



TIONG WOON CORPORATION HOLDING LTD



SHAPING A SUSTAINABLE FUTURE IN HEAVY LIFTING

ANNUAL REPORT 2024

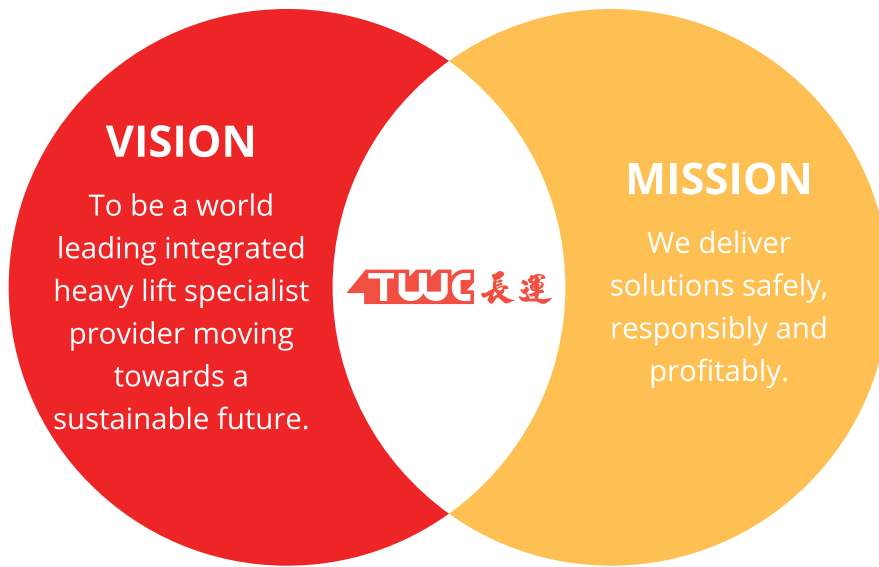
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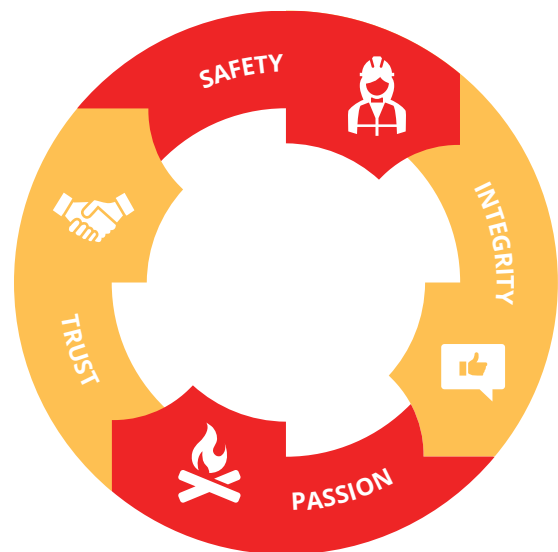
Driven by our unwavering commitment to excellence, TWC has systematically established a robust and stable foundation by reinforcing our core values and operational fundamentals. Strengthening this foundation has enabled us to foster growth and provide lasting value to all stakeholders. Aligned with our focus on continuous improvement, we have consistently invested in upgrading our equipment portfolio. This ensures that we not only retain a competitive edge in the industry but also enhance our operational efficiency and effectiveness. Our dedicated workforce plays a crucial role in our success. By consistently developing essential skills and promoting a safety culture, we maintain the highest safety standards in our operations. This strong emphasis on safety not only safeguards our team members and enhances our operational reliability, but it also serves to attract both new and foster loyalty among existing clients, further strengthening our reputation as a trusted leader in the sector. Looking ahead, we are confident that our sustained efforts will continue to keep us at the forefront of the industry. With a solid foundation built on excellence and safety, TWC is well-positioned to navigate challenges and seize opportunities for growth and success in the years to come.



OUR VISION AND MISSION



OUR CORE VALUES



**OVER
45 YEARS**

Of Proven Track
Record

15th

Largest Crane-Owning
Company Worldwide

CORPORATE PROFILE

Listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") Mainboard since 1999, Tiong Woon ("TWC") is a leading one-stop integrated heavy lift specialist and service provider, supporting mainly the oil and gas, petrochemical, infrastructure and construction sectors, with proven track record of more than 45 years.

The Group manages turnkey projects for engineering, procurement and construction contractors and project owners from planning and designing heavy lift and haulage requirements to the execution stage. The heavy equipment is transported, lifted and installed at customers' facilities.

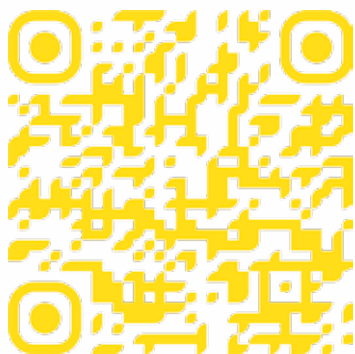
The Group also purchases and operates its own heavy lift and haulage equipment, tugboats and barges. This allows the Group to be flexible, nimble and efficient when providing integrated services to its customers.

Headquartered in Singapore, the Group has a strong regional presence with establishments in thirteen countries. It is ranked 15th in IC100 2024 survey.

Under the strong leadership and far-sighted vision of the Group's management team, TWC is committed to providing timely, high quality and safe services to its customers anywhere in the world.



Scan here to view our Corporate Video!



TWC GROUP OF COMPANIES

1 SINGAPORE

Tiong Woon Corporation Holding Ltd
Tiong Woon Crane & Transport (Pte) Ltd
Tiong Woon Crane Pte. Ltd.
Tiong Woon Project & Contracting Pte. Ltd.
Tiong Woon Enterprise Pte Ltd
Tiong Woon International Pte. Ltd.
Tiong Woon Tower Crane Pte. Ltd.
Tiong Woon Marine Pte Ltd
Tiong Woon Offshore Pte. Ltd.
TW (Sabah) Pte. Ltd.
Tiong Woon Logistics Pte. Ltd.
Tiong Woon China Consortium Pte. Ltd.
Tower Cranes Services Pte. Ltd.
Tiong Woon Crane & Equipment Pte. Ltd.
Tiong Woon Teck Aik Enterprise Pte. Ltd.*

2 MALAYSIA

Tiong Woon Crane & Transport (M) Sdn Bhd
Tiong Woon Crane Sdn Bhd
Tiong Woon Offshore Sdn Bhd

3 BRUNEI

Tiong Woon Services Sdn Bhd

4 INDIA

Tiong Woon Project & Contracting (India)
Private Limited

5 BANGLADESH

Tiong Woon Bangladesh Limited

6 INDONESIA

P.T. TWC Indonesia
P.T. Tiong Woon Indonesia

7 PHILIPPINES

Tiong Woon Philippines, Inc

8 CHINA

Tiong Woon (Huizhou) Industrial Services Co., Ltd

9 THAILAND

Tiong Woon Thai Co., Ltd.
Thai Contracting & Enterprises Co., Ltd.
Thai Transport and Fabrication Services Co., Ltd.

10 VIETNAM

Tiong Woon Vietnam Company Limited

11 SAUDI ARABIA

TWC Arabia Company Ltd

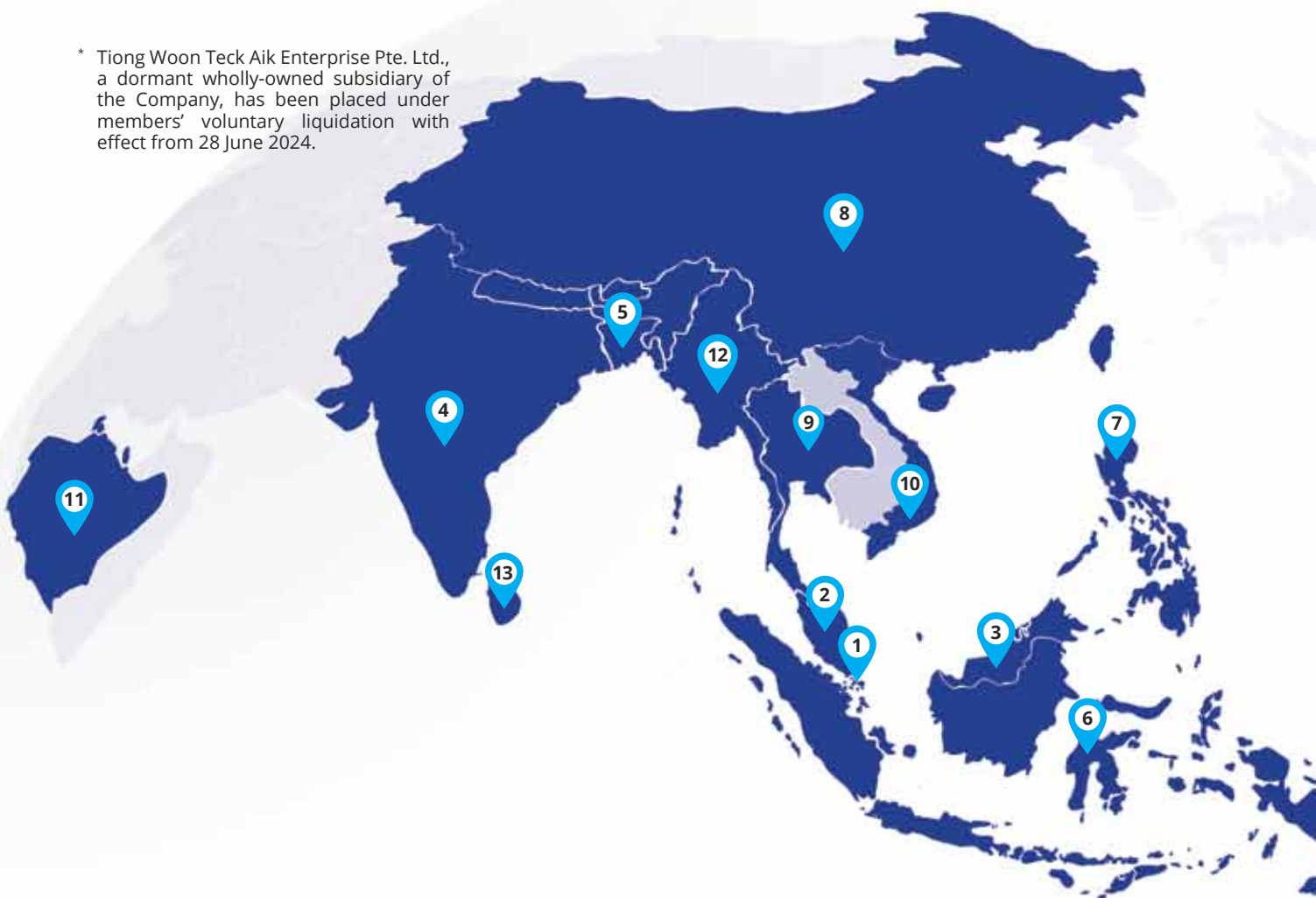
12 MYANMAR

Tiong Woon Myanmar Company Limited

13 SRI LANKA

Tiong Woon Crane & Transport Lanka (Pvt) Ltd

* Tiong Woon Teck Aik Enterprise Pte. Ltd., a dormant wholly-owned subsidiary of the Company, has been placed under members' voluntary liquidation with effect from 28 June 2024.



KEY FIGURES



REVENUE

\$143.1 MILLION

FY2023: \$135.8 MILLION

↑5.4% Increase YoY



PROFIT (PATMI)

\$18.2 MILLION

FY2023: \$15.7 MILLION

↑16.0% Increase YoY



CASH

\$81.1 MILLION

FY2023: \$75.5 MILLION

↑7.4% Increase YoY



TOTAL ASSETS

\$519.1 MILLION

FY2023: \$491.5 MILLION

↑5.6% Increase YoY



SHAREHOLDERS EQUITY

\$309.3 MILLION

FY2023: \$293.4 MILLION

↑5.4% Increase YoY



RETURN OF EQUITY

5.9%

FY2023: 5.3%

↑0.6ppt Increase YoY



DIVIDEND PER SHARE

1.5 CENTS

FY2023: 1.0 CENT

↑50.0% Increase YoY



DIVIDEND PAYOUT RATIO

19.1%

FY2023: 14.8%

↑4.3ppt Increase YoY



EMPLOYEES

1,223

FY2023: 1,110

↑10.2% Increase



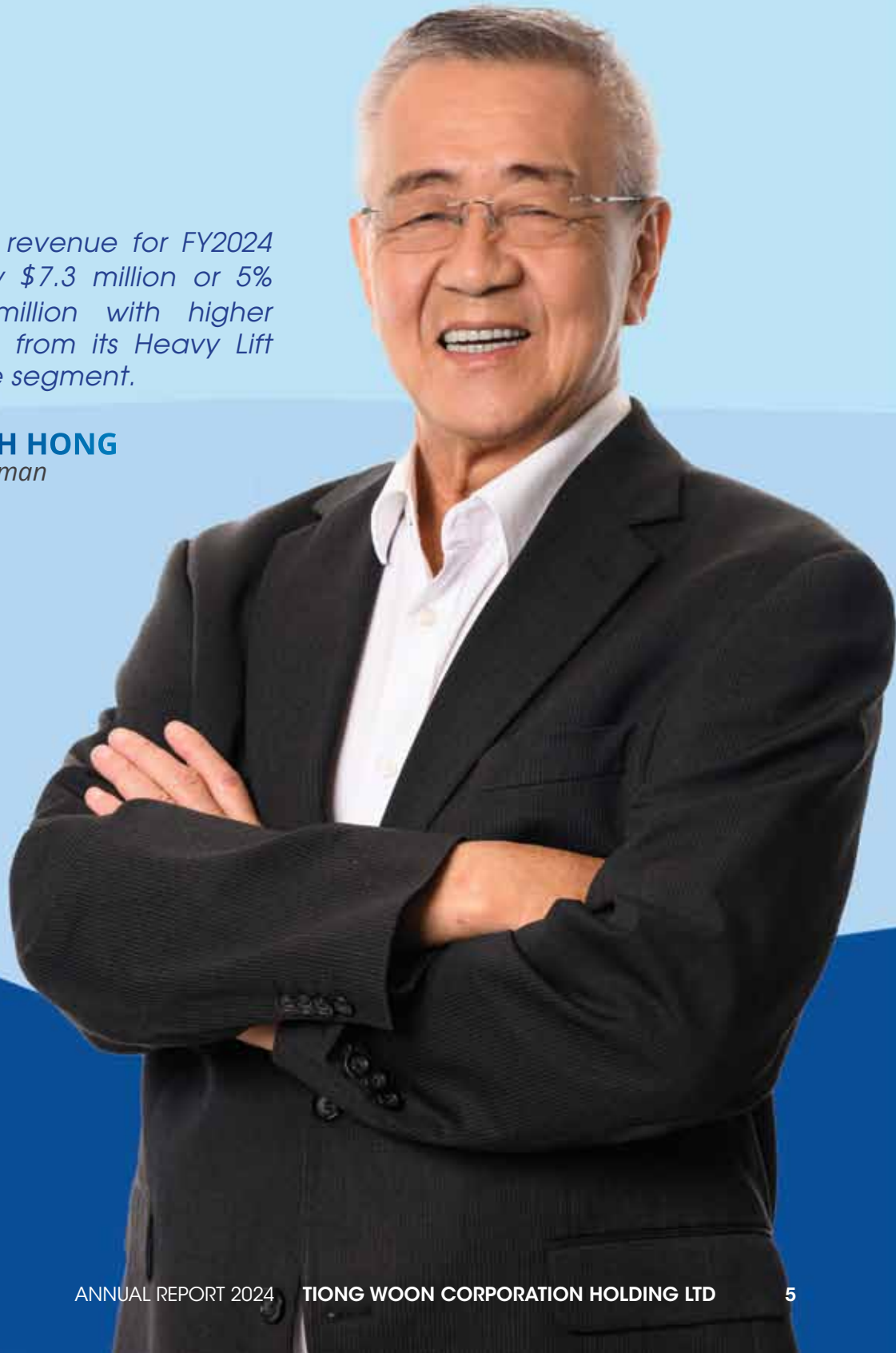
COUNTRIES

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CHAIRMAN'S MESSAGE

The Group's revenue for FY2024 improved by \$7.3 million or 5% to \$143.1 million with higher contributions from its Heavy Lift and Haulage segment.

MR ANG KAH HONG
Executive Chairman



CHAIRMAN'S MESSAGE

DEAR SHAREHOLDERS,

We are pleased to report that TWC achieved a strong set of results and continued to improve in terms of both our top and bottom lines for the financial year ended 30 June 2024 ("FY2024").

Our strategy to steer the Group towards higher growth by enhancing our heavy lift and haulage capabilities as well as operational excellence proved effective. TWC continued to progress up the ranks to emerge as the 15th largest crane-owning company worldwide in the latest IC100 2024 survey, up four positions from being ranked 19th place last year.

Together with our team's determination to seek continuous improvements and strengthen competencies, we believe that TWC is in a much better position to navigate challenges, seize opportunities and grow our business more sustainably and successfully in the years to come.

PERFORMANCE REVIEW

The Group's revenue for FY2024 improved by \$7.3 million or 5% to \$143.1 million with higher contributions from its Heavy Lift and Haulage segment.

Heavy Lift and Haulage segment remained our largest revenue contributor, accounting for 97% of the Group's revenue. Geographically, Singapore remained the top revenue driver, accounting for 75% of Group's revenue or \$107.7 million, followed by India which contributed 9% of Group's revenue or \$12.7 million.

Gross profit was higher at \$59.0 million in FY2024, as compared to \$54.2 million in FY2023 while gross profit margin was slightly higher at approximately 41%.

Amid persistent cost pressures, administrative expenses and other operating expenses increased by \$0.2 million and \$1.5 million, to \$1.6 million and \$34.3 million respectively. Interest income earned in FY2024 was higher by \$0.6 million while interest expenses reduced by \$0.1 million in FY2024.

Notwithstanding the inflationary cost environment, the Group recorded a higher net profit attributable to shareholders of \$18.2 million in FY2024, up 16% from \$15.7 million in FY2023.

The Group's shareholders' funds as at 30 June 2024 stood at \$309.3 million, translating to net asset value per share of \$1.33. Earnings per share for FY2024 was 7.85 Singapore cents, up 16% from 6.77 Singapore cents in FY2023. The Group's cash and bank deposits increased by \$5.6 million or 7%, from \$75.5 million as at 30 June 2023 to a record strong position of \$81.1 million as at 30 June 2024.



CHAIRMAN'S MESSAGE

CHANGES TO THE BOARD

As part of TWC's ongoing efforts to renew our Board, we would like to welcome our newly appointed non-executive independent directors, Ms Wong Bee Eng and Mr Ding Hock Chai. Both of them were appointed on 1 April 2024.

In line with SGX Transitional Practice Note 4 - Transitional Arrangements Regarding the Tenure Limit for Independent Directors, Mr Wong King Kheng and Mdm Luk Ka Lai Carrie (Mrs Carrie Cheong) will be retiring after the forthcoming Annual General Meeting as Independent Directors of the Company. The Board, Management and staff wish to thank Mr Wong and Mdm Luk for their invaluable contribution and unwavering dedication throughout their tenure with TWC. Their efforts are deeply appreciated.

DIVIDEND

The Board of Directors has proposed a final tax-exempt dividend of 0.60 Singapore cent per share, and a special tax-exempt dividend of 0.90 Singapore cent per share for FY2024. This represents a 50% increase of the total dividend payout from FY2023. The proposed dividend is subject to approval by shareholders at the Annual General Meeting on 30 October 2024.

NOTE OF APPRECIATION

On behalf of the Board of Directors, I would like to take this opportunity to express my heartfelt gratitude to shareholders, employees, management, customers, business associates and bankers for your support and confidence in the Group. We will continue to strengthen our market leadership and seize new growth opportunities in Singapore and beyond.

Thank you.

Yours Sincerely,
MR ANG KAH HONG
Executive Chairman



BUSINESS REVIEW

The Group achieved a 5% year-on-year growth in revenue, reaching \$143.1 million in FY2024. This was driven by sustained demand for heavy lifting and installation projects across key markets, including India, Singapore, the Middle East, and Thailand. In line with the revenue growth, the Group's gross profit also increased by 9% to \$59.0 million. Gross profit margin improved to 41.2%, reflecting enhanced operational efficiency.

The Group reported a 14% growth in profit before tax, amounting to \$23.2 million for FY2024. Net profit attributable to shareholders rose by 16% to \$18.2 million, marking a solid performance compared to the previous year's \$15.7 million.

Looking ahead, the Group will continue to focus on its core competencies in heavy lift and haulage, as well as marine transportation, while managing risks and seizing opportunities for sustainable growth. The Group's strong financial position, highlighted by a net asset value of \$1.33 per share and a record cash position of \$81.1 million, supports its ability to navigate challenges while delivering value to shareholders.

HEAVY LIFT AND HAULAGE

The Group provides one-stop solutions in the oil and gas, petrochemical, infrastructure, and construction sectors. Specialising in heavy lift and haulage as well as inland transportation, it offers a wide range of services ranging from the planning and design of heavy lift and haulage requirements to supporting the execution stage for engineering, procurement, and construction contractors as well as project owners.

Having established itself as a reliable heavy lift and haulage provider supporting the oil and gas, petrochemical, infrastructure and construction sectors, the Heavy Lift and Haulage segment continues to be the largest contributor to the Group's revenue.

In FY2024, the Heavy Lift and Haulage segment accounted for 97% of the Group's revenue. Revenue from this segment increased by 6% or \$7.7 million from \$131.7 million in FY2023 to \$139.4 million in FY2024, mainly due to higher revenue derived from India, Singapore, Middle East and Thailand offset by lower revenue derived from Indonesia.

The Group undertook several notable projects in FY2024, exemplifying our commitment to excellence and proficiency in various aspects as an integrated heavy lifting solutions provider. These endeavours serve as significant milestones, showcasing our capabilities and dedication to delivering outstanding results. Some highlights include:

- 1. Clifford Centre Building Demolition - Lifting of Excavator Parts:** In a complex and high-profile project, we provided lifting solutions for the Clifford Centre Building's Demolition Project at Collyer Quay, Singapore. Utilising our 750T Mobile Crane, configured with an 80m luffing jib — one of the highest configurations for this crane — we efficiently lifted various parts of an excavator to the roof of the building to facilitate the assembly of the excavator for the building's demolition, underscoring our expertise in facilitating challenging urban demolition tasks.
- 2. Tandem Lifting of Marine Vessel with 900T Mobile Crane:** Marking a significant milestone, the inaugural deployment of our new 900T Mobile Crane was for a tandem lifting operation involving a 200T Marine Vessel at a local shipyard in Singapore. This project highlighted our enhanced capacity for complex heavy lifting operations, expanding our portfolio of maritime and industrial lifting solutions.
- 3. Strategic Alliance in Thailand - Memorandum of Understanding with Mammoet:** To strengthen our market presence in Thailand, we entered into a Memorandum of Understanding with Mammoet Asia Holding B.V., a global leader in heavy lift and transport solutions. This strategic partnership, coupled with asset acquisition, bolsters our operational capabilities and positions us to better serve the evolving needs of our customers in the region.
- 4. Tandem Lifting for Jurong Region Line Construction:** We successfully executed a tandem lifting operation at a project site in Jurong West, Singapore, as part of the construction of the Jurong Region Line. Our expertise in precision lifting was demonstrated by the safe and efficient installation of a critical metal beam, supporting the development of Singapore's expanding public transport infrastructure.
- 5. 350T Mobile Crane Deployment for Jurong Region Line Precast Beam Lifting:** Continuing our involvement in the Jurong Region Line construction, our 350T Mobile Crane was employed to lift precast beams, each weighing 50T, at Choa Chu Kang Central. This project further demonstrated our ability to deliver reliable and effective lifting solutions for large-scale infrastructure projects.
- 6. Certificate of Achievement from AFCONS in Bangladesh:** We were honored to receive a certificate of achievement from Afcons Infrastructure Limited in recognition of our outstanding contributions to the erection work at project sites in Bangladesh. This acknowledgment underscores our commitment to excellence in international operations and reflects the high standards of quality and safety we uphold across all our projects.

7. Heavy Lifting for WOOD/SIMPEX Project at Jurong Island: In a critical operation for the WOOD/SIMPEX project on Jurong Island, Singapore, we executed heavy lifting works using a 1,600T Crawler Crane and a 700T Mobile Crane. The tandem lift of columns weighing 117T and measuring 3.5m x 35m demonstrated our capacity to manage complex and large-scale industrial lifting operations, further solidifying our position as a leader in the heavy lifting sector.

These accomplishments underscore our dedication to excellence, safety, and innovation in the field of heavy lifting and construction services, as well as our best-in-class capabilities, that allow us to compete shoulder-to-shoulder in the international arena among global heavy lift players. As we continue to forge ahead, we remain committed to delivering outstanding value safely and efficiently, and to continue to exceed expectations of our clients.

Throughout the year, the Group continued to strategically implement our fleet renewal and optimisation strategy, through the acquisition of new heavy lifting equipment comprising mobile, crawler, lorry, rough terrain, and tower cranes, as well as the disposal of under-utilised equipment, to enable capital recycling and re-deployment. The Group has also increased its investment in the heavy haulage transportation fleet comprising prime movers, low beds, trailers and tow trucks to enhance our capacity and meet the growing demand for transportation services. This deliberate, considered, two-pronged approach was undertaken to meet the robust demand for heavy lift and haulage capabilities within the construction and petrochemical sectors in our key markets, while spurring efficiency in capital allocation and deployment.

In the mobile, crawler and rough terrain crane division, we continue to receive strong customer enquiries in the construction, oil and gas, petrochemical and infrastructure sectors, particularly in Singapore and key overseas markets including India, Thailand and Saudi Arabia, amid a strong project pipeline in these markets.

