising share options or vesting of share awards, provided that such share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or sub-division of Shares;

Adjustments in accordance with the above 7(b)(ii)(a) or 7(b)(ii)(b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate.

(iii) in exercising the authority conferred by this Ordinary Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by SGX-ST) and the Constitution for the time being of the Company; and

(iv) unless revoked or varied by the Company in general meeting, such authority conferred by this Ordinary Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or by the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.”

[See Explanatory Note (iv)]

8. To transact any other ordinary business which may be properly be transacted at an Annual General Meeting of the Company.

By Order Of the Board

LEE FUT HUA
Company Secretary
Date: 8 April 2024

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- i. Mr Cheong Weixiong (“Mr Cheong”), if re-elected, will remain as the Group Chief Executive Officer. The key information of Mr Cheong can be found under the sections entitled “Board of Directors”, “Corporate Governance Report – Principle 2” and “Directors’ Statement” of the Company’s Annual Report 2023.
- ii. Ms Ho Yoke Foong, Irene (“Ms Ho”), if re-elected, will remain as the Non-Executive and Independent Director, Chairman of Audit Committee, Member of the Remuneration Committee and Nominating Committee. The key information of Ms Ho can be found under the sections entitled “Board of Directors”, “Corporate Governance Report – Principle 2” and “Directors’ Statement” of the Company’s Annual Report 2023. Ms Ho does not have any relationships, including immediate family relationships with the Directors, the Company or its 10% shareholders.
- iii. Mr Mannar Rajkumar (“Mr Raj”), if re-elected, will remain as the Non-Executive and Independent Director, Chairman of Nominating Committee, Member of the Audit Committee and Remuneration Committee. The key information of Mr Raj can be found under the sections entitled “Board of Directors”, “Corporate Governance Report – Principle 2” and “Directors’ Statement” of the Company’s Annual Report 2023. Mr Raj does not have any relationships, including immediate family relationships with the Directors, the Company or its 10% shareholders.
- iv. Resolution 7, if passed, will empower the Directors of the Company, from the date of this Annual General Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held or the date such authority is revoked by the Company in a general meeting, whichever is the earliest, to allot and issue Shares and convertible securities in the Company. The aggregate number of shares (including any Shares issued pursuant to the convertible securities) which the Directors may allot and issue under this Resolution will not exceed 100% of the Company’s total number of issued Shares excluding treasury shares and subsidiary holdings, of which up to 50% of the total number of issued Shares excluding treasury shares and subsidiary holdings, in the capital of the Company may be issued other than on a pro-rata basis to existing shareholders.

Notes:

1. A member of the Company (not being a relevant intermediary) is invited to attend physically, speak and vote at the Annual General Meeting of the Company (“AGM”). **There will be no option for shareholders to participate virtually.** Printed copies of this notice of AGM (“Notice”), the proxy form and the FY2023 Annual Report will be sent by post to Shareholders. These documents will be made available to Shareholders via publication on the Company’s corporate website (<http://sinjialand.listedcompany.com/newsroom.html>) and on the SGX website (<https://www.sgx.com/securities/company-announcements>).
2. A Shareholder (whether individual or corporate) may vote at the AGM or appoint a proxy, including the Chairman of the AGM, to attend, speak and vote on his/her/its behalf at the AGM if such Shareholder wishes to exercise his/her/its voting rights at the AGM.
3. A Shareholder can appoint the Chairman of the AGM as his/her/its proxy, but this is not mandatory.
4. A Shareholder who is not a Relevant Intermediary (as defined at Section 181 of the Companies Act), is entitled to appoint one (1) or two (2) proxies to attend, speak and vote at the AGM. A Shareholder which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a Shareholder. Where such Shareholder appoints two (2) proxies, the proportion of his/her/its shareholding to be represented by each proxy shall be specified. If no proportion is specified, the appointment will be considered as invalid.
5. A Shareholder 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 different Shares held by such Shareholder.
6. **“Relevant Intermediary”** has the meaning prescribed to it in Section 181 of the Companies Act and means:
 - (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
7. Investors who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act), including CPF and SRS investors, and who wish to participate in the AGM should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order to make the necessary arrangements for them to participate in the AGM. CPF or SRS investors who wish to exercise their votes should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the date of the AGM.