In the tower crane division, the drive to raise productivity through the adoption of Prefabricated Prefinished Volumetric Construction (PPVC) methodology for the construction of high-rise buildings, is poised to underpin demand for advanced lifting machinery employed in the assembly of the weightier and more intricate modular structures. Consequently, our commitment to bolster our fleet with tower cranes of greater lifting capacities underscores our dedication to supporting the dynamic and evolving requirements of the construction industry in Singapore in the years ahead, while aligning with the broader trends and advancements in modern construction practices.

The Group remains diligent in its fleet management to achieve optimal performance. In terms of heavy lifting assets, the Group owned 543 cranes and tower cranes (FY2023: 523 units) of varying capacities of up to 2,200T as of 30 June 2024. It had 343 units of heavy haulage transportation assets as of 30 June 2024 (FY2023: 286 units). The average utilisation rate for its heavy lifting assets was improved by 8ppt to 56% in FY2024 (FY2023: 48%).

In FY2024, as part of our continued commitment to enhancing operational efficiency and expanding our heavy lifting capabilities, we invested in state-of-the-art equipment. This strategic acquisition includes mobile and crawler cranes that will bolster our capacity to undertake larger and more complex projects. The new cranes not only enhance our lifting range but also strengthen our competitive advantage in the heavy lift and transport industry. They include:

- 1. XCMG XCA 600L8 (600T) Mobile Crane:** The XCMG XCA 600L8 is a 600T mobile crane equipped with advanced technology and innovative design features. It boasts exceptional lifting performance, with extended reach capabilities and robust stability under diverse operational conditions. This model enhances our ability to execute heavy lifting jobs swiftly while maintaining the highest safety standards.
- 2. XCMG XCA 900L8 (900T) Mobile Crane:** With a lifting capacity of 900T, the XCMG XCA 900L8 further extends our fleet's ability to handle ultra-heavy loads. Its modern hydraulic system ensures precise control during complex lifts, and its adaptability across various terrains makes it ideal for large-scale infrastructure and industrial projects.
- 3. Zoomlion ZCC9800W (800T) Crawler Crane:** The Zoomlion ZCC9800W is an 800T crawler crane known for its strong lifting capacity and excellent maneuverability. Designed for demanding environments, it provides superior stability, making it an invaluable addition to our fleet for projects requiring heavy-duty and high-altitude lifts.

These strategic acquisitions not only strengthen our capacity to take on larger, more technically demanding and complex projects, but also underscore our commitment to technological advancement and innovation. As we integrate these exceptional cranes into our fleet, we are poised to provide our clients with best-in-class capabilities and solutions, setting new benchmarks for excellence in the industry. These acquisitions stand as a testament to our ongoing dedication to delivering superior service and achieving excellence in every project we undertake.

BUSINESS REVIEW

MARINE TRANSPORTATION

The Group provides its tug and barge services for a wide variety of sea transportation projects. Our fleet of tugboats and barges are available for external charters and to support the Group's projects in other business segments.

Revenue from the Marine Transportation segment decreased from \$2.9 million in FY2023 to \$2.2 million in FY2024.

As of 30 June 2024, the Group had a fleet of 6 tugboats with a working capacity of 1,000-3,200 bhp and 7 barges ranging in length from 140 to 282 feet. The average utilisation rate for its marine fleet was 28% in FY2024 (FY2023: 43%) due to subdued demand.

TRADING

Revenue from the trading segment increased by \$0.3 million or 22% from \$1.3 million in FY2023 to \$1.6 million in FY2024, mainly due to higher value equipment accessories sold.

BUSINESS OUTLOOK

Despite the challenging and volatile business environment, marked by geopolitical tensions, conflicts in Europe and the Middle East, economic challenges in China, and persistent cost pressures, the Group maintains a positive outlook. It anticipates that demand for its Heavy Lift and Haulage solutions will remain resilient, particularly in Singapore's petrochemical and construction sectors, as well as in key regional markets such as India, Saudi Arabia, and Thailand. The Heavy Lift and Haulage division is poised to contribute positively to the Group's revenue.

The Group will actively seek for projects in Infrastructure including the cross island MRT and road enhancement, semiconductor plant expansion, Changi Terminal expansion and other key construction projects.

TWC India continues to leverage India's rapidly growing economy, maintaining strong performance by providing heavy lifting and engineering services to the petrochemical and infrastructure sectors. Key projects include Indian Oil Corporation Limited in Baroda and Panipat, Numaligarh Refinery Limited in Assam, and Jindal Steel and Power Limited in Angul.

Following a series of strategic asset acquisitions during the year, TWC Thailand continued to bolster its competitive positioning in the market by offering a comprehensive, integrated suite of solutions for heavy lifting, haulage, ballasting, weighing, skidding, load-in, and load-out services to its customers in the Oil & Gas, Petrochemical and Civil Infrastructure sectors.

In the Middle East, TWC Saudi Arabia plays a critical role in several large-scale projects, including the expansion of the GIGA gas field and high-profile developments such as NEOM and the Red Sea initiatives, all of which are integral to the country's Vision 2030 strategic framework. These projects are aimed at transforming Saudi Arabia's economy, enhancing infrastructure, and promoting sustainable growth across various sectors.

Looking ahead, we anticipate considerable expansion opportunities, particularly in energy, infrastructure, and construction. TWC Saudi Arabia is strategically positioned to leverage its expertise and resources to support the ambitious goals of Vision 2030, while driving growth within these sectors. Our commitment to operational excellence and innovative solutions will be key in capturing these emerging opportunities and contributing to the region's long-term development.

The Group will remain vigilant in managing cash flow, operating costs, and potential business risks within the dynamic and uncertain operating environment.

We will continue to actively pursue opportunities that emerge from the requirements for construction and petrochemical investments, leveraging our position as a prominent one-stop integrated heavy lift specialist and service provider in the region.



DRIVING INNOVATION, ELEVATING OPERATIONS

TWC is committed to exceeding market demands by continuously improving our operating capabilities and service offerings.

We aim to not only meet but also surpass current market demands. This innovative strategy strengthens our position in the industry and promotes sustainable growth.



PROJECT GALLERY

TWC provides services to the oil and gas, petrochemical, infrastructure, and construction sectors, among others. The following pages display some TWC projects, a testament to the range of services provided and equipment utilised.



LOCATION	Choa Chu Kang Central, Singapore
EQUIPMENT	350T Mobile Crane
SCOPE OF WORK	Heavy Lifting Services



LOCATION	Bidadari, Singapore
EQUIPMENT	300T Mobile Crane
SCOPE OF WORK	Heavy Lifting Services



LOCATION	Jurong West, Singapore
EQUIPMENT	2x 200T Mobile Cranes
SCOPE OF WORK	Tandem Lifting Services



LOCATION	Jurong Island, Singapore
EQUIPMENT	1,600T Crawler Crane 700T Mobile Crane
SCOPE OF WORK	Heavy Lifting Services



LOCATION	Bukit Merah, Singapore
EQUIPMENT	20T Tower Cranes 32T Tower Cranes
SCOPE OF WORK	Heavy Lifting Services



LOCATION	Dunman Road, Singapore
EQUIPMENT	20T Tower Cranes 50T Tower Cranes 64T Tower Cranes
SCOPE OF WORK	Heavy Lifting Services



LOCATION	Jalan Rajah, Singapore
EQUIPMENT	32T Tower Cranes 24T Tower Cranes
SCOPE OF WORK	Heavy Lifting Services



LOCATION	Clarke Quay, Singapore
EQUIPMENT	36T Tower Cranes 20T Tower Cranes
SCOPE OF WORK	Heavy Lifting Services

PROJECT GALLERY



LOCATION	Ciwandan, Indonesia
EQUIPMENT	Tugboat & Barge
SCOPE OF WORK	Sea Towage & Transportation Services



LOCATION	Dharkhar, Bangladesh
EQUIPMENT	300T Crawler Crane 250T Crawler Crane
SCOPE OF WORK	Tandem Lifting Services



LOCATION	Jamuna River, Bangladesh
EQUIPMENT	150T Crawler Crane
SCOPE OF WORK	Heavy Lifting Services



LOCATION	Satthahip, Thailand
EQUIPMENT	Prime Mover 10-Axle Modular Trailer
SCOPE OF WORK	Transportation Services



LOCATION	Gujarat, India
EQUIPMENT	2,200T Crawler Crane 600T Crawler Crane
SCOPE OF WORK	Heavy Lifting Services



LOCATION	Haryana, India
EQUIPMENT	1,250T Crawler Crane 550T Crawler Crane
SCOPE OF WORK	Tandem Lifting Services



LOCATION	Karur, India
EQUIPMENT	800T Crawler Crane
SCOPE OF WORK	Heavy Lifting Services



LOCATION	Gujarat, India
EQUIPMENT	16T Tower Cranes
SCOPE OF WORK	Heavy Lifting Services

GROWTH PROPELLED BY VISION

TWC integrates innovative strategies and cutting-edge technologies into each project to be in the forefront of the sector.

With a strong dedication to quality, we are strategically poised to expand our impact and carry on our legacy.



BOARD OF DIRECTORS



LEFT TO RIGHT:

(Front) Mr Wong King Kheng, Mr Ang Kha King, Mr Ang Kah Hong, Mr Ding Hock Chai

(Back) Mr Ang Boon Chang, Mdm Luk Ka Lai Carrie (Mrs Carrie Cheong), Mr Ang Guan Hwa, Ms Wong Bee Eng, Mr Poon Guokun, Nicholas

BOARD OF DIRECTORS

MR ANG KAH HONG

Executive Chairman

Mr Ang Kah Hong is the Executive Chairman of Tiong Woon Corporation Holding Ltd. He joined the Board of Directors on 21 August 1997. Since its inception in 1980, Mr Ang has been a Director of the Group's subsidiary, Tiong Woon Crane & Transport (Pte) Ltd. He has more than 45 years of experience in the management of heavy lift and haulage operations.

Mr Ang is mainly responsible for driving the Group's strategy towards becoming a regional integrated heavy lift, heavy haulage and marine transportation service provider. His key responsibilities include identifying, formulating, developing and implementing corporate objectives and business strategies for the Group. Mr Ang is also actively involved in the corporate development activities. His leadership has proven to be instrumental and invaluable to the growth of the Group's businesses.

MR ANG GUAN HWA

Executive Director and Chief Executive Officer

Mr Ang Guan Hwa is an Executive Director and Chief Executive Officer. He was appointed to the Board of Directors on 22 March 2013 and was promoted to Chief Executive Officer on 1 September 2020.

Mr Ang is responsible for identifying, developing and formulating our Group's business strategies and corporate objectives and management of overall business and corporate development. Having been a senior management staff of TWC Group for over 10 years, Mr Ang has accumulated considerable management skills and business know-how. He holds a Bachelor of Science in Computing with Management from University of Bradford (UK).

MR ANG KHA KING

Executive Director

Mr Ang Kha King is an Executive Director and joined the Board of Directors on 21 August 1997. He is one of the founding members and a Director of the Group's subsidiary, Tiong Woon Crane & Transport (Pte) Ltd, since its inception in 1980. Mr Ang's key responsibilities include reviewing the internal decision-making processes of the Group's existing businesses and overseeing its external operations. He actively supervises its key Operations and Maintenance Division to ensure that there are adequate machines and equipment available for its heavy lift and haulage assignments.

MR ANG BOON CHANG

Executive Director

Mr Ang Boon Chang is an Executive Director and joined the Board of Directors on 1 January 2021. He joined the Group since September 2003 and was promoted to the position of General Manager of Tiong Woon International Pte. Ltd. in 2010. Mr Ang was appointed as the Director of Tiong Woon International Pte. Ltd. and Tiong Woon Logistics Pte. Ltd. on 5 September 2011 and 1 June 2015 respectively, and is responsible for the Group's freight forwarding and logistics business segment. He is also Vice-Chairman and member of the Enterprise Risk Management Committee and Sustainability Reporting Committee. Mr Ang holds a Diploma in Logistics Management from Australia Logistics Academy.

MR WONG KING KHENG

Non-Executive Independent Director and Lead Independent Director

Mr Wong King Kheng was appointed as an Independent Director of the Company on 23 August 1999. He is the Chairman of the Audit Committee and member of the Nominating and Remuneration Committees. In accordance with the Company's Code of Corporate Governance 2012, Mr Wong has been appointed as the Lead Independent Director on 27 August 2013. He is presently the Managing Director of K K Wong and Associates, a public accounting firm in Singapore which he founded in 2000. He is also the Managing Director and a substantial shareholder of Soh & Wong Management Consultants Pte Ltd, which he founded in 1988. From 1989 to 2000, Mr Wong was the Founder and Managing Partner of Soh, Wong & Partners, a public accounting firm. Prior to that, he was an Audit Manager in Deloitte Haskins & Sells, Singapore, an international accounting firm. Mr Wong is a Member of the Malaysian Institute of Accountants, a Fellow Member of the Institute of Certified Public Accountants Australia and a Fellow Member of the Institute of Singapore Chartered Accountants. He also sits on the boards of a number of other listed companies as an Independent Director.

MDM LUK KA LAI CARRIE (MRS CARRIE CHEONG)

Non-Executive Independent Director

Mrs Carrie Cheong was appointed as an Independent Director of the Company on 1 July 2009. She is the Chairperson of both the Nominating and Remuneration Committees and a member of the Audit Committee.

Mrs Cheong is a Director and Chief Executive Officer of Carrie Cheong & Ethel Low Consulting Pte Ltd, a company which provides business advisory services, financial management and corporate services. She has extensive experience relating to corporate planning and financial exercises including corporate restructuring, initial public offerings, and mergers and acquisitions. Mrs Cheong is a Fellow of the Association of Chartered Certified Accountants and a Member of the Institute of Singapore Chartered Accountants. She holds a Master Degree of Business Administration from the University of Brunel, United Kingdom and a Bachelor Degree of Laws (Honours) from the University of London, United Kingdom. She is also a Practising Chartered Secretary and an Associate of Chartered Secretaries Institute of Singapore, and an Associate of the Chartered Governance Institute, United Kingdom (formerly known as the Institute of Chartered Secretaries and Administrators). Mrs Cheong has also served as an Independent Director and Chairperson of the Audit Committee on the board of another public-listed company in Singapore.

MR POON GUOKUN, NICHOLAS

Non-Executive Independent Director

Mr Poon Guokun, Nicholas was appointed as an Independent Director of the Company on 1 January 2021. He is a member of the Audit and Remuneration Committees. He is also the founder and director of Breakpoint LLC, a Singapore law firm specialising in dispute resolution.

Prior to founding Breakpoint LLC, Mr Poon practised litigation and arbitration in Drew & Napier LLC. He has also worked for the Judges of the Supreme Court as a Justices' Law Clerk, and an Assistant Registrar hearing cases in the Supreme Court. Mr Poon has sat on a number of law reform committees and is also an active member of several legal professional bodies.

BOARD OF DIRECTORS

MS WONG BEE ENG

Non-Executive Independent Director

Ms Wong Bee Eng was appointed as an Independent Director of the Company on 1 April 2024. She is a member of the Audit, Nominating and Remuneration Committees.

Ms Wong has 4 decades of experience in the corporate finance industry in Singapore with international investment banks, local banks and CMS licensed firms. Ms Wong was the Chief Executive Officer and Executive Director of Provenance Capital Pte. Ltd. ("**Provenance Capital**") for close to 17 years until her retirement at the end of December 2023. Under her leadership in Provenance Capital, she had led Provenance Capital to become one of the leading corporate finance advisory firms in Singapore for SGX-ST listed companies. She remains as the director and shareholder of Provenance Capital presently.

Ms Wong holds a Bachelor's degree in Accountancy (Honours) with the National University of Singapore and a Master's degree in Business Administration with the University of Michigan, Ann Arbor, USA. Ms Wong is a Fellow of the Singapore Institute of Directors ("**SID**") and was awarded the Accredited Director by SID in January 2024. She is also a Chartered Valuer and Appraisal of the Institute of Valuers and Appraisals, Singapore ("**IVAS**") and a member of the Certification & Disciplinary Committee and Disciplinary Panel of IVAS. She is a Chartered Accountant of the Institute of Singapore Chartered Accountants.

MR DING HOCK CHAI

Non-Executive Independent Director

Mr Ding Hock Chai was appointed as an Independent Director of the Company on 1 April 2024. He is a member of the Audit, Nominating and Remuneration Committees.

Mr Ding has more than 25 years of experience in the financial services industry, principally in the areas of investment banking, capital markets, corporate finance, and audit & business advisory services. His fund raising experience includes the successful listings of many companies on various stock exchanges in the ASEAN region. He has also been involved in structuring and executing various corporate actions (including mergers & acquisitions) for companies in the Asia-Pacific region.

Mr Ding received a Bachelor of Accountancy (Honours) from Nanyang Technological University under a scholarship from the Kuok Foundation (Malaysia). Previously, he completed his earlier education under the Singapore Ministry of Education ASEAN scholarship. He is a Chartered Accountant (Singapore) of the Institute of Singapore Chartered Accountants as well as a Fellow of the Association of Chartered Certified Accountants (UK). Mr Ding is also a Chartered Financial Analyst (US) and is a member of the Singapore Society of Financial Analysts. He was previously a member of the ACRA Practice Monitoring Sub-Committee (a sub-committee of the Public Accountants Oversight Committee), Inquiry Panel Committee of the Law Society of Singapore, and the Certification & Disciplinary Committee of the Institute of Valuer & Appraisers of Singapore.

KEY MANAGEMENT



LEFT TO RIGHT:

(Front) Mr The Wey Thai, Mr William Tan Kwang Hwee, Ms Ang Siew Chien, Mr Lee Kum Mun

(Back) Mr Quek Chang Yeow, Mr Lee Kim Song, Mr Low Tien Pow

KEY MANAGEMENT

WILLIAM TAN KWANG HWEE

Group Chief Financial Officer • Corporate Shared Services

Mr Tan joined the Group as Group Chief Financial Officer in February 2021. He is responsible for financial matters of the Group. Beginning his career in Liang Huat Aluminium (erstwhile SGX: 1C5), his previous roles include CFO of EnGro Corporation (SGX: S44), Assistant Vice President, Finance – Casino Accounting & Credit of Resorts World Sentosa (SGX: G13), CFO of Ley Choon Group Holdings (SGX: Q0X), CFO of Metal Component Engineering (SGX: 5DX) and auditor with KPMG. Mr Tan graduated with Honours with a Bachelor of Engineering (Mechanical) from National University of Singapore, holds a Bachelor of Science in Applied Accounting (First Class Honours) from Oxford Brookes University, UK and obtained his MBA from Manchester Business School, UK. A Member of the Institute of Singapore Chartered Accountants and Fellow of the Association of Chartered Certified Accountants (ACCA), UK, he was also an ACCA Prize Winner and Top 30 Affiliate. Mr Tan was named Executive of the Year – Construction & Materials at the Singapore Business Review Management Excellence Awards 2016. He presently serves as member of the ACCA Singapore Member Network Panel, and as board member of Ley Choon Group Holdings as Lead Independent Director and Audit Committee Chairman.

ANG SIEW CHIEN

Group Chief People Officer • Corporate Shared Services

Ms Ang joined the Group in March 2016 and was promoted to the role of Group Chief People Officer in November 2021. She is responsible for human capital, administration and estate management functions of the Group. Ms Ang oversees the Group's human capital, administration, and estate management functions. She has more than 20 years of experience in human resources and organisational development across the transportation, logistics, and engineering sectors for both local and multinational companies. Ms Ang received her Bachelor of Business (Business Administration) with Distinction from RMIT University and was awarded with the RMIT School of Management Award 2003. Additionally, she holds a Master of Business Administration from Murdoch University. Ms Ang is a Certified Senior Professional (IHRP-SP) with the Institute for Human Resource Professionals. She was appointed by the Ministry of Manpower (MOM) as a Tripartite Mediation Advisor (TMA) for a two-year term starting on February 1, 2023.

QUEK CHANG YEOW

Managing Director • Tower Cranes Services Pte. Ltd.

Mr Quek joined Tower Cranes Services Pte. Ltd. as the Managing Director since April 2015. He is responsible for the overall business and operations for the tower crane division. With over 30 years of experience in the construction equipment industry, Mr Quek brings significant expertise and leadership to his position. Prior to joining TWC, he worked in various companies including Manta Holdings Company Ltd (HKEK: 0936), a public listed company in Hong Kong Stock Exchange.

LEE KUM MUN

Managing Director • Tiong Woon Project & Contracting Pte. Ltd.

Mr Lee joined Tiong Woon Project & Contracting Pte. Ltd. since January 2015 and was promoted to Managing Director in June 2021. He is responsible for the overall business and operations of the heavy lift and project engineering division, both locally and internationally. Mr Lee has over 30 years of experience in the heavy lift and engineering industry. He holds a Bachelor of Engineering degree from National University of Singapore and MBA from State University of New York at Buffalo.

LEE KIM SONG

General Manager • Tiong Woon Marine Pte Ltd

Mr Lee joined Tiong Woon Marine Pte Ltd as General Manager in March 2021 and is responsible for the overall business and operations of the marine division. He has more than 15 years of experience in marine, oil and gas industries. Prior to joining TWC, he was the Commercial Manager in ASL Marine Holdings Ltd (SGX: A04), a public-listed company in Singapore Stock Exchange, and worked as the Head of Operations in Toll Offshore Petroleum Services Pte Ltd. Mr Lee holds a Bachelor Degree in Business Administration with Distinction from Royal Melbourne Institute of Technology.

LOW TIEN POW

Regional General Manager • Tiong Woon Crane & Transport (Pte) Ltd

Mr Low joined Tiong Woon Crane & Transport (Pte) Ltd as the Regional General Manager in January 2022 and is responsible for managing the regional business units of the Group. He has more than 17 years of experience in the crane and transportation industry. Prior to joining TWC, Mr Low was the General Manager of Moh Seng Cranes Pte Ltd. He holds a Bachelor of Engineering Degree with First Class Honours from University of Surrey, England. Mr Low was awarded outstanding undergraduate work in Civil Engineering Prize by the Institution of Civil Engineers.

THE WEY THAI

General Manager, Business Development • Tiong Woon Crane & Transport (Pte) Ltd

Mr The joined Tiong Woon Crane & Transport (Pte) Ltd in 2003 and was promoted to the role of General Manager, Business Development, in 2023. Over the past twenty years with the company, he has held key roles in service excellence, fleet maintenance and operations, contributing significantly to the company's growth. Mr The is currently leading the Group's crane rental business and driving strategy for the Singapore rental and sales market. Prior to joining TWC, he headed the laboratory division at Bureau Veritas Consumer Products Services, overseeing inspections, audits, and assessments. Mr The holds a Diploma in Mechanical Engineering from Ngee Ann Polytechnic, Singapore.

EMPOWERING PROGRESS

Our strategy to seek and seize new opportunities is based on TWC's dedication to excellence, allowing sustainable growth and a strong position in the market.

Through this enduring pursuit of progress, we are set to redefine the boundaries of what is possible, creating value for our partners and stakeholders alike.



FINANCIAL HIGHLIGHTS

PROFIT AND LOSS (\$'Million)

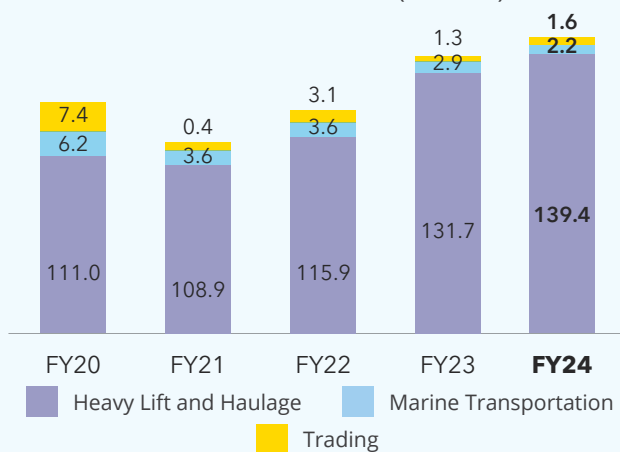
Financial Year Ended 30 June	2020	2021	2022	2023	2024
Revenue	124.7	112.9	122.6	135.8	143.1
Gross Profit (GP)	43.0	42.4	49.3	54.2	59.0
GP Margin	34.5%	37.6%	40.2%	39.9%	41.2%
Profit Before Tax (PBT)					
Profit Before Tax (PBT)	12.2	13.8	16.4	20.3	23.2
Profit After Tax (PAT)					
Profit After Tax (PAT)	7.5	9.8	11.3	15.7	18.3
Profit Attributable to Equity Holders of the Company					
Profit Attributable to Equity Holders of the Company	7.6	9.9	11.4	15.7	18.2

BALANCE SHEET (\$'Million)

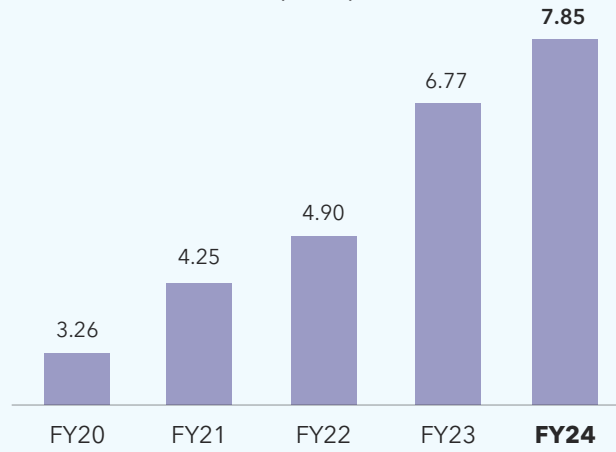
As At 30 June	2020	2021	2022	2023	2024
Current Assets					
Current Assets	82.8	96.6	111.9	131.8	138.7
Non-Current Assets					
Non-Current Assets	378.6	362.7	364.4	359.7	380.4
Total Assets					
Total Assets	461.4	459.3	476.3	491.5	519.1
Current Liabilities					
Current Liabilities	60.0	57.4	66.6	67.4	106.9
Non-Current Liabilities					
Non-Current Liabilities	142.1	131.0	128.8	130.8	102.8
Total Liabilities					
Total Liabilities	202.1	188.4	195.4	198.2	209.7
Net Assets					
Net Assets	259.3	270.9	280.9	293.3	309.4
Net Assets Attributable to Equity Holders of the Company					
Net Assets Attributable to Equity Holders of the Company	259.2	270.9	280.9	293.4	309.3

FINANCIAL HIGHLIGHTS

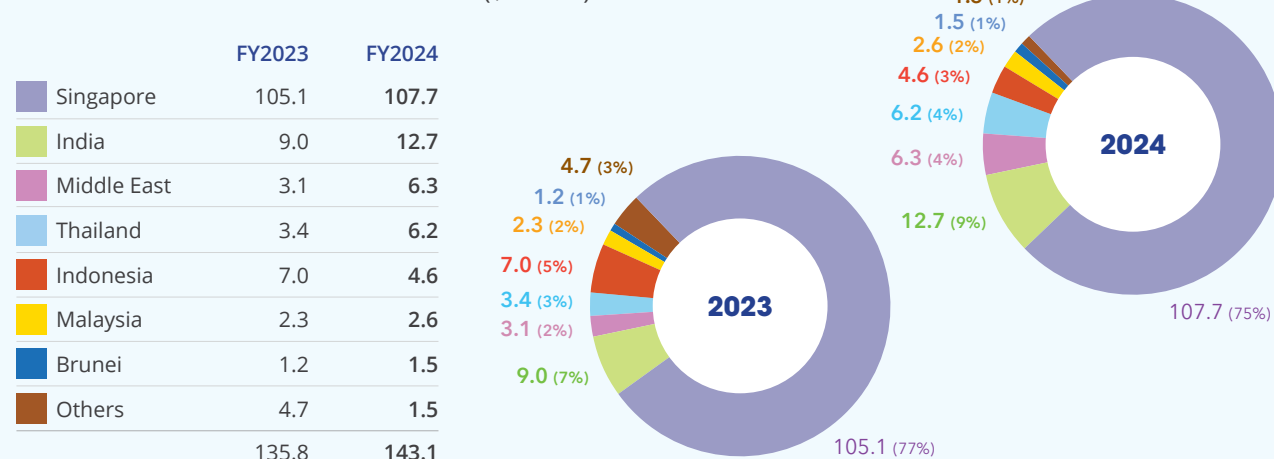
REVENUE BY BUSINESS SEGMENT (\$'Million)



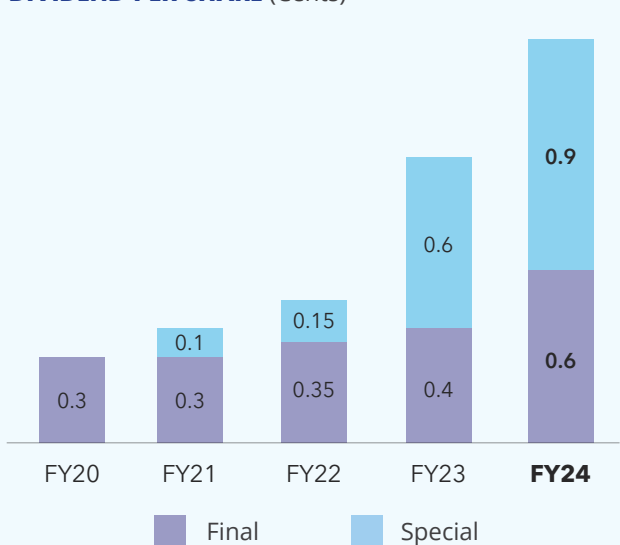
EARNINGS PER SHARE (Cents)



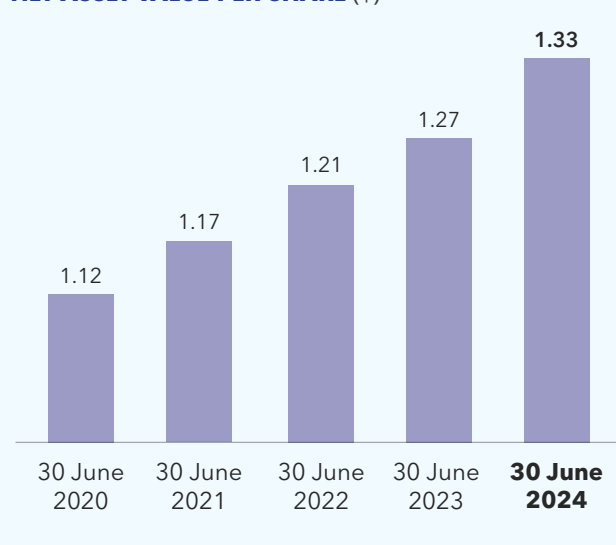
REVENUE BY GEOGRAPHICAL SEGMENT (\$'Million)



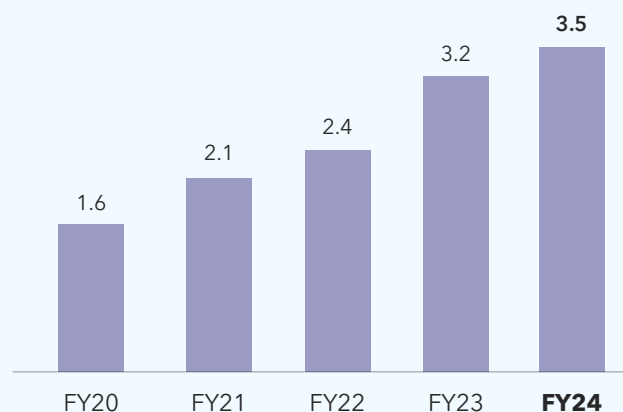
DIVIDEND PER SHARE (Cents)



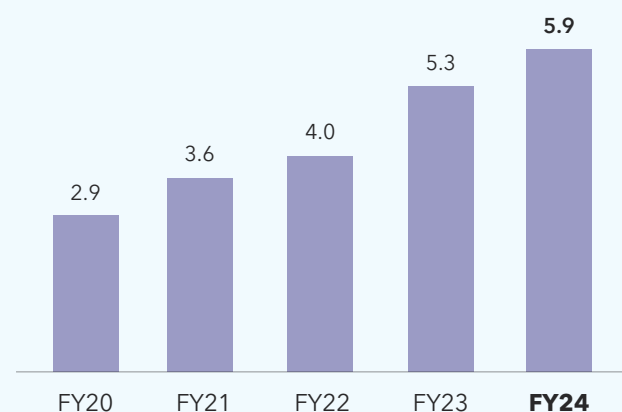
NET ASSET VALUE PER SHARE (\$)



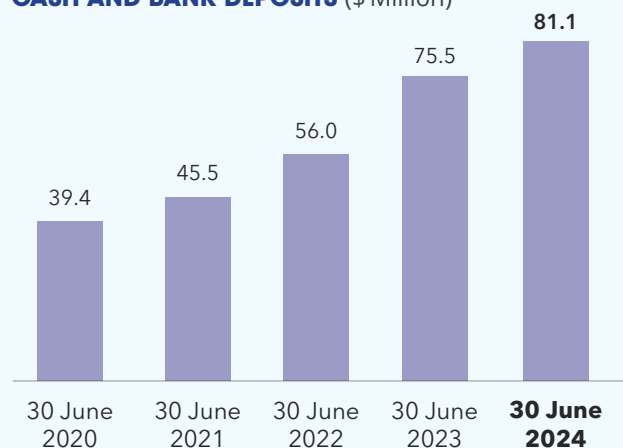
RETURN ON ASSETS (%)



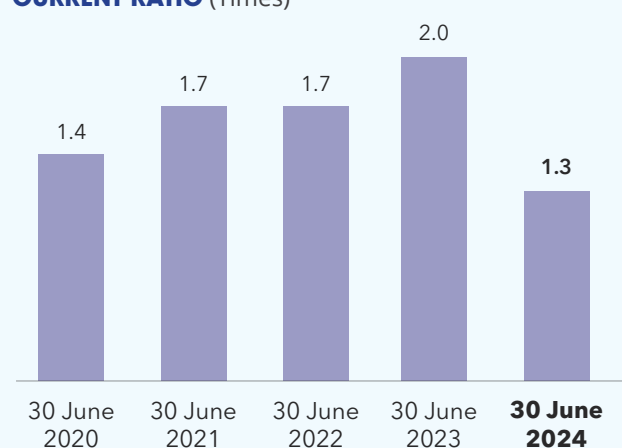
RETURN ON EQUITY (%)



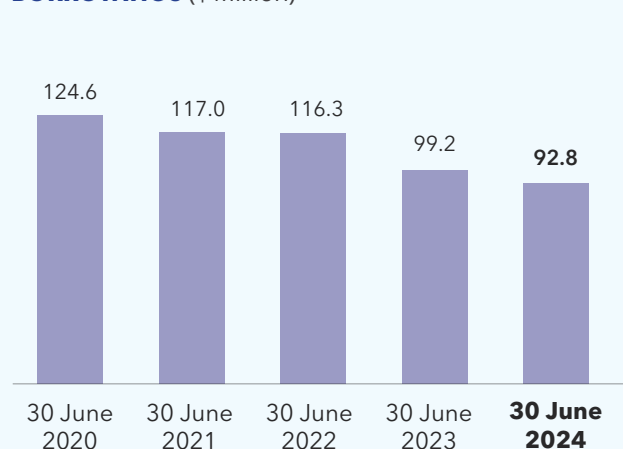
CASH AND BANK DEPOSITS (\$'Million)



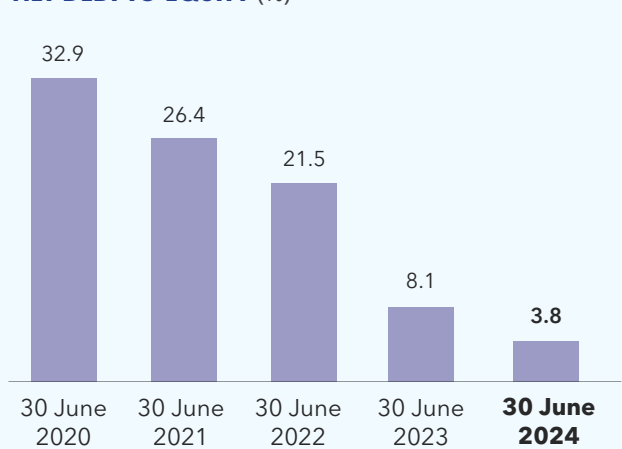
CURRENT RATIO (Times)



BORROWINGS (\$'Million)



NET DEBT TO EQUITY (%)



Notes:

1. Return on Assets = Profit after tax divided by total assets
2. Return on Equity = Profit after tax divided by total equity
3. Net Debt to Equity = Current and non-current borrowings less cash and bank deposits divided by total equity

CORPORATE RESPONSIBILITY

In today's interconnected world, Corporate Social Responsibility ("CSR") is a fundamental aspect of TWC's business philosophy. We firmly believe that true success extends beyond mere financial performance; it encompasses making a meaningful and positive impact on society and the environment. Below, we detail our unwavering commitment to forging a sustainable and socially responsible future.



COMMUNITY

At TWC, our commitment to fostering positive change within the communities we serve is not just a corporate mission; it is a core value that permeates our operations and informs our decisions. We recognise that as a business, we have a vital role to play in addressing the complexities and challenges faced by society. Our approach to CSR goes beyond mere compliance or philanthropy; it embodies our belief that businesses should actively contribute to the well-being of their communities, ensuring that our pursuit of growth and profitability is accompanied by a genuine commitment to social impact.

This year, our CSR initiatives have honed in on three pivotal areas: addressing essential community needs, nurturing the next generation, and promoting environmental stewardship. Each of these focus areas is interconnected and reflects our holistic approach to social responsibility. In close partnership with the South West Community Development Council, we aim to broaden our impact and

strengthen ties within the community. We understand that by addressing immediate needs, investing in education, and fostering sustainable practices, we can create a more resilient and equitable society.

Addressing Essential Community Needs

One of our initiatives this year involved the distribution of Festive Cheer Packs to 182 households under the Public Rental Scheme at Block 4 Dover Road. Furthermore, 5 beneficiaries received items they requested, including school supplies, health products, and tonic supplements, as part of the Grant-A-Wish @ South West initiative. These efforts were a direct response to the alarming rise in food insecurity, particularly in times of economic uncertainty. By providing food packs filled with essential items such as rice, canned goods, and other staples, we aimed to alleviate some of the burden faced by those in need. Our team worked tirelessly to ensure a smooth distribution process, engaging with local partners and community leaders to identify those most in need.



The gratitude expressed by recipients served as a powerful reminder of the significance of our efforts. For many, these food packs represented more than just sustenance; they symbolised hope and support in challenging times. We believe that by extending a helping hand to those facing difficulties, we contribute to the social fabric of our community. Our commitment to supporting vulnerable populations is not a one-time effort but an ongoing responsibility that we take seriously.

Nurturing the Next Generation

In addition to addressing immediate needs, we are deeply invested in nurturing the next generation. Education is a cornerstone of sustainable development, and we believe that empowering young minds is essential for fostering a brighter future. As part of our CSR initiatives, we organised an educational visit to Kok Fah Technology Farm for 30 underprivileged children from Children's Wishing Well. This experience aimed to provide these children with meaningful learning opportunities outside the traditional classroom setting.

During their visit, the children were immersed in an interactive environment that allowed them to engage with nature and learn about sustainable farming practices firsthand. Guided tours of the farm introduced them to various types of vegetables, the processes involved in growing them, and the importance of environmental stewardship. This hands-on approach not only educated the children about food production, but also instilled a sense of responsibility and appreciation for the environment.

The highlight of the day was the opportunity for each child to pot their own vegetables. This engaging activity allowed them to participate actively in the farming process, fostering a sense of ownership and connection to the food they consume. Each child left with two bunches of fully grown vegetables, serving as a tangible reminder of their experience and the life lessons they learned. The smiles on their faces and their enthusiastic participation demonstrated the success of this initiative in sparking joy and curiosity about the world around them.



CORPORATE RESPONSIBILITY

Promoting Environmental Stewardship

Our commitment to environmental stewardship is interwoven throughout our CSR initiatives. We understand that a healthy environment is crucial for the well-being of current and future generations. By fostering a connection between young people and nature, we aim to cultivate a sense of responsibility for the planet. Our educational farm visit not only provided insights into sustainable farming but also encouraged children to think critically about their role in protecting the environment.

Through our initiatives, we aspire to create lasting impacts that extend beyond immediate assistance. The food distribution drive at Dover Road addressed urgent food security needs, while the farm visit enriched the lives of underprivileged children, promoting values of sustainability and environmental awareness. By investing in the education and well-being of young people, we are laying the groundwork for a more sustainable and equitable future. Additionally, we actively participate in the annual Clean Up @ South West by establishing recyclables collection points at our premise, promoting a recycling habit among our staff and contributing to a sustainable environment.

Looking Ahead:

A Commitment to Community Engagement

As we move forward, TWC remains steadfast in our commitment to deepening our engagement with the community. We will continue to seek out meaningful initiatives that promote social welfare, education, and environmental responsibility. Our CSR efforts are guided by our core values, and we understand that our business success is intertwined with our commitment to making a positive difference in the world.

We recognise that creating meaningful change requires collaboration and partnership. Therefore, we will continue to work closely with community organisations, local leaders, and stakeholders to identify pressing needs and develop solutions that address them effectively. By leveraging our resources, expertise, and passion, we aim to create a ripple effect of positive change, inspiring others to join us in our mission to build a stronger, more resilient society.

In conclusion, at TWC, we are dedicated to making a lasting impact through our CSR initiatives. By supporting those in need, empowering future generations, and promoting environmental stewardship, we are not only fulfilling our corporate responsibility, but also enriching the communities we serve. At TWC, together-we-care!

ENVIRONMENTAL SUSTAINABILITY & GREEN OPERATIONS

As part of TWC's move towards environmental sustainability, we had entered into a Power Purchase Agreement with Sunseap Commercial Assets Pte Ltd (now known as EDPR Sunseap) for the installation of a solar photovoltaic ("PV") system at one of our yards, that has since turned "carbon-negative", and generates more electricity than it consumes.

Sunseap is one of Asia's premier integrated clean energy solution providers functioning as a solar energy system developer, owner and operator. They design, finance, install, own and operate the systems and are also responsible for all aspects from maintenance to monitoring and system performance. TWC would be the "host" to the system on its premises and agrees to purchase electricity generated by the system at a lower rate compared to the grid. The project commenced in October 2022 and was completed & commissioned in April 2023.

Solar energy is a clean and renewable energy source that produces little to no carbon emissions during operation. Another benefit of solar PV systems is that it decreases reliance on grid-supplied electricity, particularly during peak demand periods especially during the day. This can contribute to grid stability and alleviate stress on the electricity infrastructure.

By generating some of our electricity internally, TWC is well-positioned to gain more control over its energy costs. This predictability is valuable in a market where electricity prices can fluctuate due to supply and demand dynamics. With the presence of the solar panels, TWC would be able to generate over 600,000 kWh per annum.

Furthermore, embracing solar technology showcases TWC's willingness to adopt innovative solutions and stay at the forefront of technological advancements in the energy sector. This aligns with Singapore's efforts to transition to cleaner energy sources.

Overall, the installation of the system offers a multifaceted range of benefits that encompass financial savings, environmental stewardship, energy security, and alignment with sustainable business practices. Through such efforts, TWC showcases its commitment to a sustainable future, while potentially reaping long-term rewards across various domains.



PEOPLE DEVELOPMENT AND WORKPLACE SAFETY MANAGEMENT

At TWC, we believe that talent is crucial in driving our businesses forward and therefore, we place emphasis on continuous learning and development for all our employees. We identify learning programmes based on multiple skill sets and knowledge requirements in order to equip our employees to not only handle increasingly complex challenges at work, but to also boost their individual confidence, personal development, and overall competency and performance.

Operational level training of employees ranges from certification courses to mentorship programmes and on-the-job-training. Effective internal communication and cohesion activities also play vital roles in our overall corporate learning and development programme. A positive work environment with a cooperative and communicative corporate culture is conducive to attract talents, increase productivity, efficiency, job satisfaction, motivation and enhance staff retention rates.

In addition to learning and development, we actively identify and groom potential talents amongst our employees and put these selected individuals through our talent development programmes, whereby opportunities are granted for them to grow and develop their potential, and we aim to groom them to be future business leaders for the organisation.

Fostering a positive and conducive environment that supports employees' overall health and well-being is important to us. As such, we have set up an internal recreation committee that focuses on improving our employees' well-being and work-life balance.

Our recreation committee frequently organises lunch-time talks on health and wellness, in addition to sports and recreational activities. We have partnered with various councils and associations in offering certain virtual events, such as mental health support and stress management webinars to all employees. Our recreation committee has also launched the "care and wellness" initiative with monthly issues of e-newsletters, to update our employees on mental health issues, online quizzes, etc.

To encourage our workforce to stay active, fit and healthy, we have the TWC fitness and wellness club, whereby our workplace is equipped with gym facilities and studio to hold group classes, where staff can exercise regularly at their convenience. In addition, an executive recreation lounge with karaoke system is made available for staff to enjoy, relax and promote team bonding during breaks or after working hours.

Our operating subsidiaries in Singapore i.e. Tiong Woon Crane & Transport (Pte) Ltd, Tiong Woon Crane Pte. Ltd., Tiong Woon Enterprise Pte Ltd and Tiong Woon International Pte. Ltd., which are involved in the provision of rental, assembly, installation and maintenance of crane, transportation equipment and related services are certified under ISO 9001:2015 (Quality Management Systems) and ISO 45001:2018 (Occupational Health and Safety Management Systems); and attained BizSAFE Level Star.

Tiong Woon Project & Contracting Pte. Ltd., which is involved in the project management and provision of engineering services in mechanical and erection works including heavy lifting, heavy haulage, heavy transportation and equipment installation is certified under ISO 9001:2015 (Quality Management Systems), ISO 45001:2018 (Occupational Health and Safety Management Systems), ISO 14001:2015 (Environmental Management Systems) and attained BizSAFE Level Star.

CORPORATE RESPONSIBILITY

Tower Cranes Services Pte. Ltd. is certified under ISO 45001:2018 (Occupational Health and Safety Management Systems) and attained BizSAFE Level Star. Tiong Woon Logistics Pte. Ltd. is holding certifications for ISO 9001:2015 (Quality Management Systems), ISO 45001:2018 (Occupational Health and Safety Management Systems) and have attained BizSAFE Level Star. Tiong Woon Thai Co. Ltd is certified under ISO 9001:2015 (Quality Management Systems), ISO 45001:2018 (Occupational Health and Safety Management Systems) and ISO 14001:2015 (Environmental Management Systems), whereas Tiong Woon Project & Contracting (India) Private Limited is certified under ISO 9001:2015 (Quality Management Systems). This stringent framework allows us to identify and control health and safety factors and reduce the risk of accidents at our work sites. Some of the initiatives that have been put in place to create a safe work environment and ensure compliance with government safety regulations include:

- Making sure employees have adequate training and are well-equipped to carry out their tasks safely;
- Methodical identification and assessment of risks before the commencement of any job;
- Having clearly defined roles and responsibilities in relation to safety;
- Conducting drills for better preparedness in the event of an emergency;
- Regular periodic review on the Group's safety targets and discussion on all safety issues, as well as remedial actions and preventive measures for near-miss incidents; and

- Clear and timely communication on safety issues and precautionary measures between staff to create awareness.

These help to reduce loss of man-hours, increase productivity at our work sites and most importantly, ensure that our employees are able to work well with peace of mind.

We actively co-organised the Singapore Logistics and Crane Carnival 2023, themed "Industry Transformation for Innovation, Sustainability and Safety" to raise awareness on logistics and crane operations, showcase related career pathways and highlight the importance of Workplace Safety and Health in these industries. We were privileged to contribute to the review of the Singapore Standard (SS 536:2023 - Code of Practice for The Safe Use of Mobile Cranes) as part of the Safety and Quality Standards Committee.

We also collaborated on a project with The Crane Industry Council of Australia and our client Safety, Health & Environment Training & Consultancy to conduct a one and a half day Crane Operator Competency Assessment. This assessment framework will help to evaluate the existing registered crane operator skill, knowledge and experience in lifting operation. The programme combines both technical and practical elements so that participants become competent to evaluate the competency of the crane operator. Through our involvement and collaboration with relevant authorities, we have set ourselves up as one of the industry leaders in terms of competency and standards.

Name of Subsidiary	ISO 9001:2015	ISO 45001:2018	ISO 14001:2015	Other Certifications
Tiong Woon Crane & Transport (Pte) Ltd	√	√		BizSAFE Level Star
Tiong Woon Crane Pte. Ltd.	√	√		BizSAFE Level Star
Tiong Woon Project & Contracting Pte. Ltd.	√	√	√	BizSAFE Level Star
Tiong Woon International Pte. Ltd.	√	√		BizSAFE Level Star
Tiong Woon Enterprise Pte Ltd	√	√		BizSAFE Level Star
Tiong Woon Logistics Pte. Ltd.	√	√		BizSAFE Level Star
Tower Cranes Services Pte. Ltd.		√		BizSAFE Level Star
Tiong Woon Thai Co. Ltd	√	√	√	
Tiong Woon Project & Contracting (India) Private Limited	√			

The Company's FY2023 sustainability report can be found in SGXNet and its corporate website at <https://www.tiongwoon.com>

RISK FACTORS AND RISK MANAGEMENT



Risk management is an integral part of the management of our Group's business. The Group's risk management framework is designed to provide reasonable assurance that its business objectives are achieved and support the Board and the Management by providing early warnings of any material changes to the Group's risk profile. The risk management framework comprises the policies, guidelines and tools to provide the information and guidance materials needed to integrate risk management into the Group's operations and systems, as well as individual decision-making processes. The Board has established an Enterprise Risk Management Committee which is a sub-committee of the Audit Committee and overseen by the Audit Committee for the identification of critical business risks and the development and implementation of appropriate risk management procedures to address these risks. The risk management and control procedures are reviewed and updated regularly to reflect changes in market conditions and the activities of the Group.

The following set out an overview of the key risks faced by the Group, the nature and the extent of the Group's exposure to these risks and the mitigating actions in place that could help in managing these risks.

MARKET AND POLITICAL RISK

In addition to extensive operations in Singapore, the Group also has operating subsidiaries in countries such as Bangladesh, Brunei, China, India, Indonesia, Malaysia, Myanmar, Saudi Arabia, Philippines, Sri Lanka, Thailand and Vietnam. The nature of our business involves the movement of heavy equipment in these countries. The subsidiaries in these countries are exposed to changes in government regulations and unfavourable political developments, which may limit the realisation of business opportunities and investments in those countries. The Group's business operations are exposed to economic uncertainties that continue to affect the global economy and international capital markets. Although these

circumstances may be beyond its control, the Board and the Management consistently keep themselves up to date on the changes in political, economic, labour and industrial developments so as to be able to anticipate or respond to any adverse changes in market conditions in a timely manner.

BUSINESS RISK

Our operations are highly competitive. The Group faces stiff competition and is susceptible to price-cutting pressures from our competitors. Further, our competitors may possess greater financial resources and better equipment, while others may have lower costs of operations. The Group may possibly lose its competitive edge due to new market entrants or with the growth of existing competitors.