NOTICE OF ANNUAL GENERAL MEETING

8. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
- (a) if by post, to the **Registered Office of the Company** at 16 Kallang Place, #01-16 Singapore 339156 (Opening Hours is 8.30 a.m. to 5.30 p.m., Mondays to Fridays (excluding Public Holidays)); or
 - (b) if sent by email to sinjia@sinjl.com
- in either case, not less than 48 hours before the time for holding the AGM by 2.00 p.m. on 22 April 2024 and at any adjournment thereof.
- A Shareholder who wishes to submit an instrument appointing a proxy(ies) by post or via email can either use the printed copy of the Proxy Form which has been despatched to him/her/it by post or download a copy of the Proxy Form from the Company's website and the SGXNet, and complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
9. Shareholders may submit questions related to the Ordinary Resolutions to be tabled for approval at the AGM in advance of the AGM in the following manner and must be submitted by 2.00 p.m. 18 April 2024:
- (a) if by post, to the **Registered Office of the Company** at 16 Kallang Place, #01-16 Singapore 339156 (Opening Hours is 8.30 a.m. to 5.30 p.m., Mondays to Fridays (excluding Public Holidays)); or
 - (b) if sent by email to sinjia@sinjl.com
10. The Company will consider all questions and endeavour to address all substantial and relevant questions on the Ordinary Resolutions tabled for approval at the AGM which are received from Shareholders, via an announcement on the Company's website: <http://sinjialand.listedcompany.com/newsroom.html> and the SGXNet at the URL: <https://www.sgx.com/securities/company-announcements>, no later than 2.00 p.m. on 20 April 2024, which is at least forty-eight (48) hours prior to the closing date and time for the lodgement of the proxy forms to facilitate Shareholders' votes and to allow Shareholders to make an informed decision on the Ordinary Resolution to be tabled at the AGM.
11. For questions, addressed during the AGM, the responses to such questions will be included in the minutes of the AGM which will be published on the Company's website and on the SGXNet within one (1) month after the AGM.
12. Important reminder. Any changes to the manner of conducting the AGM will be announced by the Company on SGXNet. Members are advised to check SGXNet regularly for any further updates.

Personal Data Privacy:

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

This notice has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Evolve Capital Advisory Private Limited, in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("Exchange") Listing Manual Section B: Rules of Catalyst for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this notice including the correctness of any of the figures used, statements or opinions made.

This notice has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.

*The contact person for the Sponsor is Mr Jerry Chua
Telephone number: 6241 6626*

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SINJIA LAND LIMITED

Registration No. 200402180C
(Incorporated in Singapore)

ANNUAL GENERAL MEETING PROXY FORM

IMPORTANT:

1. The Annual General Meeting (the "Meeting") will be held physically on 24 April 2024 at 2.00 p.m. at RNN Conference Centre, 137 Cecil Street, Cecil Building, Level 4, Room 2, Singapore 069537. **There will be no option for shareholders to participate virtually.** The Notice of Meeting has been published on 8 April 2024 on the SGX website and the Company's website at <http://sinjialand.listedcompany.com/newsroom.html>.
2. A Relevant Intermediary may appoint more than two (2) proxies to attend the AGM and vote (please see note 4 for the definition of "Relevant Intermediary").
3. For investor who holds shares under Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable), 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 them.
4. CPF Investors/SRS Investors should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.
5. By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in this proxy form and the Notice of AGM.
6. All capitalised terms in this proxy form which are not defined herein shall have the same meaning ascribed to them in the Notice of AGM.