The Group strives to maintain its competitiveness through its services and leveraging its brand name while consistently monitoring and responding to market dynamics. The barriers to entry for new players are high. High capital investment in a sizeable fleet of heavy cranes, transportation equipment and tugboats and barges is necessary for companies involved in the provision of heavy lift, heavy haulage and marine transportation services.

The Group prides itself as a one-stop service centre, capable of providing integrated turnkey solutions which encompass heavy lift, heavy haulage and marine transportation. Customers can have access to the Group's large fleet of cranes and transportation equipment. As for its marine transportation services, the Group is able to provide marine transport services and support Roll-On/Roll-Off operations (RO-RO) for the transfer of oversized cargoes onto barges. The ability of the Group to plan and provide integrated logistics support for transportation, and to install heavy equipment and structures on-site, allows the Group to offer cost savings and convenience to its customers.

RISK FACTORS AND RISK MANAGEMENT

BUSINESS CONTINUITY RISK

An organisation may encounter unforeseen circumstances that prevent the continuation of its business operations such as during crises or disasters. The Group recognises its exposure to internal and external threats and seeks to increase the resilience of the Group to potential business interruptions, so as to minimise any disruptions to its critical business activities, people, data and assets. Over the years, the Group has focused on refining its business continuity management, to ensure that it can continue to maintain its competitive advantage and to maximise value for its stakeholders.

The Group strives to minimise unexpected losses and manage risks through a series of quality and people management programmes, as well as through business continuity planning. In addition, certain entities of the Group have been awarded ISO 9001:2015, ISO 45001:2018 and ISO 14001:2015 as well as BizSAFE Level Star certifications for its businesses. Although no individual is indispensable, the loss of specialised skills and the leadership of the Executive Chairman, Mr Ang Kah Hong and the other founding members, including the key management, could result in business interruptions and a loss in shareholders' confidence. To dispel the worries, the Group has since put in place a structured succession planning programme to identify and develop a team of talented employees based on their merits, who can take the Group to the next phase of growth. The Group believes that training a team of next-generation leaders is critical to the continuity of the business which should last beyond this generation.

OPERATIONAL RISK

The Group experiences risks which are common and inherent to the industry which the Group operates in. The following are some of the operational risks which have been identified and mitigation measures implemented to reduce the impact of these risks:

• Breakdown Of Machinery Or Vessels Risk

Our operations are subject to risks including the breakdown, failure or sub-standard performance of machinery or of our vessels, which may result in operational disruptions and downtime. While our Group minimises breakdown of our machinery by having a comprehensive and regular maintenance programme, the repair of certain equipment may take extended periods. In such an event, we may be unable to meet our contractual obligations with our customers and the opportunity cost in terms of income foregone may be substantial. The Group's policy is to constantly renew its fleet of cranes and transportation equipment and keep them in good working condition. This policy, coupled with a stringent equipment quality control policy, augurs well for the Group's customers in terms of equipment reliability.

• Human Capital Risk

The industry which the Group operates in requires specialised professionals and skilled labour, for example, in operating cranes and other heavy lift and haulage equipment. It relies heavily on its engineers, crane operators, riggers and support teams comprising technicians, electricians and mechanics for maintenance and repair services. To retain key employees, the Group continuously reviews their remuneration packages to provide market-competitive benefits. The Group places great emphasis on supporting the professional and personal growth of our employees to develop the necessary skills, competencies and behaviours to handle increasingly complex challenges. The Group regularly trains and upgrades the skill and knowledge of its employees through quality and people management programmes.

• Contract Risk

The Group estimates the total costs when it enters into fixed-price contracts. The actual costs incurred and the profits the Group can realise on a fixed-price contract may vary due to factors such as unanticipated variations in labour and equipment productivity over the term of a contract, unanticipated increases in labour, raw material, subcontracting and overhead costs, unexpected expenses as a result of bad weather, and delivery delays and/or corrective measures for poor workmanship. Depending on the size of the project, variations from estimated contract performance could reduce the Group's earnings. The Group has implemented a cost monitoring and control regime to mitigate the risks of costs overrun. The Group ensures that every stage of the project from on-site surveys, planning, scheduling, deployment of equipment, logistics to final execution are carefully planned, reviewed and monitored by experienced engineers, foremen and supervisors. The project management personnel, many of whom are engineers by training, coordinate the efforts of the various departments in the Group including logistics, operations and project departments. These projects are overseen by the Executive Directors and Key Management. This is to ensure that costs can be controlled and timely remedial response can be activated to control the impact of such overrun.

CREDIT RISK

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due. Credit risk is managed through the application for credit approvals, performing credit evaluations, setting credit limits and monitoring procedures. It is the Group's policy to trade with creditworthy customers, and to reduce concentration of credit risk where practicable. To ensure minimal bad debts, the Group carries out credit reviews and background checks on new customers as part of the Group's formal credit control policy procedure. The payment histories of the Group's customers are

RISK FACTORS AND RISK MANAGEMENT

monitored closely and appropriate measures are taken to ensure full payment. Cash terms or advance payments are required for customers with lower credit standing where practicable. As the Group faces the normal business risks associated with ageing collections, it has adopted an accounting policy of making provisions based on expected credit losses of trade debtors.

INTEREST RATE RISK

Interest rate risk is managed by the Group on an on-going basis with the objective of limiting the extent to which the Group's results could be affected by an adverse movement in interest rates. For financing obtained through bank borrowings and finance lease arrangements, the Group's policy is to obtain the most favourable interest rates available while minimising its foreign currency exposure.

LIQUIDITY RISK

The objective of liquidity management is to ensure that the Group has sufficient funds to meet its contractual and financial obligations as and when they fall due. To manage liquidity risk, the Group monitors its net operating cash flow and maintains a level of cash and bank deposits deemed adequate by management for working capital purposes so as to mitigate the effects of fluctuations in cash flows. Over the years, the Group has enhanced its ability to generate cash from operating activities.

FOREIGN EXCHANGE RISK

Our Group operates mainly in Asia and Middle East with dominant operations in Singapore. Entities in our Group regularly transact in currencies other than their respective functional currencies. The Group is exposed to currency translation risk on the net assets of foreign operations. Currency exposures to the net assets of the Group's operations are managed by natural hedges of matching assets and liabilities where practicable. The Group does not have a formal hedging policy with respect to its foreign exchange exposure but it minimises such risks by actively monitoring its foreign currency exposure on an on-going basis and taking appropriate hedging measures, where appropriate/practicable. Where appropriate, the Group hedges foreign currency purchases at contracted forward exchange rates.

CAPITAL STRUCTURE RISK

In managing capital, the Group's objectives are to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to provide appropriate returns to shareholders and benefits for other stakeholders through pricing its services at levels commensurate with the level of risks it is exposed to. The capital structure of the Group consists of borrowings,

issued share capital and retained earnings. Regular review is performed to ensure optimal capital structure taking into consideration future capital requirements and capital efficiency, prevailing operating cash flow and profitability as well as projected capital expenditure. In order to maintain or achieve an optimal capital structure, the Group may issue new shares, conduct share buy-back, obtain new bank borrowings, sell assets to reduce external borrowings, pay or adjust the amount of dividend payment or return capital to shareholders. The Group also monitors its gearing and trends.

CLIMATE-RELATED RISKS

Climate-related risks include physical and transition risks. Physical risks arising from extreme weather events such as flooding may result in business disruptions and equipment damage etc. Also, physical risks due to rising mean temperatures pose health risks and lower productivity of our employees as well as increase water consumption and energy costs. Transition risks identified included costs of compliance and transition to lower emission technology to meet new regulations and adoption of more environmentally friendly equipment. The Group also expects higher costs of energy and water in the future. The Group's overarching strategy is to identify, assess, prioritise, mitigate, and monitor climate-related physical and transition risks in our business. The Group will periodically update its business continuity and crisis management plan as it seeks to transform into a climate-resilient and future-ready business. While ensuring compliance and transitioning to more sustainable practices, the Group will seek to capitalise on climate-related opportunities with the global shift to a low-carbon economy by year 2030 and a net-zero standard by year 2050.

CYBERSECURITY RISK

As our technology landscape becomes more complex, the Group faces increasing risks from sophisticated cyber threats, network disruptions, and evolving regulatory requirements. Cyber-attacks can severely impact operations, leading to the theft of sensitive and confidential information, which can result in financial losses, legal liabilities, and reputational damage. To address these risks, the Group continuously strengthens Information Technology (IT) controls and governance practices while maintaining a resilient and proactive approach. This includes emphasising and tightening access control, network segmentation, security patching, intrusion detection, Domain Name System (DNS) security, and the adoption of emerging technologies. Additionally, the Group continues to raise awareness of cybersecurity risks among its employees and ensure preparedness against potential threats.

INVESTOR RELATIONS



The Group places great emphasis on the provision of timely, relevant, and adequate disclosure to shareholders. We believe that Investor Relations (“IR”) is a meaningful two-way communication between our Company and our shareholders. Therefore, maintaining open communication with our shareholders continues to be a crucial element of our structured IR approach. Communication with shareholders is managed by the Board.

The Board’s policy is to ensure that all shareholders should be equally and timely informed of all major developments impacting the Group. The Company keeps its website updated and maintains a dedicated IR section for shareholders’ convenience. Announcements disclosed through SGXNet are also posted on the Company’s website.

Our IR strategy and approach seeks to enhance shareholders’ understanding and appreciation of the Group’s competitive strengths, business strategies, key challenges and opportunities, significant developments, and investment merits, via the following IR channels, activities, and practices:

- Maintain an informative corporate website (<https://www.tiongwoon.com>) which includes a comprehensive IR section that is updated with the Group’s latest announcements, corporate information, and IR contact points;
- Keep our shareholders and interested parties abreast of our latest announcements by utilising ShareInvestor.com’s email alerts service;
- Active engagement with the investment community through regular interaction with research analysts, fund managers and shareholders;
- Post timely result announcements that meet high financial reporting and disclosure standards with respect to financial performance and position, as well as significant business developments;
- Provide detailed information on business strategies, operational developments, and financial results in our Annual Report; and
- Seek opportunities to profile the Group in the business and financial media, to achieve broader market understanding and appreciation of our strategies, vision, the depth of our capabilities as well as diversity of our business segments and markets.

Where necessary and appropriate, the Company may conduct briefings with media and analysts to update the investment community of the Group’s performance and developments. During such briefings and meetings, the Company solicits and understands the views of shareholders, as well as that of the wider investment community.

BOARD OF DIRECTORS

Mr Ang Kah Hong

(Executive Chairman)

Mr Ang Guan Hwa

(Executive Director and Chief Executive Officer)

Mr Ang Kha King

(Executive Director)

Mr Ang Boon Chang

(Executive Director)

Mr Wong King Kheng

(Non-Executive Independent Director and Lead Independent Director)

Mdm Luk Ka Lai Carrie (Mrs Carrie Cheong)

(Non-Executive Independent Director)

Mr Poon Guokun, Nicholas

(Non-Executive Independent Director)

Ms Wong Bee Eng

(Non-Executive Independent Director)

Mr Ding Hock Chai

(Non-Executive Independent Director)

AUDIT COMMITTEE

Mr Wong King Kheng

(Chairman)

Mdm Luk Ka Lai Carrie (Mrs Carrie Cheong)

Mr Poon Guokun, Nicholas

Ms Wong Bee Eng

Mr Ding Hock Chai

NOMINATING COMMITTEE

Mdm Luk Ka Lai Carrie (Mrs Carrie Cheong)
(Chairperson)

Mr Wong King Kheng

Mr Ang Guan Hwa

Ms Wong Bee Eng

Mr Ding Hock Chai

REMUNERATION COMMITTEE

Mdm Luk Ka Lai Carrie (Mrs Carrie Cheong)
(Chairperson)

Mr Wong King Kheng

Mr Poon Guokun, Nicholas

Ms Wong Bee Eng

Mr Ding Hock Chai

ENTERPRISE RISK MANAGEMENT COMMITTEE

Mr Ang Guan Hwa (Chairman)

Mr Ang Boon Chang (Vice-Chairman)

Mr William Tan Kwang Hwee

Ms Ang Siew Chien

Mr Quek Chang Yeow

Mr Lee Kum Mun

Mr Low Tien Pow

Mr Lee Kim Song

Mr The Wey Thai

SUSTAINABILITY REPORTING COMMITTEE

Mr Ang Guan Hwa (Chairman)

Mr Ang Boon Chang (Vice-Chairman)

Mr William Tan Kwang Hwee

Ms Ang Siew Chien

Mr Quek Chang Yeow

Mr Lee Kum Mun

COMPANY SECRETARY

Ms Joanna Lim Lan Sim, ACIS

REGISTERED OFFICE

No. 15 Pandan Crescent Singapore 128470

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Fax: (65) 67774544

Website: <https://www.tiongwoon.com>

SHARE REGISTRAR

Vistra Singapore

9 Raffles Place, #26-01 Republic Plaza,

Singapore 048619

Tel: (65) 62363333

Fax: (65) 62363405

Website: www.vistra.com

AUDITORS

PricewaterhouseCoopers LLP

Public Accountants and Chartered Accountants

7 Straits View Marina One East Tower Level 12

Singapore 018936

Partner-in-Charge: Mr Lee Zhen Jian

(Appointed since Financial Year ended 30 June 2024)

PRINCIPAL BANKERS

United Overseas Bank Limited

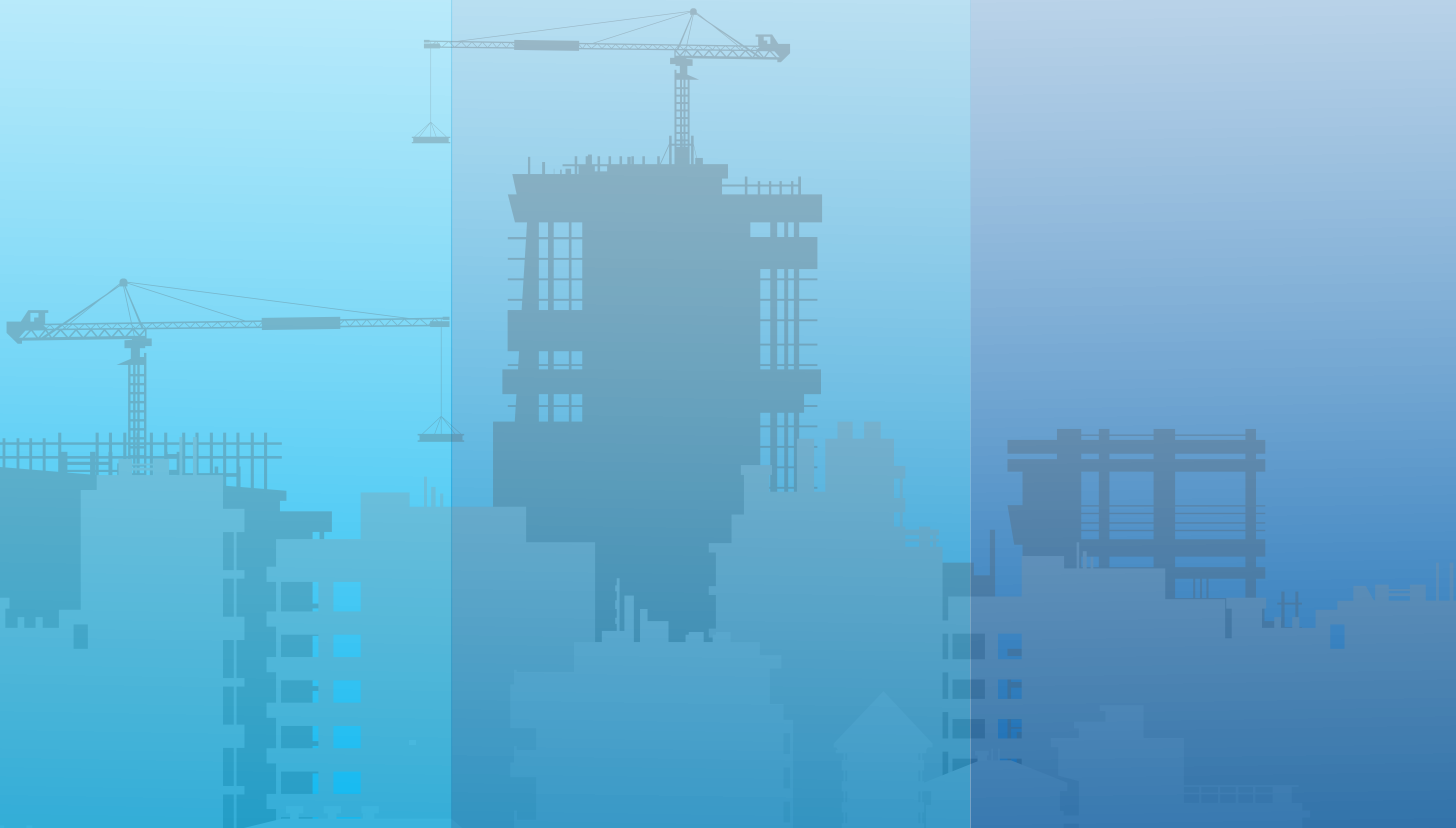
Overseas Chinese Banking Corporation Limited

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CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**” or the “**Directors**”) of Tiong Woon Corporation Holding Ltd (the “**Company**”) and its subsidiaries (the “**Group**”) are firmly committed to ensuring a high standard of corporate governance which is essential to the long-term sustainability of the Group’s business and performance.

This report describes the Group’s corporate governance structures and practices that were in place throughout the financial year ended 30 June 2024 (“**FY2024**”), with specific reference made to the principles and provisions of the revised Code of Corporate Governance (the “**2018 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 FY2024, the Group has adhered, in all material respects, with the principles and provisions of the 2018 Code. Where there is any deviation from the 2018 Code, the reason has been provided.

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’s primary role is to provide leadership, set strategic objectives and ensure that the necessary financial and human resources are in place for the Group to meet its objectives; establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders’ interests and the company’s assets; identify the key stakeholder groups and recognise that their perceptions affect the Group’s reputation; set the Group’s values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met; and consider sustainability issues, such as environmental and social factors, as part of its strategic formulation. The Board holds the management of the Company (the “**Management**”) accountable for performance.

All directors exercise due diligence and independent judgment, and are obliged to act in good faith and in the best interests of the Company. Any director who has conflict of interest which is likely to impact his independence or conflict with a subject under the discussion by the Board is required to immediately declare his interest to the Board, remove himself from the information flow and recuse from participating in any further discussion or decisions involving issues of conflict of interest.

New directors, upon appointment, will be briefed on the business and organisation structure of the Group to ensure that they are familiar with the Group’s structure, businesses and operations. The directors may participate in seminars and/or discussion groups to keep abreast of the latest developments which are relevant to the Group. Directors also have the opportunity to visit the Group’s operational facilities and meet with the Management to gain a better understanding of the Group’s business operations.

The Company has an on-going budget for all Directors to attend appropriate courses, conferences and seminars for them to stay abreast of relevant business developments and outlook. These include programmes run by the Singapore Institute of Directors or other training institutions. In FY2024, all members of our Board have attended sustainability training courses.

The Board as a whole is updated regularly on changes in the policies of the Group, risk management, corporate governance, insider trading and the key changes in the relevant regulatory requirements and financial reporting standards, so as to enable them to properly discharge their duties as Board or Board Committee members.

New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority which are relevant to the Directors are circulated to the Board.

CORPORATE GOVERNANCE REPORT

Annually, the external auditors update the Board and Audit Committee on new or revised financial reporting standards, in particular standards that could have a material impact on the Group's consolidated financial statements.

The Company has formulated guidelines setting forth matters reserved for the Board's decision. The Management is also given clear directions on matters (including set thresholds for certain operational matters relating to subsidiaries) that require the Board's approval.

Certain material corporate actions that require the Board's approval are as follows:

- Approval of interim and full year financial result announcements;
- Approval of the annual reports, sustainability reports and financial statements;
- Recommendation of dividends and other returns to shareholders;
- Nomination of board directors and appointment of key personnel;
- Convening of shareholders' meetings;
- Authorisation of material acquisitions and disposal of assets;
- Authorisation of major transactions;
- Approval of corporate strategies, business directions and risk management policy with consideration of sustainability matters; and
- Approval of Internal Audit Report.

The Board likewise reviews and approves all corporate actions for which shareholders' approval is required.

To facilitate effective management, certain functions have been delegated to various board committees, namely the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**"), each of whose members are drawn from members of the Board (together "**Board Committees**" and each a "**Board Committee**"). Each of these Board Committees has its own written terms of reference and its actions are reported to and monitored by the Board. All the Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group.

The day-to-day management of the affairs of the Group's businesses is delegated by the Board to the Management Committee ("**MC**") headed by the Executive Chairman, Mr Ang Kah Hong. As at the date of this report, the MC comprises four executive directors and seven key senior management personnel of the Group. The MC is also responsible for implementing measures in line with the overall strategies set by the Board. The MC meets on a periodic basis and on such other times where necessary.

The schedule of all the Board and Board Committee meetings for the calendar year is usually given to all the directors well in advance. Besides the scheduled meetings, where circumstances require, ad-hoc meetings are held. All meetings are conducted in Singapore and attendance by the Directors has been regular.

CORPORATE GOVERNANCE REPORT

The attendances of the Directors at meetings of the Board and Board Committees as well as the frequency of such meetings held during the financial year ended 30 June 2024 are set out below:

Name of Director	Board		Audit Committee		Remuneration Committee		Nominating Committee	
	Number of Meeting Held	Number of Meeting Attended	Number of Meeting Held	Number of Meeting Attended	Number of Meeting Held	Number of Meeting Attended	Number of Meeting Held	Number of Meeting Attended
Ang Kah Hong	4	4	NA	NA	NA	NA	NA	NA
Ang Guan Hwa	4	4	4 ⁽¹⁾	4 ⁽¹⁾	1 ⁽¹⁾	1 ⁽¹⁾	2	2
Ang Kha King	4	4	NA	NA	NA	NA	NA	NA
Ang Boon Chang	4	4	4 ⁽²⁾	4 ⁽²⁾	NA	NA	NA	NA
Wong King Kheng	4	4	4	4	1	1	2	2
Luk Ka Lai Carrie (Mrs Carrie Cheong)	4	4	4	4	1	1	2	2
Poon Guokun, Nicholas	4	4	4	4	1	1	2 ⁽³⁾	2 ⁽³⁾
Wong Bee Eng	4 ⁽⁴⁾	1 ⁽⁴⁾	4 ⁽⁴⁾	1 ⁽⁴⁾	1 ⁽⁴⁾	0 ⁽⁴⁾	2 ⁽⁴⁾	0 ⁽⁴⁾
Ding Hock Chai	4 ⁽⁵⁾	1 ⁽⁵⁾	4 ⁽⁵⁾	1 ⁽⁵⁾	1 ⁽⁵⁾	0 ⁽⁵⁾	2 ⁽⁵⁾	0 ⁽⁵⁾

Notes:

- (1) *Ang Guan Hwa is not a member of the AC and the RC but he was invited to attend the AC and the RC meetings in his capacity as Chief Executive Officer ("CEO").*
- (2) *Mr Ang Boon Chang is not a member of the AC but he was invited to attend the AC meetings in his capacity as Executive Director.*
- (3) *Mr Poon Guokun, Nicholas is not a member of the NC but he was invited to attend the NC meetings in his capacity as Independent Director.*
- (4) *Ms Wong Bee Eng was appointed as Non-Executive Independent Director, a member of the AC, the NC and the RC with effect from 1 April 2024, and her attendance at the Board, the AC, the NC and the RC meetings excluded meetings held before her appointment.*
- (5) *Mr Ding Hock Chai was appointed as Non-Executive Independent Director, a member of the AC, the NC and the RC with effect from 1 April 2024, and his attendance at the Board, the AC, the NC and the RC meetings excluded meetings held before his appointment.*

Please refer to page 47 for information regarding directors with multiple board representations.

The Company's Constitution allows a Board meeting to be conducted by means of telephone and video conference or similar communications equipment.

Prior to Board meetings and on timely basis, Management provides the Board with meeting papers and relevant information which are necessary to enable the Board to fulfil their duties and responsibilities. The Company Secretary/Management circulates copies of the minutes of the Board meetings to all members of the Board. The Board is informed of all material events and transactions as and when they occur. These include relevant information and explanatory notes on matters that are presented to the Board, such as budgets, forecasts and business models. In relation to budgets, any material variances between projections and actual results are disclosed and explained. Timely updates on developments in accounting matters, legislation, government policies and regulations affecting the Group's business operations are provided to all directors.

The Board has separate and independent access to the Management of the Company and the Company Secretary at all times.

The Company Secretary prepares meeting agendas, attends and prepares minutes of Board and Board Committee meetings and is responsible for ensuring that Board procedures are followed and that the Company's Constitution and relevant rules and regulations are complied with. Under the direction of the Chairman, the Company Secretary, with the support of the Management, ensures good information flows within the Board and the Board Committees and between the Management and Independent/Non-Executive Directors.

CORPORATE GOVERNANCE REPORT

The appointment and replacement of the Company Secretary is a matter for the Board.

The Directors, in fulfilling their responsibilities, will, as a group or individually, when deemed fit, direct the Company to appoint professional advisers to render professional advice. The costs associated with such professional services will be borne by the Company.

Board Composition and Guidance

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

The Board comprises nine directors, five of whom are non-executive independent directors. The Directors as at the date of this report are:

- Mr Ang Kah Hong (Executive Chairman)
- Mr Ang Guan Hwa (Executive Director and Chief Executive Officer)
- Mr Ang Kha King (Executive Director)
- Mr Ang Boon Chang (Executive Director)
- Mr Wong King Kheng (Non-Executive Independent Director and Lead Independent Director)
- Mdm Luk Ka Lai Carrie (Mrs Carrie Cheong) (Non-Executive Independent Director)
- Mr Poon Guokun, Nicholas (Non-Executive Independent Director)
- Ms Wong Bee Eng (Non-Executive Independent Director)
- Mr Ding Hock Chai (Non-Executive Independent Director)

The NC, which reviews the independence of each director on an annual basis, adopts the 2018 Code's definition of what constitutes an independent director. The Independent Directors, Mr Wong King Kheng, Mrs Carrie Cheong, Mr Poon Guokun, Nicholas, Ms Wong Bee Eng and Mr Ding Hock Chai have confirmed that they do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere or be reasonably perceived to interfere, with the exercise of their independent business judgement in the best interests of the Company.

The Board has determined, taking into account the views of the NC, that Mr Wong King Kheng, Mrs Carrie Cheong, Mr Poon Guokun, Nicholas, Ms Wong Bee Eng and Mr Ding Hock Chai are independent in character and judgement and that there are no relationships or circumstances which are likely to affect, or could appear to affect, the judgement of each of the aforesaid directors.

Each member of the NC and the Board recused himself or herself from the NC's and the Board's deliberations respectively on his or her own independence.

Pursuant to Rule 210(5)(d)(iv) of the Listing Manual, a director will not be independent if he or she has been a director of the issuer for an aggregate period of more than nine years (whether before or after listing). As at the date of this Annual Report, Mr Wong King Kheng and Mrs Carrie Cheong have served more than nine years tenure as Independent Directors and would be retiring and will not be seeking re-election at the 2024 AGM. Pursuant to Transitional Practice Note 4 Transitional Arrangements Regarding the Tenure Limit for Independent Directors, Mr Wong King Kheng and Mrs Carrie Cheong may continue to be considered independent until the conclusion of the 2024 AGM.

As at the date of this Annual Report, the Independent Directors constitute more than 50% of the Board. Hence, the composition of the Board currently aligns with the recommendation under Provision 2.2 and 2.3 of the 2018 Code which provides that Independent Directors should make up a majority of the Board where the Chairman is not independent and Non-Executive Directors should make up a majority of the Board.

CORPORATE GOVERNANCE REPORT

Currently, matters requiring the Board's approval are discussed and deliberated with the participation of each Director (save for any Director who has conflict of interest), and decisions are made collectively without any individual influencing or dominating the decision-making process. The NC and the Board are therefore of the view that the current composition of the Board is sufficient for the Board to exercise objective and balanced judgement. As the Chairman is not independent, the Company appointed a Lead Independent Director.

The NC is responsible for examining the size and composition of the Board and Board Committees. Having considered the nature and scope of the Group's operations, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees, the Board, in concurrence with the NC, believes that its existing Board and Board Committees is of appropriate size and with the right mix of skills, experience, gender and age diversity.

The Company recognises 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, business experience, industry discipline, gender, age, tenure of service and other distinguishing qualities of the directors.

The Group's Board Diversity Policy 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 Board composition and succession planning, the NC will consider the benefits of all aspects of diversity in terms of skills, experience, gender, age, geographical exposures and other relevant factors. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately.

The NC performs an annual review of the directors' mix of skills and experiences that the Board requires to function competently and efficiently. The NC is satisfied that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies to lead and govern the Group effectively. Each director has been appointed on the strength of his calibre, experience and stature and is expected to bring a valuable range of experience and expertise to contribute to the development of the Group strategy and the performance of its business.

Details of the Board composition are as follows:

Board Diversity

As at 30 June 2024

S/N	Name	Diversity - Gender		Diversity - Expertise and Experience			Diversity - Independence		Diversity - Length of Service		Diversity - Age Group	
		Male	Female	Legal	Finance and Accounting	Business / Management	Yes	No	> 9 Years	< 9 Years	< 50	> 50
1	Ang Kah Hong	1				1		1				1
2	Ang Guan Hwa	1				1		1			1	
3	Ang Kha King	1				1		1				1
4	Ang Boon Chang	1				1		1		1	1	
5	Wong King Kheng	1			1	1		1				1
6	Luk Ka Lai Carrie (Mrs Carrie Cheong)		1	1	1	1		1				1
7	Poon Guokun, Nicholas	1		1				1		1	1	
8	Wong Bee Eng		1		1	1		1		1		1
9	Ding Hock Chai	1			1	1		1		1	1	
		7	2	2	4	8	5	4	5	4	4	5
		78%	22%				56%	44%	56%	44%	44%	56%
		100%					100%		100%		100%	

CORPORATE GOVERNANCE REPORT

In addition, the Board consists of directors with ages ranging from their thirties to more than seventy years old, who have served on the Board for different tenures. The Board members 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.

The Independent Directors aim to assist in the development of proposals on strategy by constructively challenging the Management. They also review the performance of the Management in meeting agreed goals and objectives and monitor the performance.

The Independent Directors meet at least once a year or on a need-be basis without the presence of Management or the Executive Directors to discuss matters such as the Group's financial performance, corporate governance initiatives, board processes, succession planning, leadership development, the remuneration of the Executive Directors as well as to review any matters that must be raised privately.

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 the Chairman of the Board and the CEO are separate to ensure clear distinction of responsibilities, appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO.

The Chairman of the Board is Mr Ang Kah Hong, who is also an Executive Chairman. Being one of the founders of the Group, Mr Ang Kah Hong plays an instrumental role in developing the business of the Group and provides the Group with strong leadership and strategic vision. Mr Ang Kah Hong is assisted by the CEO, Mr Ang Guan Hwa, who is also an Executive Director of the Company. Mr Ang Guan Hwa is the son of the Executive Chairman. The CEO leads the members of management team and is responsible for identifying, developing and formulation of the business strategies and corporate objectives for the Group and management of overall business and corporate development.

All major decisions made by the Executive Chairman are discussed and reviewed by the AC. His performance is reviewed periodically by the NC and his remuneration package is reviewed periodically by the RC. As the AC, NC and RC consist of a majority of the independent board members, the Board believes that there are sufficient strong and independent elements and adequate safeguards in place against an uneven concentration of power and authority in a single individual. The Board is of the view that Mr Ang Kah Hong's role as an Executive Chairman will continue to facilitate the Group's decision-making and implementation process without diminishing the capacity of the Board for independent decision-making.

In addition to managing the day-to-day business operations of the Group, the Executive Chairman, Mr Ang Kah Hong, ensures that each member of the Board and the Management works well together with integrity and competency. He sets guidelines on and ensures quality, quantity, accuracy and timeliness of information flow between the Board, Management and shareholders of the Company. He encourages constructive relations between the Board and Management and between the executive directors and the independent directors. He promotes an open environment for debate, and ensures that Independent Directors are able to speak freely and contribute effectively. He plays a pivotal role in fostering constructive dialogue between shareholders, the Board and the Management at AGMs and other shareholders meetings. He also takes a leading role in ensuring the Company's drive to achieve and maintain a high standard of corporate governance practices.

As the Chairman is not an Independent Director, the Board has appointed Mr Wong King Kheng, an independent director, as the Lead Independent Director. Mr Wong King Kheng will be available to address shareholders' concerns when contact through the normal channels of the Executive Chairman, or the CEO or the Group Chief Financial Officer ("**CFO**") have failed to provide a satisfactory resolution or when such contact is inappropriate. He also assists the Chairman and the Board to ensure effective corporate governance in managing the affairs of the Board and the Company. No query on any matter which requires the Lead Independent Director's attention was received from shareholders in FY2024.

CORPORATE GOVERNANCE REPORT

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, regulated by a set of written terms of reference, comprises five members, majority of whom, including the Chairperson, are independent and non-executive directors. The Lead Independent Director is a member of the NC. The Board is of the view that the inclusion of an executive director in the NC would facilitate discussions at the NC meetings.

The members of the NC as at the date of this report are:

- Mdm Luk Ka Lai Carrie (Mrs Carrie Cheong) (Chairperson and Non-Executive Independent Director)
- Mr Wong King Kheng (Non-Executive Independent Director and Lead Independent Director)
- Mr Ang Guan Hwa (Executive Director and Chief Executive Officer)
- Ms Wong Bee Eng (Non-Executive Independent Director)
- Mr Ding Hock Chai (Non-Executive Independent Director)

The principal functions of the NC stipulated in its terms of reference are summarised as follows:

- Reviews and makes recommendations to the Board on relevant matters relating to: (i) all appointments and re-appointments of directors; (ii) succession plans for Board Chairman, Directors, CEO and other key management personnel; (iii) process and criteria for evaluation of performance of the Board, its Board Committees and Directors; and (iv) training and professional development programmes for the Board and its directors;
- Reviews the Board structure, size and composition and makes recommendations to the Board with regards to any adjustments that are deemed necessary;
- Determines the independence of the Board; and
- Assesses the effectiveness of the Board and the academic and professional qualifications of each individual director.

The NC is responsible for identifying and recommending new board members to the Board, after considering the relevant and desirable competencies of the candidates which include: (i) academic and professional qualifications; (ii) industry experience; (iii) number of other directorships; (iv) relevant experience as a director; and (v) ability and adequacy in carrying out required tasks. The NC leads the process for Board appointments/re-appointments and makes recommendations to the Board. The integrated process of appointment/re-appointment includes:

- (a) developing a framework on desired competencies and diversity on board;
- (b) assessing current competencies and diversity on board;
- (c) developing desired profiles of new directors;
- (d) initiating search for new directors including external search, if necessary;
- (e) shortlisting and interviewing potential candidates;
- (f) recommending appointments to and retirements from the Board; and
- (g) re-election at general meeting.

CORPORATE GOVERNANCE REPORT

In accordance with the Company's Constitution, at each AGM at least one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation, provided that all Directors shall retire from office at least once every three years in accordance with Rule 720(5) of the SGX-ST Listing Rules (Mainboard). In addition, any Director appointed by the Board shall retire at the next AGM and shall then be eligible for re-election at that meeting.

Mr Ang Boon Chang, Mr Poon Guokon, Nicholas, would be retiring by rotation pursuant to Rule 720(5) of the SGX-ST Listing Rules (Mainboard) and Regulation 104 of the Company's Constitution respectively at the forthcoming AGM and be eligible for re-election. Ms Wong Bee Eng and Mr Ding Hock Chai would be retiring pursuant to Regulation 108 of the Company's Constitution at the forthcoming AGM and be eligible for re-election.

The NC has recommended the nomination of Mr Ang Boon Chang, Mr Poon Guokon, Nicholas, Ms Wong Bee Eng and Mr Ding Hock Chai for re-election at the forthcoming AGM. In considering the nomination, the NC took into account the contributions of the directors with reference to their attendance and participation at Board meetings (and Board committee meetings where applicable) as well as proficiency with which they have discharged their responsibilities. A retiring director who is also a member of the NC abstained from nominating himself or herself from re-election. The Board has accepted the NC's recommendation and accordingly, the above-mentioned directors will be offering themselves for re-election at the forthcoming AGM. Additional information on directors seeking re-election pursuant to Rule 720(6) of the SGX-ST Listing Rules (Mainboard) can be found on pages 60 to 67 of the Annual Report.

The NC considered various candidates recommended by Board members and their networking contacts. No search consultant was appointed. One of the key considerations in the Board renewal process is to ensure that the Board is appropriately balanced to support the long-term success of the Group. Other key considerations included (a) whether the skillsets of the candidates would replace the skillsets of the long serving Directors, and/or would supplement the collective skillsets of the Directors and bring different perspectives to the Board; (b) the independence status of the candidate; and (c) whether the candidate would be able to commit sufficient time to fulfil the duties of a Director.

Where a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his/her duties as a director of the Company. The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Company, notwithstanding that some of the directors have multiple board representations. The Board does not prescribe a maximum number of listed company board representations which any Director with multiple board representations may hold and would review the matter on a case-by-case basis taking into account the ability and performance of each Director in his/her performance and discharge of duties and responsibilities.

Board renewal was a significant focus for the Board in FY2024 as Mr Wong King Kheng and Mrs Carrie Cheong have served more than the nine years tenure as Independent Directors and will be stepping down as Directors of the Company at the conclusion of the 2024 AGM. With the NC's recommendation, the Board approved that with effect from the 2024 AGM, Ms Wong Bee Eng would be appointed as the Lead Independent Director and the Chairperson of the AC in succession to Mr Wong King Kheng. The Board approved that with effect from the 2024 AGM, Mr Ding Hock Chai would be appointed as the Chairman of the NC and the RC in succession to Mrs Carrie Cheong. The Board also approved that with effect from the 2024 AGM, Mr Poon Guokon, Nicholas would be appointed as a member of the NC.

CORPORATE GOVERNANCE REPORT

The profile of all Board members is set out in the section entitled “Board of Directors” on pages 17 to 20 of the Annual Report. The details of the appointment of Directors, including date of the initial appointment, date of last re-election, listed company directorships for both current and preceding three years; and principal commitments are disclosed below:

Name of Director	Date of Initial Appointment	Date of last Re-Election	Present Directorships In Listed Companies	Past (preceding 3 years) Directorships In Listed Companies	Other Principal Appointments
Ang Kah Hong	21.08.1997	27.10.2022	Tiong Woon Corporation Holding Ltd	-	-
Ang Guan Hwa	22.03.2013	27.10.2023	Tiong Woon Corporation Holding Ltd	-	-
Ang Kha King	21.08.1997	27.10.2023	Tiong Woon Corporation Holding Ltd	-	-
Ang Boon Chang	01.01.2021	26.10.2021	Tiong Woon Corporation Holding Ltd	-	-
Wong King Kheng	23.08.1999	27.10.2022	(1) Tiong Woon Corporation Holding Ltd (2) Ossia International Limited (3) Hatten Land Limited (4) JCY International Berhad (listed on Bursa Malaysia)	-	KK Wong and Associates - Managing Director
Luk Ka Lai Carrie (Mrs Carrie Cheong)	01.07.2009	26.10.2021	Tiong Woon Corporation Holding Ltd	BBR Holdings (S) Ltd	(1) Carrie Cheong & Ethel Low Consulting Pte Ltd - Director/CEO (2) Carrie Cheong & Associates - Sole Proprietor
Poon Guokun, Nicholas	01.01.2021	26.10.2021	Tiong Woon Corporation Holding Ltd	-	Breakpoint LLC - Director
Wong Bee Eng	01.04.2024	-	Tiong Woon Corporation Holding Ltd	-	Provenance Capital Pte Ltd - Director
Ding Hock Chai	01.04.2024	-	(1) Tiong Woon Corporation Holding Ltd (2) Jubilee Industries Holdings Ltd	-	Assurance Dynamics Pte Ltd - Director

Except as disclosed, there were no other directorships or chairmanship held by the Directors over the preceding three years in other listed companies.

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/her special contributions, brings to the Board an independent and objective perspective to enable sound, balanced and well-considered decisions to be made. The Board is expected to act in good faith, with due diligence and care in the best interests of the Group to enhance long-term shareholder value.

The NC implemented an annual evaluation process to assess the effectiveness of the Board as a whole and its Board Committees, and the contribution of each individual Director. The Company did not engage an external consultant to facilitate the annual board evaluation process. The Company Secretary facilitated the annual board evaluation process. The NC is responsible for deciding how the Board's performance may be evaluated and proposes objective performance criteria for the Board's approval and implementing corporate governance measures to achieve good stewardship of the Company.

During FY2024, all Directors were requested to complete a Board Performance Evaluation Questionnaire designed to seek their view on the various aspects of the Board performance so as to assess the overall effectiveness of the Board. The performance criteria for the Board performance evaluation include evaluation of the Board's composition and conduct, Board processes and procedures, Board accountability, evaluation and succession planning. The completed evaluation forms were submitted to the NC Chairperson for collation and the consolidated responses were presented to the NC for review before submitting to the Board for discussion and determining areas for improvement and enhancement of the Board effectiveness.

The contribution of each individual Director to the effectiveness of the Board is assessed individually and reviewed by the NC. The assessment criteria include, inter alia, Director's attendance, commitment of time, participation, knowledge and abilities, teamwork and overall effectiveness. The performance of each Director will be taken into account in his/her re-election or re-appointment.

The NC has assessed the current Board's performance to-date and is of the view that the performance of the Board as a whole has been satisfactory. Although some of the Directors have other Board representations, the NC is satisfied that these Directors are able to and have effectively carried out their duties as Directors of the Company. The Board has experienced minimal competing time commitments among its members as Board meetings are planned and scheduled well in advance. The NC has noted that its members have contributed significantly in terms of time, effort and commitments during FY2024.

Taking into account the results of the assessment of the effectiveness of the Board and of the individual Directors and the respective Directors' conduct on the Board, the NC is satisfied that all the Directors have adequately carried out their duties as Directors. Nonetheless, replacement of a director, when it happens, does not necessarily reflect the director's performance or contributions to the Board, but may be driven by the need to align the Board with the medium or long term needs of the Group.

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, regulated by a set of written terms of reference, comprises five members, all of whom, including the Chairperson, are independent. As at the date of this report, the Remuneration Committee members are:

- Mdm Luk Ka Lai Carrie (Mrs Carrie Cheong) (Chairperson and Non-Executive Independent Director)
- Mr Wong King Kheng (Non-Executive Independent Director and Lead Independent Director)

CORPORATE GOVERNANCE REPORT

- Mr Poon Guokun, Nicholas (Non-Executive Independent Director)
- Ms Wong Bee Eng (Non-Executive Independent Director)
- Mr Ding Hock Chai (Non-Executive Independent Director)

RC is responsible for ensuring a formal and transparent procedure for developing policy 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 own remuneration.

The duties and responsibilities of the RC include, among others:

- review and recommend to the Board a framework of remuneration for the Board and key management personnel;
- review the specific remuneration packages of each Director, CEO (or executive of equivalent rank if the CEO is not a Director) and key management personnel. Remuneration includes, but are not limited to director fees, salaries, allowances, bonus, options, share based incentives and benefits-in-kind;
- review all aspects of remuneration, including the termination clause of the service contracts of the Directors, CEO and key management personnel to ensure that it is fair and reasonable and not overly generous; and
- review and recommend salary adjustments and bonuses of the CEO and key management personnel at each year end.

All remuneration matters, except directors' fees, relating to the Directors and key management personnel require approval of the Board.

The RC's considerations and recommendation for the fee framework of independent directors had been made in consultation with the Chairman of the Board and had been endorsed by the entire Board, following which the recommendation is tabled for shareholders' approval at the Company's AGM. No member of the RC or the Board participated in the deliberation of his own remuneration.

The RC considers all aspects of remuneration, namely, director's fees, salaries, allowances, bonuses, share-based incentives and awards, other benefits-in-kind and termination terms, to ensure that they are fair. The remuneration packages of the Executive Directors and certain key management personnel are based on their respective service agreements/contracts of service. The service agreements/contracts of service cover the terms of employment, specifically salary, performance-based incentive/bonus and other benefits. The service agreements of the Executive Directors and the contracts of service of key management personnel include terms for termination with a notice period of six months and three months respectively.

The RC reviews the Company's obligations arising in the event of termination of the Executive Directors and key management personnell's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The RC will ensure that the remuneration package of employees who are immediate family members of a director or the Executive Chairman are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities.

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. During the financial year, the RC did not engage an external remuneration consultant. In its deliberation, the RC takes into consideration industry practices and norms in compensation, in addition to the Company's relative performance in the industry.

CORPORATE GOVERNANCE REPORT

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 review of the remuneration is carried out by the RC to ensure that the remuneration of the Executive Directors 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. In structuring the remuneration framework, the RC also takes into account the risk policies of the Group, the need for the remuneration to be symmetric with the risk outcomes and the time horizon of risks.

The Company has a staff remuneration policy which comprises a fixed component and a variable component. The fixed and variable components are in the form of a base salary which takes into consideration the remuneration and employment conditions within the same industry and in comparable companies and variable bonus that is linked to the performance of the Group as a whole and their individual performance.

The remuneration of the Company's Executive Directors and key management personnel has been formulated to attract, retain and motivate individuals the Group relies on to achieve its business strategy and create long-term value for its shareholders. This is designed to align remuneration with the interests of shareholders and other stakeholders and link rewards to corporate and individual performance so as to promote the long-term sustainability of the Group. The RC believes that fair performance-related pay should motivate good performance and that rewards should be closely linked to and commensurate with it.

Mr Ang Kah Hong, the Executive Chairman, is consulted by the RC on matters relating to the other executive directors and key management personnel who report to him on matters relating to the performance of the Company. He duly abstained from participation in discussions and decisions on his own remuneration.

The RC reviews periodically the Service Agreements of the Company's Executive Directors and where appropriate, the Service Contracts of key management personnel, including the compensation commitments and notice period for termination to ensure that they are not excessively long. The Company has entered into separate Service Agreements with the Executive Directors, Mr Ang Kah Hong, Mr Ang Kha King, Mr Ang Guan Hwa and Mr Ang Boon Chang.

The Company does not have any share-based compensation scheme or any long-term incentives scheme involving the offer of shares or options in place, for the Executive Directors or key management personnel at the moment.

The Independent Directors do not have any service contracts. The Independent Directors are each paid a Directors' fee which is determined by the Board and RC based on the effort and time spent as well as their responsibilities as members of the AC, NC and RC. The Group recognises the need to pay competitive fees to attract, retain and motivate the Directors without being excessive to the extent that their independence might be compromised. Directors' fees are recommended by the Board for approval by the shareholders at the AGM of the Company. Except as disclosed, the Independent Directors do not receive any remuneration from the Company.

Disclosure on Remuneration

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

The Board has deliberated with regards to the 2018 Code's recommendation to fully disclose the amounts and breakdown of remuneration of each individual Director and the CEO. The Board is of the opinion that, in view of the confidentiality nature, sensitivity and competitive reasons, the amounts and breakdown of remuneration of each individual Director are not disclosed. The Board has opted to disclose the remuneration of each individual Director in percentage terms and in incremental bands of \$250,000.

CORPORATE GOVERNANCE REPORT

Remuneration bands and components in percentage terms of the Directors' remuneration for the financial year ended 30 June 2024 are set out below:

Name of Directors	Remuneration Band	Salary	Bonus	Benefits- in-Kind	Directors' Fees	Total
		%	%	%	%	%
Executive Directors						
Ang Kah Hong	Above \$1,750,000 and below \$2,000,000	23	76	1	-	100
Ang Guan Hwa ⁽¹⁾	Above \$750,000 and below \$1,000,000	26	74	-	-	100
Ang Kha King	Above \$750,000 and below \$1,000,000	26	71	3	-	100
Ang Boon Chang ⁽ⁱⁱ⁾	Above \$500,000 and below \$750,000	34	66	-	-	100
Independent Directors						
Wong King Kheng	Below \$250,000	-	-	-	100	100
Luk Ka Lai Carrie (Mrs Carrie Cheong)	Below \$250,000	-	-	-	100	100
Poon Guokun, Nicholas	Below \$250,000	-	-	-	100	100
Wong Bee Eng	Below \$250,000	-	-	-	100	100
Ding Hock Chai	Below \$250,000	-	-	-	100	100

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

Remuneration bands and components in percentage terms of the top five (5) key management personnel (who are not Directors or the CEO) for the financial year ended 30 June 2024 are set out below:

Remuneration Band	Salary	Bonus	Benefits- In-Kind	Directors' Fees	Total
	%	%	%	%	%
Above \$250,000 and below \$500,000					
Quek Chang Yeow	54	46	-	-	100
William Tan Kwang Hwee	58	42	-	-	100
Ang Siew Chien	53	47	-	-	100
Lee Kum Mun	72	28	-	-	100
Low Tien Pow	67	33	-	-	100

The annual aggregate remuneration paid to the top five (5) key executives (who are not Directors or the CEO) for the financial year 2024 is approximately \$1,922,000.

Besides Ms Ang Siew Chien ⁽ⁱⁱⁱ⁾ and Mr Lee Kum Mun ^(iv), there are two employees who are immediate family members of the Directors, the CEO, the Executive Chairman, or a substantial shareholder of the Company and whose remuneration exceeds \$100,000 during the financial year ended 30 June 2024:

- Ms Ang Hwee Chien, the daughter of Mr Ang Kah Hong (Executive Chairman), sister of Mr Ang Guan Hwa (Executive Director and CEO), niece of Mr Ang Kha King (Executive Director), cousin of Mr Ang Boon Chang (Executive Director) and sister of Ms Ang Siew Chien (CPO), who is employed as Senior Finance Manager. She received remuneration comprising salary and bonus in the \$100,000 and \$200,000 band during the financial year.
- Ms Ang Li Fern, the daughter of Mr Ang Kha King (Executive Director), sister of Mr Ang Boon Chang (Executive Director), niece of Mr Ang Kah Hong (Executive Chairman) and cousin of Mr Ang Guan Hwa (Executive Director and CEO), who is employed as Senior Logistics Manager. She received remuneration comprising salary and bonus in the \$100,000 and \$200,000 band during the financial year.