I/We* _____ (Name), NRIC/Passport number* _____

of _____ (Address)

being a shareholder/shareholders* of **SINJIA LAND LIMITED** (the "Company") hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or*

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing the person, or either or both persons referred to above or the Chairman of the Annual General Meeting (the "AGM")* as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf at the **AGM** of the Company to be held at RNN Conference Centre, 137 Cecil Street, Cecil Building, Level 4, Room 2, Singapore 069537 on Wednesday, **24 April 2024 at 2.00 p.m.** and at any adjournment thereof. I/We* direct my/our* proxy to vote for, vote against or abstain from voting on the resolution to be proposed at the AGM as indicated hereunder.

The Ordinary Resolutions put to the vote at the AGM shall be decided by way of poll. Please indicate with an "√" in the spaces provided whether you wish your vote(s) to be cast for or against the Ordinary Resolutions as set out in the Notice of AGM. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the AGM.

No.	Resolutions	For**	Against**	Abstain**
1	Adoption of the Statement by Directors and the Audited Financial Statements of the Company for the financial year ended 31 December 2023, together with the Auditor's Report thereon.			
2	Re-election of Mr Cheong Weixiong as a Director.			
3	Re-election of Ms Ho Yoke Foong, Irene as a Director.			
4	Re-election of Mr Mannar Rajkumar as a Director.			
5	Approval of Directors' fees of S\$135,000 for the financial year ended 31 December 2023.			
6	Re-appointment of PKF-CAP LLP as Auditors and to authorize the Directors to fix their remuneration.			
7	Special Business Authority to allot and issue new shares.			

Note:

* Delete accordingly

Dated this _____ day of _____ 2024

Total number of shares held	
-----------------------------	--

Signature or Common Seal of shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF



NOTES:

1. Please insert the total number of shares held by you. 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. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
2. A Shareholder who is not a Relevant Intermediary (as defined at Section 181 of the Companies Act), is entitled to appoint not more than two (2) proxies to attend, speak and vote on his behalf at the general meeting. Where a Shareholder appoints more than one proxy, he shall specify the proportion of his shares to be represented by each such proxy, failing which, the nomination shall be deemed to be alternative. Where such Shareholder appoints two (2) proxies, the proportion of his/her/its shareholding to be represented by each proxy shall be specified. If no proportion is specified, the appointment will be considered as invalid.
3. A Shareholder who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM but each proxy must be appointed to exercise the rights attached to different Shares held by such Shareholder.
4. **“Relevant Intermediary”** has the meaning prescribed to it in Section 181 of the Companies Act and means:
 - (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
5. A proxy need not be a Shareholder.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer.
7. This instrument appointing a proxy(ies) must be submitted to the Company in the following manner.
 - (a) if by post, to the **Registered Office of the Company** at 16 Kallang Place, #01-16 Singapore 339156 (Opening Hours is 8.30 a.m. to 5.30 p.m., Mondays to Fridays (excluding Public Holidays); or
 - (b) if sent by email to sinjia@sinjl.comin either case, not less than 48 hours before the time for holding the AGM by 2.00 p.m. on 22 April 2024 and at any adjournment thereof.
8. A Shareholder who wishes to submit an instrument appointing a proxy(ies) by post or via email can either use the printed copy of the Proxy Form which has been despatched to him/her/it by post or download a copy of the Proxy Form from the Company’s website and the SGXNet, and complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her/its attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
9. A corporation which is a Shareholder may authorize by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with its Constitution and Section 179 of the Companies Act.
10. The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at 16 Kallang Place, #01-16 Singapore 339156 (Opening Hours is 8.30 a.m. to 5.30 p.m., Mondays to Fridays (excluding Public Holidays) not less than 48 hours before the time appointed for the AGM.
11. The completion and lodgement of a Proxy Form by a Shareholder will not preclude him from attending and voting in person at the AGM if he so wishes, although the appointment of the proxy shall be deemed to be revoked by such attendance.
12. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Shares entered in the Depository Register, the Company may reject a Proxy Form if the Shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time fixed for holding the AGM, as certified by the CDP to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the time fixed for holding the AGM.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 8 April 2024.



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