CORPORATE GOVERNANCE REPORT

Notes:

- (i) *Mr Ang Guan Hwa, the son of Mr Ang Kah Hong (Executive Chairman), nephew of Mr Ang Kha King (Executive Director) and cousin of Mr Ang Boon Chang (Executive Director), who is employed as Executive Director and Chief Executive Officer (“CEO”).*
- (ii) *Mr Ang Boon Chang, the son of Mr Ang Kha King (Executive Director), nephew of Mr Ang Kah Hong (Executive Chairman) and cousin of Mr Ang Guan Hwa (Executive Director and Chief Executive Officer), who is employed as Executive Director.*
- (iii) *Ms Ang Siew Chien, the daughter of Mr Ang Kah Hong (Executive Chairman), sister of Mr Ang Guan Hwa (Executive Director and CEO), niece of Mr Ang Kha King (Executive Director) and cousin of Mr Ang Boon Chang (Executive Director), who is employed as Group Chief People Officer (“CPO”).*
- (iv) *Mr Lee Kum Mun, the son-in-law of Mr Ang Kah Hong (Executive Chairman), brother-in-law of Mr Ang Guan Hwa (Executive Director and CEO), nephew-in-law of Mr Ang Kha King (Executive Director) and husband of Ms Ang Siew Chien (CPO), who is employed as Managing Director of Tiong Woon Project & Contracting Pte. Ltd..*

The Group has not implemented any share-based compensation scheme or any long-term scheme involving the offer of shares or options in place, after having considered the costs and benefits of such schemes.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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

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

The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

During the year, the AC, on behalf of the Board and through the assistance of internal and external auditors, had reviewed the effectiveness of the Group's material internal control systems including financial, operational, compliance and information technology controls, and risk management systems. The process used by the AC to monitor and review the effectiveness of the system of internal controls and risk management includes:

- (a) discussions with management on risks identified by management;
- (b) the audit processes;
- (c) the review of internal and external audit plans; and
- (d) the review of significant issues arising from internal and external audits.

The Company has designed a risk management framework to allow it to achieve its business objectives whilst assisting Management and ideally, providing early warnings of any material change to the Company's risk profile. The risk management framework comprises the policies, guidelines, and tools to provide the information and guidance material needed to integrate risk management into the Group's operation and systems, and individual decision-making process.

The Board has established an Enterprise Risk Management Committee (“**ERMC**”) which is a sub-committee of the AC and overseen by the AC. As of the date of this report, the ERMC comprises: Mr Ang Guan Hwa (Executive Director and CEO), Mr Ang Boon Chang (Executive Director), Mr William Tan Kwang Hwee (CFO), Ms Ang Siew Chien (CPO), Mr Lee Kum Mun (Managing Director, Tiong Woon Project & Contracting Pte. Ltd.), Mr Quek Chang Yeow (Managing Director, Tower Cranes Services Pte. Ltd.), Mr Lee Kim Song (General Manager, Tiong Woon Marine Pte Ltd), Mr Low Tien Pow (Regional General Manager, Tiong Woon Crane & Transport (Pte) Ltd) and Mr The Wey Thai (General Manager, Tiong Woon Crane & Transport (Pte) Ltd). Mr Ang Guan Hwa and Mr Ang Boon Chang are the Chairman and Vice-Chairman of the ERMC respectively.

CORPORATE GOVERNANCE REPORT

The principal functions of the ERM are:

- To review, formulate and make recommendations to the Management on risk matters and risk management; and
- To oversee the risk management function and the risk management framework.

The ERM works closely with the AC to oversee the Group's risk management framework and policies. All identified risks are assessed by the ERM and recorded in the Company's Risk Register. Risks which are recorded in the Risk Register are periodically reviewed by the ERM in accordance with a timetable established by the Committee, with the assistance of the relevant risk owners. Mitigated risks are recorded in the Risk Register with appropriate precautions from reoccurrence communicated across the Group.

Complementing the risk management framework is a Group-wide system of internal controls, which includes the Code of Conduct, documented policies and procedures, proper segregation of duties, approval procedures and authorities, as well as checks and balances built into the business processes. To ensure that internal controls and risk management processes are adequate and effective, during the financial year, the AC is assisted by the external auditors who provide assurance over the risk of material misstatements in the Group's financial statements and the internal auditor who provides assurance that controls over the key risks of the Group is adequate and effective.

For the financial year under review, the Board has received assurance from Mr Ang Guan Hwa (Executive Director and CEO) and Mr William Tan Kwang Hwee (CFO) that to the best of their knowledge, the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances. The Board has also received assurance from Mr Ang Guan Hwa and other key management personnel that the risk management and internal control systems are adequate and effective, based on the established risk management and internal control systems.

Based on (i) the Group's framework of management control, (ii) the internal control policies and procedures established and maintained by the Group as well as (iii) the regular audits, monitoring and reviews performed by the internal and external auditors, the Board, with the concurrence of the AC, is of the opinion that the systems of internal controls and risk management within the Group are adequate and effective, including the financial, operational, compliance and information technology controls and risk management that has been maintained by the Group's management and that was in place throughout the financial year.

Any material non-compliance and internal control weaknesses noted during the internal audit and the recommendations thereof are reported to the AC as part of the review of the Group's internal control system.

Audit Committee

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

The AC, regulated by a set of written terms of reference, comprises five directors, all of whom, including the Chairman, are independent. At the date of this report, the AC comprises the following members:

- Mr Wong King Kheng (Chairman, Non-Executive Independent Director and Lead Independent Director)
- Mdm Luk Ka Lai Carrie (Mrs Carrie Cheong) (Non-Executive Independent Director)
- Mr Poon Guokun, Nicholas (Non-Executive Independent Director)
- Ms Wong Bee Eng (Non-Executive Independent Director)
- Mr Ding Hock Chai (Non-Executive Independent Director)

There are corporate governance practices in place where a director will not recommend or participate in decisions of the Board or the Board Committee he/she sits on if he/she is interested or deemed to be interested in the decision. The Independent Directors have performed and will continue to perform their duties independent of the management.

CORPORATE GOVERNANCE REPORT

More than half of the members of the Audit Committee have recent and relevant experience in the financial or accounting field. The Company believes in taking a holistic approach towards the constitution of its various Board committees and as such does not restrict membership only to directors who have financial and/or accounting experience.

None of the AC members were previous partners or directors of the Company's existing auditing firm, PricewaterhouseCoopers LLP, or auditing corporation within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation and none of the AC members hold any financial interest in the auditing firm or auditing corporation.

The duties and responsibilities of the AC include those described in the Companies Act 1967 and the 2018 Code. The main responsibilities include:

- (a) reviews the annual and interim financial statements of the Company and the Group before submission to the Board for adoption (including the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements and any announcements relating to the Company's financial performance);
- (b) reviews with the internal and external auditors, their audit plans and audit reports;
- (c) reviews the cooperation given by the Company's officers to the external auditors;
- (d) reviews the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;
- (e) reviews at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- (f) reviews the assurance from the CEO and the CFO on the financial records and financial statements;
- (g) reviews interested person transactions and transactions falling within the scope of Chapter 10 of the Listing Manual;
- (h) nominates and reviews the appointment or re-appointment of external auditors;
- (i) make recommendations to the Board on the remuneration and terms of engagement of external auditors;
- (j) reviews the independence of the external auditors annually;
- (k) reviews the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- (l) undertakes such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC; and
- (m) undertakes such other functions and duties as may be required by statute or the Listing Manual and by such amendments made thereto from time to time.

Apart from the above functions, the AC will commission and review the findings of internal investigations into matters where there is suspicion of fraud or irregularity, or failure of internal controls or infringement of any Singapore law or regulation or rules of the SGX-ST or any other regulatory authority in Singapore which has or is likely to have a material impact on the operating results and/or financial position. In the event that a member of the AC is interested in any matter being considered by the AC, he will abstain from reviewing that particular transaction or voting on that particular resolution.

The AC has explicit authority to investigate any matter within its term of reference, full access to and the co-operation of management and has full discretion to invite any director or executive officer to attend its meetings, and has been given adequate resources to enable it to discharge its functions. The CEO and CFO were invited to attend meetings of the AC to report and brief the AC on the financial and operational performance of the Group and answer queries raised by the AC.

CORPORATE GOVERNANCE REPORT

The AC reviews annually the non-audit services provided by external auditors and determines whether the provision of such services affects their independence. During the year under review, the fees paid to the external auditors for audit and non-audit services amounted to \$303,000 and \$78,000 respectively.

The AC has undertaken a review of all non-audit services provided by the external auditors for the financial year ended 30 June 2024 and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The AC will constantly bear in mind the need to maintain a balance between the independence and objectivity of the external auditors and the work carried out by the external auditors based on value-for-money considerations. The external auditors have unrestricted access to the AC.

The AC had recommended to the Board the nomination of PricewaterhouseCoopers LLP, for re-appointment as external auditors of the Company at the forthcoming AGM. The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to accept re-appointment.

In recommending the re-appointment of the external auditors, the Audit Committee considered and reviewed various factors including the adequacy of resources, experience of supervisory and professional staff to be assigned to the audit, the size and complexity of the Group and its businesses and operations.

There is a Whistle-Blowing Policy for the Group in place, reviewed and endorsed by the AC, where employees of the Group can raise concerns about improprieties. The Policy serves to encourage and provide a channel to employees to report in good faith and in confidence, without fear of reprisals, concerns about possible improprieties in financial reporting or other matters to the Chairman of the AC. The objective for such arrangement is to ensure independent investigation of such matters raised and for appropriate follow-up action to be taken. Details of the whistle-blowing policies and arrangements have been made available to all employees and provides assurance that employees will be protected from reprisal within the limits of the law.

The AC reports quarterly to the Board on such matters at the Board meetings. Should the AC receive reports relating to serious offences and/or criminal activities in the Group, the AC and the Board have access to the appropriate external advice where necessary. Where appropriate or required, a report shall be made to the relevant government authorities for further investigation or action.

The AC and the Board have considered the Listing Rule 718 and where appropriate the revenue contribution by the subsidiaries; and have concluded that certain foreign incorporated subsidiaries are not significant to the Group. In addition, the AC and the Board have reviewed the appointment of different auditors for its foreign-incorporated subsidiaries and/or significant associated companies and were satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Company.

The AC is satisfied that the Company has complied with the Listing Rules 712 and 715 of the SGX-ST Listing Rules (Mainboard).

The AC has reviewed the management's assessment and discussed with the external auditors about the identified key audit matters (refer to pages 72 to 73 of the Annual Report); and how those key audit matters have been addressed by the external auditors. Having considered the management's assessment; and the approach taken by the external auditors and their findings, the AC is satisfied with the basis and estimates adopted by the Group.

The Company has outsourced its internal audit function to Ernst & Young Advisory Pte Ltd. The objective of the internal audit function is to determine whether the Group's risk management, control and governance processes, as designed, is adequate and functioning in the required manner.

The AC approves the appointment, termination, evaluation and compensation of the internal auditors. The internal auditor has unfettered access to the Group's documents, records, properties and personnel, including access to the AC. The internal auditor plans its internal audit work and schedules in consultation with, but independent of, the Management. The internal audit plan is submitted to the AC for approval prior to the commencement of the internal audit work.

The internal auditor conducted an annual review of the effectiveness of the internal audit function and control systems of the Group, including financial, operational and compliance risks, and reported its findings to the AC. There was no significant risk or material weakness in internal controls reported by the internal auditor to the AC for the financial year.

CORPORATE GOVERNANCE REPORT

The AC is satisfied that the internal auditor is adequately qualified (given, inter alia, its adherence to standards set by nationally or internationally recognised professional bodies) and resourced, and has the appropriate standing in the Company to discharge its duties effectively.

The AC meets with the external and internal auditors without the presence of the Management, at least once a year.

SHAREHOLDERS 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 Directors and management are committed to providing shareholders with information on all major developments in accordance with the Company's obligations. To facilitate shareholders' rights, the Company places great emphasis on investor relations and strives to maintain a high standard of transparency, ensure that all material information is disclosed on a comprehensive, accurate and timely basis via SGXNet and to promote better investor communications. It aims to provide investors with clear, balanced and useful information, on a timely basis, about the Group's performance, financial position and prospects. The Company does not practice selective disclosure. Price sensitive information is first publicly released before the Company meets with investors or analysts.

The Company supports the 2018 Code's Principle to encourage shareholder participation. Shareholders are encouraged to attend general meetings to ensure a high level of accountability and to stay informed of the Company's strategy and goals. Notice of general meetings is despatched to shareholders, together with explanatory notes or a circular on items of special business (if necessary), at least 14 days or 21 days, as the case may be, before the meeting. The Board welcomes questions from shareholders who have an opportunity to raise issues either informally or formally before or at general meetings. Questions, comments received from shareholders and responses from the Board and Management were recorded in the minutes of general meetings.

Shareholders have the opportunity to participate effectively and to vote in the AGM either in person or by proxy. Shareholders are also informed of the rules, including the voting procedures that govern general meetings.

To have greater transparency in the voting process, the Company has conducted the voting of all resolutions by poll at all its general meetings. Detailed voting results of each of the resolutions tabled are announced on the same day after the meetings. The total numbers of votes cast for or against the resolutions are also announced after the meetings via SGXNet.

Resolutions to be passed at general meetings are always separate and distinct in terms of issue and are consistent with the 2018 Code's recommendation that companies avoid 'bundling' resolutions unless the resolutions are interdependent and linked so as to form one significant proposal.

The Chairmen of the Board Committees are present at the AGM and other general meetings of shareholders, to assist the Board in addressing shareholders' questions. The external auditors are also present at AGM to assist the Board with enquiries relating to the conduct of the audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the Annual Report.

Whilst there is no limit imposed on the number of proxy votes for nominee companies, the Company's Constitution allows each shareholder to appoint up to two proxies to attend AGMs and any other general meeting on their behalf through proxy form sent in advance. Voting in absentia and by electronic mail only be possible following careful study to ensure that integrity of the information and authentication of the identity of shareholders through the web is not compromised. This is also subject to legislative amendment to recognise electronic voting.

The forthcoming 2024 AGM will be held in a wholly physical format and there will be no option for shareholders to participate virtually. The Company will adhere to the SGX-ST's guiding principle to provide answers to shareholders' questions within reasonable timeline. Please refer to the Notice of the AGM of the Company for more information.

CORPORATE GOVERNANCE REPORT

The Company also maintains minutes of the general meetings, which include the key comments and queries raised by shareholders and the responses from the Board and the Management. The Company will publish its minutes of general meetings of shareholders on its corporate website or SGXNet.

The Company's dividend policy seeks to balance dividend return to shareholders with the need for long-term sustainable growth whilst aiming for an efficient capital structure. The form, frequency and amount of dividends proposed each year will take into consideration the Group's financial performance, cash position, cash flow generated from operations, projected capital requirements for business growth, general economic conditions and other factors as the Board may deem appropriate. The Board has proposed a final dividend of 0.6 Singapore cent per ordinary share and a special dividend of 0.9 Singapore cent per ordinary share for the financial year ended 30 June 2024. This is subject to shareholders' approval at the 2024 AGM.

Engagement with Shareholders

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

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

The Board views the AGM as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues pertaining to the proposed resolutions and/or ask the directors or the Management questions regarding the Company and its operations.

It is the Board's policy to ensure that all shareholders should be equally and timely informed of all major developments impacting the Group. The Company does not practice selective disclosure. The Company keeps its website updated and maintains a dedicated investor relations section for shareholders' convenience. Announcements disclosed through SGXNet are also posted on the Company's website.

The Company conducts its investor relations on the following principles:

- Information deemed to be price-sensitive is disseminated without delay via announcement on SGXNet;
- Endeavour to provide comprehensive information in financial results announcements to help shareholders and potential investors make informed decision; and
- Operate an open policy with regard to investors' enquiries.

Information is disseminated to shareholders through:

- SGXNet announcements and news releases;
- Press releases on major developments;
- Annual Report prepared and issued to all shareholders; and
- Company's website at <https://www.tiongwoon.com> where shareholders can access information on the Group.

Where necessary and appropriate, the Company conducts briefings with media and analysts to update the investing community of the Group's performance and developments. During such briefings and meetings, the Company solicits and understands the views of shareholders and the investing community. Shareholders with questions may contact the Company's corporate media team.

CORPORATE GOVERNANCE REPORT

In the financial year under review, the Company reported financial results on a semi-annual basis, within the prescribed forty-five/sixty days from the end of each financial period. Through the release of its financial results, the Board aims to present shareholders with a balanced and comprehensible assessment of the Group's performance, position and prospects which extends to interim and other price sensitive public reports, and reports to regulators (if required). Pursuant to the amendments to Rule 705(2) of the SGX-ST Listing Rules (Mainboard) which took effect on 7 February 2020, the Company is not required to perform quarterly reporting. Notwithstanding the adoption of this new reporting framework, the Company remains committed in announcing material business development on a timely manner to keep shareholders updated as and when appropriate.

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

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

The Company has regularly engaged its stakeholders through various mediums and channels to ensure that the business interests are aligned with those of the stakeholders, to understand and address the concerns so as to improve services and standards and to sustain business operations for long term growth.

The stakeholders have been identified as those who have been impacted by or who are able to impact the Group's business and operations. They are namely, suppliers, customers, employees, community, investors and regulators.

The Company has undertaken a process to determine the environmental, social and governance (ESG) issues which are important to these stakeholders. These issues from the materiality matrix upon which targets, performance and progress are reviewed by the Board annually. Having identified the stakeholders and the material issues, the Company has mapped out the key areas of focus in relation to the management of the respective stakeholder relationships. More information is available in Sustainability Report 2023, which is posted on SGXNet and the Company's website at <https://www.tiongwoon.com>.

ADDITIONAL INFORMATION

CODE OF BUSINESS CONDUCT

The Company's Code of Business Conduct also sets the standards and ethical conduct expected of employees of the Group. Directors, officers and employees are required to observe and maintain high standards of integrity and comply with the law and the regulations and company policies.

DEALING IN COMPANY'S SECURITIES (SGX-ST LISTING RULE 1207(19))

The Company has an internal policy in place on dealings in the Company's securities transactions by the directors, officers and employees.

During the financial year, the Company issued notifications to all directors, officers and employees of the Company informing them that they are prohibited from dealing in the Company's shares during the period commencing one month before the announcement of the Company's half year and full year financial statements.

The directors, officers and employees are also prohibited from dealing in the Company's shares on short-term considerations under the policy.

In addition, the Company regularly reminds the directors, officers and employees that, under the provisions of the Securities and Futures Act 2001, it is an offence to deal in the Company's securities while they are in possession of unpublished, price-sensitive information.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT POLICIES AND PROCESSES (SGX-ST LISTING RULE 1207(4)(B)(IV))

The Group's overall risk management policy aims to minimise potential adverse effects on the financial performance of the Group. The Group has adopted risk management policies and processes that seek to mitigate these risks in a cost-effective manner.

Information on risk management, policies and processes are disclosed in the financial statements, and the Risk Factors and Risk Management are on pages 33 to 35 of the Annual Report.

MATERIAL CONTRACTS (LISTING MANUAL RULE 1207(8))

Save for the Service Agreements entered into with the Executive Directors, which are subsisting as at the end of FY2024, there were no material contracts involving the interests of the Executive Chairman, CEO, the Directors or controlling shareholders entered into by the Group which are subsisting as at the end of the financial year or entered into during the financial year.

INTERESTED PERSON TRANSACTIONS (SGX-ST LISTING RULE 907)

The Company has established procedures whereby transactions with interested persons are reported in a timely manner to the AC so as to ensure compliance with the rules and regulations under Chapter 9 of the Singapore Exchange's Listing Manual.

The following interested person transactions took place between the Group and interested persons during the financial year at terms agreed by the parties concerned:

Name of Interested Person	Nature of Relationship	Aggregate Value of all Interested Person Transactions During The Financial Year Under Review (Excluding Transactions Less Than \$100,000 And Transactions Conducted Under Shareholders' Mandate Pursuant to Rule 920)		Aggregate Value of All Interested Person Transactions Conducted Under Shareholders' Mandate Pursuant to Rule 920 (Excluding Transactions Less Than \$100,000)	
		FY2024	FY2023	FY2024	FY2023
		\$'000	\$'000	\$'000	\$'000
Sales					
Pollisum Engineering Pte Ltd	#	151	167	-	-
Purchases					
Pollisum Engineering Pte Ltd	#	341	105	-	-
Pollisum Fabrication Pte Ltd	#	4	-	-	-

Notes:

An associate of sibling of Mr Ang Kah Hong (Executive Chairman) and Mr Ang Kha King (Executive Director).

SUSTAINABILITY REPORT (RULE 711A and RULE 711B of the SGX-ST LISTING RULES (MAINBOARD))

The Board takes sustainability and environmental problems into account when developing our business strategy because it recognises the significance of sustainability in our Group's operations and performance. We think that creating a sustainable company is essential to maintaining our success and that we must take full responsibility for both the financial performance of our Group and its effects on the environment, our clients, our employees, and our community.

The Company will release its Sustainability Report 2024 via SGXNet no later than 4 months after the end of financial year. A copy will also be made available on the Company's website at <https://www.tiongwoon.com>.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Information for the Directors who are retiring and being eligible offer themselves for re-election at the forth coming AGM pursuant to Rule 720(6) of the SGX-ST Listing Rule (Mainboard):

Details	Name of Retiring Directors		
	Ang Boon Chang	Poon Guokun, Nicholas	Ding Hock Chai
Date of Appointment	1 January 2021	1 January 2021	1 April 2024
Date of last re-appointment (if applicable)	26 October 2021	26 October 2021	Not applicable
Age	44	38	49
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The process for the appointment of Directors, and the re-nomination and re-election of Directors to the Board, is set out in pages 42 to 47 of the Annual Report		
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.)	Executive Director	Member of the Remuneration Committee Member of the Audit Committee	Member of the Nominating Committee Member of the Remuneration Committee Member of the Audit Committee
Professional qualifications	Please refer to the detailed descriptions of the Directors; qualifications and working experience set out in pages 17 to 20 of the Annual Report		

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Retiring Directors			
	Ang Boon Chang	Poon Guokun, Nicholas	Wong Bee Eng	Ding Hock Chai
Working experience and occupation(s) during the past 10 years	2021 – present: Tiong Woon Corporation Holding Ltd – Executive Director 2015 – present: Tiong Woon Logistics Pte. Ltd. – Director 2011 – present: Tiong Woon International Pte. Ltd. – Director	2021 – present: Tiong Woon Corporation Holding Ltd – Non-Executive Independent Director 2018 – present: Breakpoint LLC – Director 2016 – 2018: Drew & Napier LLC – Lawyer 2012 – 2016: Supreme Court of Singapore – Justices' Law Clerk and Assistant Registrar	2024 – present: Tiong Woon Corporation Holding Ltd – Non-Executive Independent Director 2007 – Present: Provenance Capital Pte. Ltd. – Director	2024 – present: Tiong Woon Corporation Holding Ltd – Non-Executive Independent Director 2024 – present: Jubilee Industries Holdings Ltd – Independent Director 2023 – present: Assurance Dynamics Pte Ltd – Director 2012 – 2024: UOB Kay Hian Private Limited – Head of Capital Market
Shareholding interest in the listed issuer and its subsidiaries	None	None	None	None
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	Son of Mr Ang Kha King (Executive Director) Nephew of Mr Ang Kah Hong (Executive Chairman) Cousin of Mr Ang Guan Hwa (Executive Director and Chief Executive Officer)	None	None	None
Conflict of interest (including any competing business)	None	None	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Retiring Directors			
	Ang Boon Chang	Poon Guokun, Nicholas	Wong Bee Eng	Ding Hock Chai
Other Principal Commitments Including Directorships	<p>Past (for the last 5 years)</p> <p>Nil</p> <p>Present</p> <p>Tiong Woon Corporation Holding Ltd - Director</p>	<p>Past (for the last 5 years)</p> <p>Nil</p> <p>Present</p> <p>Breakpoint LLC - Lawyer</p> <p>Tiong Woon Corporation Holding Ltd - Director</p>	<p>Past (for the last 5 years)</p> <p>Provenance Capital Pte Ltd - Chief Executive Officer and Director</p> <p>Present</p> <p>Provenance Capital Pte Ltd - Director</p> <p>Tiong Woon Corporation Holding Ltd - Director</p>	<p>Past (for the last 5 years)</p> <p>UOB Kay Hian Private Limited - Head of Capital Market</p> <p>Present</p> <p>Assurance Dynamics Pte Ltd - Director</p> <p>Tiong Woon Corporation Holding Ltd - Director</p> <p>Jubilee Industries Holdings Ltd - Director</p>
	<p>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.</p>			
(a)	<p>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?</p>	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Retiring Directors			
	Ang Boon Chang	Poon Guokun, Nicholas	Wong Bee Eng	Ding Hock Chai
(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	No
(c) Whether there is any unsatisfied judgment against him?	No	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	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Retiring Directors			
	Ang Boon Chang	Poon Guokun, Nicholas	Wong Bee Eng	Ding Hock Chai
(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	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	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	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Retiring Directors			
	Ang Boon Chang	Poon Guokun, Nicholas	Wong Bee Eng	Ding Hock Chai
(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	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	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:				
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	Yes Please refer to the attached announcement : https://www.mas.gov.sg/regulation/enforcement/enforcement-actions/2022/mas-imposes-composition-penalty-on-uob-kay-hian-private-limited .

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Retiring Directors			
	Ang Boon Chang	Poon Guokun, Nicholas	Wong Bee Eng	Ding Hock Chai
				Mr Ding Hock Chai was a director of UOB Kay Hian Private Limited (UOBKH Pte Ltd) from 30 April 2013 to 1 December 2015. After Mr Ding ceased being a director of UOBKH Pte Ltd, on 31 August 2022, the MAS imposed a composition penalty of S\$375,000 on UOBKH for its failures to comply with business conduct requirements (September 2012 to June 2018) under the Securities and Futures (Licensing and Conduct of Business) and Regulations (SFR) and anti-money laundering and countering the financing of terrorism (AML/CFT) requirements (December 2016 to August 2017) under MAS Notice SFA04-N02. Mr Ding was not the subject of any investigation.
(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	No	No	No	No
(iii) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Retiring Directors			
	Ang Boon Chang	Poon Guokun, Nicholas	Wong Bee Eng	Ding Hock Chai
(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	No	No	No	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?				
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No
Disclosure applicable to the appointment of Director only.				
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable. This is a re-election of Directors.			
If yes, please provide details of prior experience.				
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.				
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).				

DIRECTORS' STATEMENT

For the financial year ended 30 June 2024

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 30 June 2024 and the balance sheet of the Company as at 30 June 2024.

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 76 to 132 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 30 June 2024 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:

Ang Kah Hong
Ang Kha King
Ang Guan Hwa
Ang Boon Chang
Wong King Kheng
Luk Ka Lai, Carrie (Carrie Cheong)
Poon Guokun, Nicholas
Wong Bee Eng (appointed on 1 April 2024)
Ding Hock Chai (appointed on 1 April 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

- (a) 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:

	Holdings registered in name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 30.6.2024	At 1.7.2023	At 30.6.2024	At 1.7.2023
Tiong Woon Corporation Holding Ltd				
(No. of ordinary shares)				
Ang Kah Hong	2,246,250	2,246,250	90,517,131	90,517,131
Ang Kha King	1,842,500	1,842,500	90,659,631	90,659,631
Wong King Kheng	32,000	32,000	-	-

At the reporting date, Ang Kah Hong and Ang Kha King held 5,990,298 and 2,995,149 ordinary shares, respectively, in a substantial shareholder of the Company, Ang Choo Kim & Sons (Pte) Limited. Their deemed interests in the Company through Ang Choo Kim & Sons (Pte) Limited are shown above.

DIRECTORS' STATEMENT

For the financial year ended 30 June 2024

- (b) Ang Kah Hong and Ang Kha King, who by virtue of each of their interests individually of not less than 20% of the issued capital of the Company, is deemed to have an interest in the whole of the share capital of the Company's wholly-owned subsidiaries and in the shares held by the Company in the following subsidiary that is not wholly-owned by the Group:

	At 30.6.2024	At 1.7.2023
Tiong Woon Crane & Transport Lanka (Pvt) Ltd		
- No. of ordinary shares	1,056,000	1,056,000

- (c) The directors' interests in the ordinary shares of the Company as at 21 July 2024 were the same as those as at 30 June 2024.

Share options

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

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

There were no unissued shares in the Company or its subsidiaries under option at the end of the financial year.

Audit Committee

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

Mr Wong King Kheng (Chairman)
Mdm Luk Ka Lai, Carrie (Mrs Carrie Cheong)
Mr Poon Guokun, Nicholas
Ms Wong Bee Eng
Mr Ding Hock Chai

All members of the Audit Committee were non-executive independent 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 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 30 June 2024 before their submission to the Board of Directors.

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

DIRECTORS' STATEMENT

For the financial year ended 30 June 2024

Independent Auditor

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

On behalf of the directors

ANG KAH HONG
Director

30 September 2024

ANG GUAN HWA
Director

INDEPENDENT AUDITOR'S REPORT

To The Members Of Tiong Woon Corporation Holding Ltd

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Tiong Woon Corporation Holding Ltd ("the Company") and its subsidiaries ("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)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated statement of comprehensive income of the Group for the financial year ended 30 June 2024;
- the balance sheets of the Group and the Company as at 30 June 2024;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

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

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

Independence

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

Our Audit Approach

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

Key audit matters

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

INDEPENDENT AUDITOR'S REPORT

To The Members Of Tiong Woon Corporation Holding Ltd

Our Audit Approach (continued)

Key audit matters (continued)

Key audit matters	How our audit addressed the matter
<p>1) Recoverability of trade receivables</p> <p>As at 30 June 2024, the Group's net trade receivables amounted to \$37.2 million, comprising gross trade receivables of \$64.9 million and a corresponding impairment allowance of \$27.7 million.</p> <p>The Group applies the simplified approach under SFRS(I) 9 "Financial Instruments". in determining the expected credit loss ("ECL") allowance. Management considers evidence of settlement plans, cash receipts, repayment trends, financial health and outcome or status of any legal actions (if any), as well as historical loss rates and forward-looking information in determining the total ECL allowance required.</p> <p>Refer to Note 2.10 of the financial statements for disclosure of the related accounting policy, Note 3(a) for disclosure of the related critical accounting estimates and assumptions and Note 15 for the trade receivables disclosures.</p> <p>Significant estimates and judgements is applied in determining the ECL allowance. Accordingly, we consider this to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ● Obtaining an understanding of significant credit exposures on the trade receivables which were either overdue, in default or had been specifically identified via evidence of settlement plans, post balance sheet cash receipts, repayment trends, financial health and outcome or status of any legal actions, if any. ● Reviewing management's assessment of specific loss allowance required as at 30 June 2024, which includes <ul style="list-style-type: none"> ○ Examining proposed or existing settlement plans against evidence of cash receipts, where these had been received; ○ Examining repayment trends during the year, evidence of dispute and the financial health of selected counterparties; and ○ Obtaining legal opinion on the likelihood of recovery of selected balances for which the Group has commenced legal actions on. ● Reviewing management's assessment of general loss allowance required as at 30 June 2024, which includes <ul style="list-style-type: none"> ○ Examining and validating the historical data used to determine the expected loss rate; ○ Assessing adjustments (if any) to the expected loss rate for forward-looking information; and ○ Recomputing the general loss allowance (if any). ● Reviewing that the presentation and disclosures of the ECL allowance related to trade receivables are presented in accordance with the requirements of the relevant financial reporting standards. <p>Based on the results of the above procedures, we found management's assessment of the ECL allowance and resulting net trade receivables to be reasonable.</p>

INDEPENDENT AUDITOR'S REPORT

To The Members Of Tiong Woon Corporation Holding Ltd

Our Audit Approach (continued)

Key audit matters (continued)

Key audit matters	How our audit addressed the matter
2) Impairment assessment of Property, plant and equipment	
<p>As at 30 June 2024, the Group's Property, plant and equipment ("PPE") include cranes, tower cranes, tugboats and barges ("Operating Equipment") with a total carrying amount of \$274.5 million, which represents 52.9% of the Group's total assets.</p> <p>Certain Operating Equipment have persistently low utilisation rates and have been identified by management as assets with indication of impairment. Accordingly, management has performed impairment testing on these assets.</p> <p>An impairment loss is recognised to the extent that the carrying amount is more than the recoverable amount. Management has determined the recoverable amount based on the fair value less costs of disposal.</p> <p>Refer to Notes 2.6 and 2.9 of the financial statements for disclosure of the related accounting policies, Note 3(b) for disclosure of the related critical accounting estimates, assumptions and judgements and Note 21 for the PPE disclosures.</p> <p>Given the nature of the Operating Equipment, the assessment of impairment involves the application of significant judgement. Accordingly, we consider this to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Evaluating management's impairment indicator assessment and assessing any additional potential indicators of impairment through external and internal trigger indicators; • Examining the utilisation reports of all Operating Equipment to identify those assets with persistently low utilisation rate; • Obtaining and reviewing external valuation reports, or assessing scrap value for Operating Equipment with persistently low utilisation rate; • Evaluating the competence, capabilities and objectivity of the independent valuer engaged by management; • Assessing the reasonableness of the methodology adopted by the external valuer and discussing the key estimates and assumptions including cost estimation to replace the asset and data of similar asset sold recently; • Recomputing the resulting impairment loss (if any); and • Evaluating the adequacy and appropriateness of the disclosures in the financial statements. <p>Based on the results of the above procedures, we found management's assessment of the carrying amount of the Operating Equipment with indication of impairment to be reasonable.</p>

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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 Tiong Woon Corporation Holding Ltd

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 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 included overseeing the Group's financial reporting process.

Auditor's Responsibility 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 the 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 the 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 the 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 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 with 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 Tiong Woon Corporation Holding Ltd

Auditor's Responsibility 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, related safeguards.

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Lee Zhen Jian.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 30 September 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2024

	Note	Group	
		2024 \$'000	2023 \$'000
Revenue	4	143,132	135,815
Cost of sales	5	(84,157)	(81,665)
Gross profit		58,975	54,150
Other income	7	3,778	3,489
Impairment loss on financial assets - net	32(b)	(586)	(586)
Other gains - net	8	858	1,272
Expenses			
- Administrative	5	(1,638)	(1,419)
- Other operating	5	(34,285)	(32,808)
- Finance	9	(3,864)	(3,951)
Share of results of associated companies		(53)	137
Profit before income tax		23,185	20,284
Income tax expense	10	(4,889)	(4,629)
Total profit		18,296	15,655
Other comprehensive income/(loss):			
Items that may be subsequently reclassified to profit or loss:			
Currency translation differences arising from consolidation			
- Gains/(Losses)		98	(1,911)
Total comprehensive income		18,394	13,744
Profit/(Loss) attributable to:			
Equity holders of the Company		18,207	15,698
Non-controlling interest		89	(43)
		18,296	15,655
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company		18,306	13,786
Non-controlling interest		88	(42)
		18,394	13,744
Earnings per share attributable to equity holders of the Company			
- Basic and diluted	12	7.85 cents	6.77 cents

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

BALANCE SHEETS – GROUP AND COMPANY

As at 30 June 2024

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
ASSETS					
Current assets					
Cash and bank deposits	13	81,086	75,504	119	1,122
Financial assets, at fair value through profit or loss	14	211	191	-	-
Trade and other receivables	15	52,952	47,189	-	-
Tax recoverable		149	80	-	-
Inventories	16	2,215	2,329	-	-
Other assets	17	2,089	2,328	14	9
		138,702	127,621	133	1,131
Assets held-for-sale	11	-	4,198	-	-
		138,702	131,819	133	1,131
Non-current assets					
Other assets	17	1,178	1,176	-	-
Other receivables	18	-	-	54,640	42,007
Investments in associated companies	19	2,974	3,018	1,020	1,020
Investments in subsidiaries	20	-	-	35,639	44,880
Property, plant and equipment	21	363,622	342,993	-	-
Right-of-use assets	22	12,569	12,379	-	-
Deferred income tax assets	27	18	128	-	-
		380,361	359,694	91,299	87,907
Total assets		519,063	491,513	91,432	89,038
LIABILITIES					
Current liabilities					
Trade and other payables	24	83,623	42,312	382	282
Current income tax liabilities		3,602	4,300	-	-
Borrowings	25	19,668	20,768	-	-
		106,893	67,380	382	282
Non-current liabilities					
Trade and other payables	24	586	24,221	-	-
Borrowings	25	73,144	78,480	-	-
Provisions	26	1,050	-	-	-
Deferred income tax liabilities	27	28,026	28,144	-	-
		102,806	130,845	-	-
Total liabilities		209,699	198,225	382	282
NET ASSETS		309,364	293,288	91,050	88,756
EQUITY					
Capital and reserves attributable to the equity holders of the Company					
Share capital	28	87,340	87,340	87,340	87,340
Treasury shares	28	(192)	(192)	(192)	(192)
Other reserves	29	(2,695)	(2,794)	-	-
Retained earnings		224,894	209,005	3,902	1,608
		309,347	293,359	91,050	88,756
Non-controlling interest		17	(71)	-	-
Total equity		309,364	293,288	91,050	88,756

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2024

	Note	Attributable to equity holders of the Company					Non- controlling interest \$'000	Total equity \$'000
		Share capital \$'000	Treasury shares \$'000	Other reserves \$'000	Retained earnings \$'000	Total \$'000		
2024								
Balance as at 1 July 2023		87,340	(192)	(2,794)	209,005	293,359	(71)	293,288
Profit for the year		-	-	-	18,207	18,207	89	18,296
Other comprehensive income/ (loss) for the year		-	-	99	-	99	(1)	98
Total comprehensive income for the year		-	-	99	18,207	18,306	88	18,394
Dividend relating to 2023 paid	30	-	-	-	(2,318)	(2,318)	-	(2,318)
Total transactions with owners, recognised directly in equity		-	-	-	(2,318)	(2,318)	-	(2,318)
Balance as at 30 June 2024		87,340	(192)	(2,695)	224,894	309,347	17	309,364
2023								
Balance as at 1 July 2022		87,340	-	(882)	194,466	280,924	(29)	280,895
Profit/(loss) for the year		-	-	-	15,698	15,698	(43)	15,655
Other comprehensive (loss)/ income for the year		-	-	(1,912)	-	(1,912)	1	(1,911)
Total comprehensive (loss)/ income for the year		-	-	(1,912)	15,698	13,786	(42)	13,744
Purchase of treasury shares	28	-	(192)	-	-	(192)	-	(192)
Dividend relating to 2022 paid	30	-	-	-	(1,159)	(1,159)	-	(1,159)
Total transactions with owners, recognised directly in equity		-	(192)	-	(1,159)	(1,351)	-	(1,351)
Balance as at 30 June 2023		87,340	(192)	(2,794)	209,005	293,359	(71)	293,288

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Total profit		18,296	15,655
Adjustments for:			
- Income tax expense		4,889	4,629
- Depreciation of property, plant and equipment		32,383	31,131
- Depreciation of right-of-use assets		871	930
- Dividend income		(5)	(11)
- Gain on disposal of property, plant and equipment		(1,598)	(2,658)
- Gain on disposal of assets held-for-sale		(1,060)	-
- Fair value loss on financial assets, at fair value through profit or loss		7	20
- Bad debt written off		-	75
- Impairment loss on financial assets - net		586	586
- Interest income		(2,207)	(1,651)
- Interest expense		3,864	3,951
- Share of results of associated companies		53	(137)
- Unrealised exchange differences		1,935	227
Operating cash flow before working capital changes		58,014	52,747
Changes in operating assets and liabilities			
- Inventories		114	(201)
- Trade and other receivables		(5,779)	4,450
- Other assets		239	(295)
- Trade and other payables		(7,404)	(8,220)
Cash generated from operations		45,184	48,481
Income tax paid		(5,662)	(4,902)
Net cash provided by operating activities		39,522	43,579
Cash flows from investing activities			
Purchase of property, plant and equipment		(25,795)	(3,594)
Interest received		2,207	1,651
Dividend received		5	11
Purchase of financial assets at fair value through profit or loss		(27)	-
Proceeds from disposal of assets held for sale		4,058	-
Proceeds from disposal of shareholding in an associated company		-	6
Proceeds from disposal of property, plant and equipment		9,573	7,156
Net cash (used in)/provided by investing activities		(9,979)	5,230
Cash flows from financing activities			
Purchase of treasury shares		-	(192)
Fixed deposits (pledged)/unpledged		(990)	101
Proceeds from bank borrowings		5,000	-
Principal repayment of bank borrowings		(7,374)	(6,388)
Repayment of other secured borrowings		(14,305)	(16,876)
Interest paid		(3,864)	(3,905)
Principal repayments of lease liabilities		(675)	(759)
Dividends paid to equity holders of the Company		(2,318)	(1,159)
Net cash used in financing activities		(24,526)	(29,178)
Net increase in cash and cash equivalents		5,017	19,631
Cash and cash equivalents at beginning of financial year		74,653	55,022
Effects of translations		(424)	-
Cash and cash equivalents at end of financial year	13	79,246	74,653

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2024

Reconciliation of liabilities arising from financing activities

	1 July 2023 \$'000	Principal and interest payments \$'000	Proceeds from borrowings \$'000	Non-cash changes		30 June 2024 \$'000
				Hire purchase of equipment \$'000	Interest expense \$'000	
Bank borrowings	57,105	(10,100)	5,000	-	2,726	54,731
Other secured borrowings	29,152	(15,073)	-	10,907	768	25,754
Lease liabilities	12,991	(1,045)	-	11	370	12,327

	1 July 2022 \$'000	Principal and interest payments \$'000	Non-cash changes			30 June 2023 \$'000
			Lease modification \$'000	Hire purchase of equipment \$'000	Interest expense \$'000	
Bank borrowings	63,493	(8,906)	-	-	2,518	57,105
Other secured borrowings	39,157	(17,853)	-	6,871	977	29,152
Lease liabilities	13,624	(1,169)	126	-	410	12,991

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

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

1. General information

Tiong Woon Corporation Holding Ltd (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is No. 15 Pandan Crescent, Singapore 128470.

The principal activity of the Company is that of an investment holding company. The principal activities of its subsidiaries are set out in Note 20.

2. Material accounting policy information

2.1 Basis of preparation

These financial statements have been prepared in accordance with the 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 accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2024

On 1 July 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

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group’s activities. The Group recognises revenue from each of its activities as follows:

(a) Rental income

Rental income arising from hiring of machinery with manpower integral to the leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

(b) Rendering of services

Revenue from the rendering of services for projects including provision of value-added logistic services and engineering activities is recognised over time in the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual services provided as a proportion of the total services to be performed or in accordance with terms of the service agreements.

(c) Trading of equipment and spare parts

Revenue is recognised at a point in time when the control of the goods is transferred to the end customer.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

2. Material accounting policy information (continued)

2.2 Revenue recognition (continued)

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

(e) Interest income

Interest income is recognised using the effective interest method.

2.3 Contract assets and contract liabilities

For contracts where the customer is invoiced on a milestone payment schedule or over the period of the contract, a contract asset is recognised if the value of the contract work transferred by the Group exceed the receipts from the customer, and a contract liability is recognised if the receipts from the customer exceed the value of the contract work transferred by the Group.

2.4 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.

2.5 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries 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. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated 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 asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

2. Material accounting policy information (continued)

2.5 Group accounting (continued)

(a) Subsidiaries (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 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 measured at their fair value 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 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 fair value of the identifiable net assets acquired is recorded as goodwill.

For an acquisition of an entity that does not meet the definition of a "Business" under SFRS(I) 3, the asset acquisition method is applied. The total cost of acquisition is allocated to qualifying assets on a relative fair value basis and any excess of the carrying value of the net assets of the entity and the total allocated cost is recognised under "other reserves".

(iii) *Disposals*

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

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 subsidiaries and associated companies" (Note 2.8) for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

2. Material accounting policy information (continued)

2.5 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) *Acquisitions*

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 company over the Group's share of the fair value of the identifiable net assets of the associated company and is 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 an associated company equals to or exceeds its interest in the associated company, 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 company.

If the associated company 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. 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 company 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 subsidiaries and associated companies" (Note 2.8) 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 30 June 2024

2. Material accounting policy information (continued)

2.6 Property, plant and equipment

(a) Measurement

All property, plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price, projected costs of dismantlement, removal or restoration, gains or losses on qualifying cash flow hedges and any other costs that are 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.

All property, plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price, projected costs of dismantlement, removal or restoration, gains or losses on qualifying cash flow hedges and any other costs that are 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

Freehold land and asset under construction are not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Buildings and land use right	Shorter of 30 years and the lease term
Machinery	
- Cranes & tower cranes	14 - 25 years from year of manufacture
- Other machinery	1 - 10 years
Tugboats and barges	5 - 10 years
Office equipment and software	5 - 10 years
Furniture and fixtures	10 years
Office renovation	2 - 5 years
Motor vehicles	5 - 10 years

The residual values, estimated useful lives and depreciation method of property, 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.

(c) Subsequent expenditure

Subsequent expenditure relating to property, 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 Group 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 property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other gains - net".

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

2. Material accounting policy information (continued)

2.7 Borrowing costs

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

2.8 Investments in subsidiaries and associated companies

Investments in subsidiaries and associated companies are carried at cost less accumulated impairment losses in the Company's balance sheet (Note 2.9).

On disposal of such investments, the difference between net disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.9 Impairment of non-financial assets

Property, plant and equipment, right-of-use assets and investments in subsidiaries 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 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, recoverable amount is determined for the cash-generating-unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed only if, there has been a change in estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an 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 depreciation) had no impairment loss been recognised for the asset in prior years.

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

2.10 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following categories:

- Amortised cost; 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 30 June 2024

2. Material accounting policy information (continued)

2.10 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.

Financial assets of the Group are subsequently measured as follows:

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.

(ii) *Equity instruments*

The Group subsequently measures all its equity instruments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains - net". Dividends from equity investments are recognised in profit or loss as "other income".

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, 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.

For cash and cash equivalents and other receivables, the general 3-stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

2. Material accounting policy information (continued)

2.10 Financial assets (continued)

(c) Recognition and derecognition (continued)

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.

2.11 Borrowings

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

Borrowings are initially recognised at fair value (net of transaction costs) and are 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.

2.12 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.

2.13 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 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 to allocate their depreciable amounts over their lease terms.

- Lease liabilities

The initial measurement of a 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

2. Material accounting policy information (continued)

2.13 Leases (continued)

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

- Lease liabilities (continued)

Lease payments include the following:

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

For a contract that contains 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 are modifications 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 not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, 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.

- Variable lease payments

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

2. Material accounting policy information (continued)

2.13 Leases (continued)

(b) When the Group is the lessor:

The Group leases equipment under finance leases and certain property, plant and equipment under operating leases to non-related parties.

- Lessor – Finance leases

Leases where the Group has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases.

The leased asset is derecognised and the present value of the lease receivable is recognised on the balance sheet and included in “trade and other receivables”. The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and reduce the amount of income recognised over the lease term.

- Lessor – Operating leases

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

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

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

2.14 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses.

2.15 Income taxes

Current income tax for current and prior periods is recognised at the amounts 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. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

2. Material accounting policy information (continued)

2.15 Income taxes (continued)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries 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.

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.

2.16 Provisions

Provisions for asset dismantlement, removal or restoration and legal claims 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.

The Group recognises the estimated costs of dismantlement, removal or restoration of certain items of Right-of-use assets (Note 22(a)). This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value.

Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement, removal and restoration costs are adjusted against the cost of the related property, plant and equipment, unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the change in the liability is recognised in profit or loss immediately.

2.17 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) Employee leave entitlement

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

2. Material accounting policy information (continued)

2.18 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 ("SGD" or "\$"), 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. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities.

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 income statement within "other gains - net".

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

(c) Translation of Group entities' financial 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 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 rate 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.

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to Senior Management of the Group whose members are responsible for allocating resources and assessing performance of the operating segments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

2. Material accounting policy information (continued)

2.20 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.

2.21 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.

2.22 Dividends to Company's shareholders

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

2.23 Assets held-for-sale

Assets are classified as assets held-for-sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

2.24 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

2. Material accounting policy information (continued)

2.24 Contingencies (continued)

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingencies are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair value can be reliably determined.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Impairment of trade receivables

As at 30 June 2024, the Group's net trade receivables amounted to \$37,200,000, comprising gross trade receivables of \$64,863,000 and impairment loss allowance of \$27,663,000 (Note 15).

Management evaluates the loss allowance for debtors which exhibit objective evidence of impairment separately from other debtors. Management identifies significant financial difficulties of the debtor, lack of regular payment history, lack of post year-end payments and outcome or status of any legal actions (if any) as objective evidence of impairment. As at the reporting date, a group of debtors with gross trade receivables of \$27,663,000 are identified to be credit impaired and a full impairment allowance has been recognised for these debtors.

For the remaining debtors across the Group, management has assessed they generally exhibit similar loss patterns based on days past due. Accordingly, management has determined the expected loss allowance for this group of debtors using a provisioning matrix based on the Group's historical loss experience of the debtors, adjusted for current conditions and forward-looking information. As at the reporting date, no material expected loss allowance was required to be recognised.

(b) Impairment of property, plant and equipment - Machinery, tugboats and barges

Management applies judgement in identifying if there are any indicators of impairment for the Group's cranes and tower cranes with a carrying amount of \$272,885,000, as well as tugboats and barges with a carrying amount of \$1,605,000 (collectively "Operating Equipment") (Note 21). Management has identified persistently low utilisation rate of the Operating Equipment as an impairment indicator.

As at reporting date, Operating Equipment with a carrying amount totalling \$2,747,000 were identified for impairment testing. Impairment testing was carried for such Operating Equipment using the fair value less costs to sell method. The fair value was determined with reference to valuations by an independent professional valuer for cranes and tower cranes and market scrap value for tugboats and barges. Based on the results of the impairment testing, no material impairment allowance is required to be recognised for such Operating Equipment as the fair value less costs to sell exceeded the respective carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

4. Revenue

(a) Disaggregation of revenue

	Heavy Lift & Haulage \$'000	Marine Transportation \$'000	Trading \$'000	Total \$'000
2024				
Types of goods or service:				
Rendering of services (Recognised over time)	24,713	186	-	24,899
Trading sales of equipment and spare parts (Recognised at a point in time)	-	-	1,557	1,557
Total revenue from contracts with customers	24,713	186	1,557	26,456
Rental income	114,709	1,967	-	116,676
Total revenue	139,422	2,153	1,557	143,132
Geographical information:				
Singapore	107,275	148	238	107,661
Brunei	785	757	-	1,542
Middle East	6,324	-	-	6,324
India	12,654	-	-	12,654
Malaysia	2,341	296	-	2,637
Thailand	5,186	778	245	6,209
Indonesia	4,102	174	325	4,601
China	174	-	-	174
Other countries	581	-	749	1,330
Total revenue	139,422	2,153	1,557	143,132
2023				
Types of goods or service:				
Rendering of services (Recognised over time)	31,305	-	-	31,305
Trading sales of equipment and spare parts (Recognised at a point in time)	-	-	1,278	1,278
Total revenue from contracts with customers	31,305	-	1,278	32,583
Rental income	100,380	2,852	-	103,232
Total revenue	131,685	2,852	1,278	135,815
Geographical information:				
Singapore	103,622	249	1,218	105,089
Brunei	792	430	-	1,222
Middle East	3,086	-	-	3,086
India	8,964	12	-	8,976
Malaysia	2,217	58	-	2,275
Thailand	2,634	765	-	3,399
Indonesia	6,929	26	52	7,007
China	254	-	-	254
Other countries	3,187	1,312	8	4,507
Total revenue	131,685	2,852	1,278	135,815

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

4. Revenue (continued)

(b) Contract assets and liabilities

	30 June		1 July
	2024	2023	2022
	\$'000	\$'000	\$'000
<i>Contract assets</i>			
- Rendering of services	913	695	1,298
Total contract assets	913	695	1,298
<i>Contract liabilities</i>			
- Deferred revenue	304	4,687	96
- Services advances	-	290	256
Total contract liabilities	304	4,977	352

Contract assets and liabilities relate to rendering of services including mechanical, infrastructure and industrial plant engineering and structural works, management of marine and industrial projects.

The contract assets increased as the Group provided more services ahead of the agreed payment schedules. Contract liabilities decreased due to lower advances received and decrease in overall contract activity level.

(i) Revenue recognised in relation to contract liabilities

	2024	2023
	\$'000	\$'000
Revenue recognised in current period that was included in the contract liabilities balance at the beginning of the period	4,977	241

(ii) Unsatisfied performance obligation

As permitted under SFRS(I) 15, the remaining unsatisfied performance obligations are not disclosed as they are part of a contract that has expected duration of one year or less.

(c) Trade receivables from contracts with customers

	30 June		1 July
	2024	2023	2022
	\$'000	\$'000	\$'000
<i>Current assets</i>			
Trade receivables from contracts with customers	14,147	9,861	5,293
Loss allowance	(1,429)	(413)	(469)
	12,718	9,448	4,824

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

5. Expenses by nature

	Group	
	2024 \$'000	2023 \$'000
Audit fees to:		
Auditors of the Company	303	303
Other auditors	80	75
Non-audit fees to:		
Auditors of the Company	78	77
Other auditors	39	65
Bad debt written off	-	75
Cost of trading equipment and spare parts	1,029	1,020
Cross-hire charges	2,063	2,787
Depreciation of property, plant and equipment (Note 21)	32,383	31,131
Depreciation of right-of-use assets (Note 22)	871	930
Employee compensation (Note 6)	52,579	45,262
Freight and handling	1,574	2,137
Hire of equipment	369	2,775
Insurance	2,539	2,271
Professional fees	718	545
Rental expenses	1,018	481
Sub-contractor charges	1,638	1,615
Transportation expense	3,574	3,063
Upkeep of property, plant and equipment	4,664	5,370
Purchases of inventories	4,372	5,386
Changes in inventories	114	(201)
Other expenses	10,075	10,725
Total cost of sales, administrative expenses and other operating expenses	120,080	115,892

6. Employee compensation

	Group	
	2024 \$'000	2023 \$'000
Wages and salaries	49,562	42,540
Employer's contribution to defined contribution plans including Central Provident Fund ("CPF")	3,017	2,722
	52,579	45,262

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

7. Other income

	Group	
	2024	2023
	\$'000	\$'000
Dividend income	5	11
Interest income		
- Bank deposits	2,207	1,605
- Finance leases	-	46
Insurance claims received	251	251
Government grants	171	347
Miscellaneous gains	1,144	1,229
	3,778	3,489

8. Other gains - net

	Group	
	2024	2023
	\$'000	\$'000
Fair value loss on financial assets at FVPL	(7)	(20)
Gain on disposal of property, plant and equipment	1,598	2,658
Gain on disposal of assets held-for-sale	1,060	-
Currency exchange loss - net	(1,793)	(1,366)
	858	1,272

9. Finance expenses

	Group	
	2024	2023
	\$'000	\$'000
Interest expense		
- Bank borrowings	2,726	2,518
- Other secured borrowings	768	977
- Lease liabilities	370	410
- Others	-	46
	3,864	3,951

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

10. Income taxes

Income tax expense

	Group	
	2024	2023
	\$'000	\$'000
Tax expense attributable to profit is made up of:		
Profit for the financial year:		
Current income tax		
- Singapore	3,429	3,677
- Foreign	1,892	1,587
	5,321	5,264
Deferred income tax (Note 27)	428	681
Tax charge for current financial year	5,749	5,945
Over provision in previous financial years		
- Current income tax	(420)	(758)
- Deferred income tax (Note 27)	(440)	(558)
	4,889	4,629

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

	Group	
	2024	2023
	\$'000	\$'000
Profit before income tax	23,185	20,284
Share of loss/(profit) of associated companies, net of tax	53	(137)
Profit before tax and share of loss/(profit) of associated companies	23,238	20,147
Tax calculated at a tax rate of 17% (2023: 17%)	3,950	3,425
- Statutory income exemptions	(130)	(186)
- Income not subject to tax	(513)	(1,674)
- Expenses not deductible for tax purposes	2,449	3,173
- Effect of different tax rates in other countries	555	254
- Deferred tax assets not recognised due to tax losses	259	983
- Utilisation of previously unrecognised tax losses	(821)	(31)
- Over provision in previous financial years	(860)	(1,315)
Tax charge	4,889	4,629

11. Assets held-for-sale

In 2023, the Group entered into sale and purchase agreements to sell certain machinery (Note 21) to third party customers for total consideration of \$5,334,000 and these assets were classified as assets held-for-sale as at 30 June 2023. Subsequently, the sales were completed in 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

12. Earnings per share

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

	Group	
	2024	2023
Net profit attributable to equity holders of the Company (\$'000)	18,207	15,698
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share ('000)	231,835	231,907
Basic and diluted earnings per share (cents per share)	7.85	6.77

13. Cash and bank deposits

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	15,986	19,476	119	1,122
Short-term bank deposits	65,100	56,028	-	-
	81,086	75,504	119	1,122

For the purpose of presenting the consolidated statement of cash flows, the cash and cash equivalents comprise the following:

	Group	
	2024	2023
	\$'000	\$'000
Cash and bank deposits (as above)	81,086	75,504
Less: Bank deposits pledged	(1,840)	(851)
Cash and cash equivalents per consolidated statement of cash flows	79,246	74,653

Bank deposits are pledged as collateral for bank guarantees given by the Group's bankers to certain customers of the Group and to certain authorities.

14. Financial assets, at fair value through profit or loss

	Group	
	2024	2023
	\$'000	\$'000
Listed securities:		
- Equity securities – Singapore	211	191

The instruments are all mandatorily measured at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

15. Trade and other receivables

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade receivables - non-related parties	64,863	64,884	-	-
Less: Allowance for impairment of trade receivables (Note 32(b))	(27,663)	(27,640)	-	-
Trade receivables - net	37,200	37,244	-	-
Other receivables - non-related parties	9,822	4,267	495	495
Less: Allowance for impairment of other receivables (Note 32(b))	(1,621)	(1,621)	(495)	(495)
Other receivables - net	8,201	2,646	-	-
Contract assets (Note 4(b))	913	695	-	-
Withholding tax recoverable	928	887	-	-
Accrued income	5,710	5,717	-	-
	52,952	47,189	-	-

Accrued income relates to the revenue recognised to date for satisfied performance obligations but has not been invoiced to the customer as at reporting date and is transferred to trade receivables at the point when it is invoiced to the customers.

16. Inventories

	Group	
	2024 \$'000	2023 \$'000
Fuel and spare parts	2,215	2,329

The cost of inventories recognised as an expense and included in "cost of sales" amounted to \$4,486,000 (2023: \$5,185,000).

17. Other assets

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Current</u>				
Deposits	709	749	-	-
Prepayments	1,380	1,579	14	9
	2,089	2,328	14	9
<u>Non-current</u>				
Structured deposits	1,178	1,176	-	-
	3,267	3,504	14	9

Structured deposits are interest-bearing deposits placed with a bank in for a period of 4 years with the interest of 1.7% - 2.6% per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

18. Other receivables - non-current

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000

Other receivables from subsidiaries (non-trade)

- non-interest bearing (unsecured)	-	-	54,640	42,007
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The Company's non-interest bearing receivables have no fixed terms of repayment and are not expected to be repaid within the next 12 months.

19. Investments in associated companies

	Company	
	2024 \$'000	2023 \$'000

Equity investments at cost

Beginning and end of financial year	1,020	1,020
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Set out below are the associated companies of the Group, which, in the opinion of the directors, are material to the Group. The associated companies as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group; the country of incorporation is also their principal place of business.

Name of entity	Place of business/ Country of incorporation	% of ownership interest	
		2024	2023
ASB Maritime Resources (L) Ltd	Malaysia	49	49
Asian Supply Base Maritime Resources Sdn Bhd	Malaysia	49	49
PDT Ascend Sdn. Bhd.	Malaysia	20	20

ASB Maritime Resources (L) Ltd provides fast crew boat leasing in Labuan, Malaysia.

Asian Supply Base Maritime Resources Sdn Bhd provides marine support services for offshore drilling activities in the oil and gas industry in Malaysia.

PDT Ascend Sdn. Bhd. provides operation and maintenance of heavy lifting and heavy transport services and other related business in Malaysia.

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

Summarised financial information for associated companies

Set out below are the summarised financial information for ASB Maritime Resources (L) Ltd, Asian Supply Base Maritime Resources Sdn Bhd and PDT Ascend Sdn Bhd.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

19. Investments in associated companies (continued)

Summarised balance sheet

	ASB Maritime Resources (L) Ltd		Asian Supply Base Maritime Resources Sdn Bhd		PDT Ascend Sdn. Bhd.		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets	6,100	4,876	5,973	4,883	212	266	12,285	10,025
Includes:								
- Cash and bank deposits	70	70	183	171	13	1	266	242
Current liabilities	(1,158)	(699)	(6,004)	(4,643)	(191)	(247)	(7,353)	(5,589)
Non-current assets	1,118	1,694	31	39	1	1	1,150	1,734
Net assets	6,060	5,871	-	279	22	20	6,082	6,170

Summarised statement of comprehensive income/(loss)

	ASB Maritime Resources (L) Ltd		Asian Supply Base Maritime Resources Sdn Bhd		PDT Ascend Sdn. Bhd.		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	1,204	1,271	2,217	2,252	15	294	3,436	3,817
Expenses								
Includes:								
- Depreciation and amortisation	(576)	(583)	(5)	(8)	-	-	(581)	(591)
Profit/(Loss) from continuing operations	182	489	(238)	(133)	(3)	1	(59)	357
Post-tax profit/(loss) from continuing operations and total comprehensive income/(loss)	171	474	(278)	(187)	-	(16)	(107)	271

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

19. Investments in associated companies (continued)

Reconciliation of summarised financial information

	ASB Maritime Resources (L) Ltd		Asian Supply Base Maritime Resources Sdn Bhd		PDT Ascend Sdn. Bhd.		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net assets								
At 1 July	5,871	5,559	279	467	20	42	6,170	6,068
Profit/(Loss) for the year	171	474	(278)	(187)	-	(16)	(107)	271
Foreign exchange differences	18	(162)	(1)	(1)	2	(6)	19	(169)
At 30 June	6,060	5,871	-	279	22	20	6,082	6,170
Interest in associated companies	2,970	2,877	-	137	4	4	2,974	3,018
Carrying value	2,970	2,877	-	137	4	4	2,974	3,018

20. Investments in subsidiaries

	Company	
	2024	2023
	\$'000	\$'000
<i>Equity investments, at cost</i>		
Beginning of financial year	44,880	47,177
Additional investment in a subsidiary	650	-
	45,530	47,177
Less: Impairment allowance	(9,891)	(2,297)
End of financial year	35,639	44,880

During the year, the Company has made an additional capital injection of \$650,000 in respect of one of its wholly-owned subsidiary, P.T. TWC Indonesia.

An assessment is made on whether there are indicators that the Company's investments are impaired. In 2024, an impairment loss of \$9,891,000 (2023: \$2,297,000) was recognised, being the difference between the carrying amounts of the investments and their recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

20. Investments in subsidiaries (continued)

The Group has the following subsidiaries as at 30 June 2024 and 2023:

Name of companies	Principal activities	Country of 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	
			2024	2023	2024	2023	2024	2023
			%	%	%	%	%	%
Subsidiaries held by the Company								
Tiong Woon Crane & Transport (Pte) Ltd ^(a)	Hiring out of cranes and transport and trading	Singapore	100	100	100	100	-	-
Tiong Woon Crane Pte. Ltd. ^(a)	Hiring out of cranes and transport	Singapore	100	100	100	100	-	-
Tiong Woon Project & Contracting Pte. Ltd. ^(a)	Mechanical and infrastructure engineering services and structural works	Singapore	100	100	100	100	-	-
Tiong Woon Enterprise Pte Ltd ^(a)	Trading of cranes	Singapore	100	100	100	100	-	-
Tiong Woon International Pte. Ltd. ^(a)	Investment holding, hiring out of cranes and transport and supply chain management	Singapore	100	100	100	100	-	-
Tiong Woon Tower Crane Pte. Ltd. ^(a)	Selling, servicing and leasing of equipment in the petroleum, construction, shipbuilding and related industries	Singapore	100	100	100	100	-	-
Tiong Woon Marine Pte Ltd ^(a)	Marine/transportation logistics related business	Singapore	100	100	100	100	-	-
Tiong Woon Offshore Pte. Ltd. ^(a)	Marine/transportation logistics related business	Singapore	100	100	100	100	-	-
TW (Sabah) Pte. Ltd. ^(a)	Marine/transportation logistics related business	Singapore	100	100	100	100	-	-
Tiong Woon China Consortium Pte. Ltd. ^(a)	Investment holding	Singapore	100	100	100	100	-	-
Tiong Woon Logistics Pte. Ltd. ^(a)	Freight forwarding services and logistics related business	Singapore	100	100	100	100	-	-
Tiong Woon Teck Aik Enterprise Pte. Ltd. ^(a)	Dormant	Singapore	100	100	100	100	-	-
Tiong Woon Crane & Transport (M) Sdn Bhd ^(b)	Hiring out of cranes and transport	Malaysia	100	100	100	100	-	-
Tiong Woon Offshore Sdn Bhd ^{(c)(p)}	Marine/transportation logistics related business	Malaysia	100	100	100	100	-	-
Tiong Woon Thai Co. Ltd ^{(d)(p)}	Hiring out of cranes and transport	Thailand	100	100	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

20. Investments in subsidiaries (continued)

Name of companies	Principal activities	Country of 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	
			2024	2023	2024	2023	2024	2023
			%	%	%	%	%	%
Subsidiaries held by the Company								
Thai Contracting & Enterprises Co., Ltd ^{(d)(p)}	Hiring out of cranes and transport	Thailand	100	100	100	100	-	-
P.T. TWC Indonesia ^(l)	Hiring out of cranes and transport	Indonesia	100	100	100	100	-	-
TWC Arabia Company Ltd ^{(e)(p)}	Hiring out of cranes and transport	Saudi Arabia	100	100	100	100	-	-
Tiong Woon Vietnam Company Limited ^(f)	Hiring out of cranes and transport	Vietnam	100	100	100	100	-	-
Tiong Woon Myanmar Company Limited ^(g)	Hiring out of cranes and transport	Myanmar	100	100	100	100	-	-
5 Elephant Co., Ltd ^{(g)(p)}	Hiring out of cranes and transport	Myanmar	100	100	100	100	-	-
Tiong Woon Crane & Transport Lanka (Pvt) Ltd ^(h)	Hiring out of cranes and transport	Sri Lanka	80	80	80	80	20	20
Tiong Woon Services Sdn Bhd ^{(i)(p)}	Heavy lifting, heavy transportation, mechanical installation, equipment leasing and marine transportation	Brunei Darussalam	100	100	100	100	-	-
Tiong Woon Bangladesh Limited ^{(j)(p)}	Hiring of heavy machinery and equipment, engineering and technical services, import, export and transportation	Bangladesh	100	100	100	100	-	-
Subsidiary held by Tiong Woon Crane & Transport (Pte) Ltd								
Tiong Woon Crane & Equipment Pte. Ltd. ^(a)	Hiring out of cranes and transport	Singapore	-	-	100	100	-	-
Subsidiary held by Tiong Woon Project & Contracting Pte. Ltd.								
Tiong Woon Project & Contracting (India) Private Limited ^(k)	Mechanical and infrastructure engineering services and structural works	India	-	-	100	100	-	-
Subsidiaries held by Tiong Woon International Pte. Ltd.								
P.T. Tiong Woon Indonesia ^(l)	Dormant	Indonesia	-	-	100	100	-	-
Tiong Woon Philippines, Inc ^(m)	Hiring out of cranes and transport	Philippines	-	-	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

20. Investments in subsidiaries (continued)

Name of companies	Principal activities	Country of 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	
			2024	2023	2024	2023	2024	2023
			%	%	%	%	%	%
Subsidiary held by Tiong Woon Tower Crane Pte. Ltd.								
Tower Cranes Services Pte. Ltd. ^(a)	Servicing, erection, jacking and dismantling of tower cranes	Singapore	-	-	100	100	-	-
Subsidiary held by Tiong Woon China Consortium Pte. Ltd.								
Tiong Woon (Huizhou) Industrial Services Co., Ltd ⁽ⁿ⁾	Heavy lifting services in the oil, gas, petrochemicals and other related construction industries	People's Republic of China	-	-	100	100	-	-
Subsidiary held by Tiong Woon Crane & Transport (M) Sdn Bhd								
Tiong Woon Crane Sdn Bhd ^{(b)(p)}	Hiring out of cranes and transport	Malaysia	-	-	100	100	-	-
Subsidiary held by Tiong Woon Thai Co. Ltd								
Thai Transport and Fabrication Services Co., Ltd. ^{(d)(p)}	Hiring out of cranes and transport	Thailand	-	-	100	-	-	-

(a) Audited by PricewaterhouseCoopers LLP, Singapore

(b) Audited by Baker Tilly HYT

(c) Audited by Ng, Lee & Partners

(d) Audited by FBLP Audit and Business Consulting Services Ltd

(e) Audited by BDO Dr Mohamed Al Amri Co ("BDO KSA")

(f) Audited by DCPA Auditing and Consulting Company Limited

(g) Audited by Ngwe Inzaly Audit Firm

(h) Audited by Nihal Hettiarachchi & Co.

(i) Audited by Deloitte & Touche

(j) Audited by Howladar Yunus & Co.

(k) Audited by Sundaram & Narayanan Chartered Accountants

(l) Not required to be audited under the laws of the country of incorporation

(m) Audited by Cruz - Caymo, Partners & Associates

(n) Audited by Huizhou An Xin Certified Public Accountant

(o) Undergoing liquidation as at reporting date

(p) Includes shares held in trust by employees of the Group

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

20. Investments in subsidiaries (continued)

Acquisition of shares in Thai Transport and Fabrication Services Co., Ltd.

On 4 December 2023, Tiong Woon Thai Co., Ltd. ("TWT"), a wholly-owned subsidiary of the Company, acquired twenty-nine thousand and four hundred (29,400) ordinary shares of Thai Transport and Fabrication Services Co., Ltd. ("TTFS") which represents 49% of the issued shares of TTFS.

As TWT's shareholding in TTFS entitles it to majority voting and economic rights in TTFS, TTFS is classified as a subsidiary of the Group in accordance with accounting standards.

Summarised financial information of subsidiaries with material non-controlling interests

There are no subsidiaries that has non-controlling interests that are material to the Group.

There were no transactions with non-controlling interests for the financial years ended 30 June 2024 and 2023.

Carrying value of non-controlling interests

	2024	2023
	\$'000	\$'000
Subsidiaries with immaterial non-controlling interests	17	(71)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

21. Property, plant and equipment

	Freehold land \$'000	Land use rights \$'000	Buildings \$'000	Machinery \$'000	Tugboats and barges \$'000	Office equipment and software \$'000			Furniture and fixtures \$'000	Office renovation \$'000	Motor vehicles \$'000	Asset under construction \$'000	Total \$'000
						Office equipment and software \$'000	Furniture and fixtures \$'000	Office renovation \$'000					
Group													
2024													
Cost													
Beginning of financial year	6,659	1,652	90,680	574,022	35,600	5,735	2,303	760	2,331	-	719,742		
Additions	4,798	-	690	55,036	634	196	30	-	967	261	62,612		
Disposals	-	-	(156)	(33,992)	-	(105)	(19)	-	(557)	-	(34,829)		
Exchange differences	(79)	(3)	(4)	(861)	(43)	(5)	(1)	(13)	(16)	-	(1,025)		
End of financial year	11,378	1,649	91,210	594,205	36,191	5,821	2,313	747	2,725	261	746,500		
Accumulated depreciation													
Beginning of financial year	-	(546)	(24,035)	(308,888)	(34,189)	(5,107)	(1,715)	(654)	(1,615)	-	(376,749)		
Depreciation charge	-	(28)	(4,068)	(27,156)	(435)	(280)	(144)	(30)	(242)	-	(32,383)		
Disposals	-	-	156	25,039	-	101	19	-	519	-	25,834		
Exchange differences	-	2	3	345	38	4	1	13	14	-	420		
End of financial year	-	(572)	(27,944)	(310,660)	(34,586)	(5,282)	(1,839)	(671)	(1,324)	-	(382,878)		
Net book value													
End of financial year	11,378	1,077	63,266	283,545	1,605	539	474	76	1,401	261	363,622		

2024

- (a) Additions in the consolidated financial statements include \$10,905,000 acquired by means of other secured borrowings (Note 25(c)).
- (b) The carrying amount of Machinery and Motor vehicles of the Group under other secured borrowings (Note 25(c)) amounted to \$70,229,000.
- (c) Bank borrowings are secured on certain property, plant and equipment of the Group with carrying amounts of \$68,861,000 (Note 25(a)).
- (d) Included in Machinery are Cranes and Tower Cranes with carrying amount of \$272,885,000 and other machinery equipment carrying amount of \$10,660,000.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

21. Property, plant and equipment (continued)

	Freehold land \$'000	Land use rights \$'000	Buildings \$'000	Machinery \$'000	Tugboats and barges \$'000	Office equipment and software \$'000		Furniture and fixtures \$'000	Office renovation \$'000	Motor vehicles \$'000	Asset under construction \$'000	Total \$'000
Group												
2023												
Cost												
Beginning of financial year	7,184	1,829	90,885	569,627	40,413	5,423	2,226	681	2,193	476		720,937
Additions	-	-	18	37,963	164	296	104	95	500	-	-	39,140
Disposals	-	-	(21)	(20,674)	(4,407)	(384)	(22)	-	(302)	-	-	(25,810)
Reclassifications	-	-	19	-	-	455	-	-	-	-	(474)	-
Reclassified to assets held-for-sale (Note 11)	-	-	-	(7,785)	-	-	-	-	-	-	-	(7,785)
Exchange differences	(525)	(177)	(221)	(5,109)	(570)	(55)	(5)	(16)	(60)	(2)		(6,740)
End of financial year	6,659	1,652	90,680	574,022	35,600	5,735	2,303	760	2,331	-		719,742
Accumulated depreciation												
Beginning of financial year	-	(572)	(20,145)	(306,324)	(38,002)	(5,267)	(1,596)	(640)	(1,737)	-	-	(374,283)
Depreciation charge	-	(29)	(4,037)	(25,611)	(803)	(274)	(147)	(30)	(200)	-	-	(31,131)
Disposals	-	-	21	16,491	4,127	380	22	-	271	-	-	21,312
Reclassified to assets held-for-sale (Note 11)	-	-	-	3,587	-	-	-	-	-	-	-	3,587
Exchange differences	-	55	126	2,969	489	54	6	16	51	-	-	3,766
End of financial year	-	(546)	(24,035)	(308,888)	(34,189)	(5,107)	(1,715)	(654)	(1,615)	-	-	(376,749)
Net book value												
End of financial year	6,659	1,106	66,645	265,134	1,411	628	588	106	716	-	-	342,993

2023

- (a) Additions in the consolidated financial statements include \$6,871,000 acquired by means of other secured borrowings (Note 25(c)).
- (b) The carrying amount of Machinery and Motor vehicles of the Group under other secured borrowings (Note 25(c)) amounted to \$63,779,000.
- (c) Bank borrowings are secured on certain property, plant and equipment of the Group with carrying amounts of \$83,947,000 (Note 25(a)).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

22. Leases – The Group as a lessee

Nature of the Group's leasing activities

Leasehold land

The Group leases leasehold land which is used for its office, operations and dormitory.

- (a) Carrying amounts and depreciation charge during the year

Right-of-use assets

	Leasehold land	
	2024	2023
	\$'000	\$'000
Group		
<i>Cost</i>		
Beginning of financial year	14,775	16,805
Addition	1,061	-
Lease modification	-	126
Disposal	-	(2,156)
End of financial year	15,836	14,775
<i>Accumulated depreciation</i>		
Beginning of financial year	(2,396)	(3,622)
Depreciation charge (Note 5)	(871)	(930)
Disposal	-	2,156
End of financial year	(3,267)	(2,396)
Net book value		
End of financial year	12,569	12,379
	Group	
	2024	2023
	\$'000	\$'000

- (b) Interest expense

Interest expense on lease liabilities (Note 9)	370	410
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- (c) Lease expense not capitalised in lease liabilities

Lease expense:		
- short-term leases	3,409	6,035
- low-value leases	41	8
	3,450	6,043

- (d) Total cash outflow for all the leases in 2024 was \$4,495,000 (2023: \$7,212,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

23. Leases – The Group as a lessor

Nature of the Group's leasing activities – Group as a lessor

The Group has leased out certain buildings, machinery, tugboats and barges to third parties for monthly lease payments. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the term of the lease. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred. Rental income from buildings, machinery, tugboats and barges are disclosed in Note 4.

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

	2024	2023
	\$'000	\$'000
Not later than one year	20,435	35,797
One to two years	6,329	6,753
Two to three years	8	2,844
Total undiscounted lease payments	26,772	45,394

The Group leased out certain machinery to a third party for monthly lease payments with an option for the lessee to purchase at the end of the lease term in prior year. These leases were classified as finance leases and the option to purchase was exercised during the prior year.

Finance income on the finance leases (Note 7) during the financial year is \$Nil (2023: \$46,000).

24. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<i>Current</i>				
Trade payables to non-related parties	3,048	7,126	-	-
Other payables to non-related parties	62,463	13,416	2	4
Contract liabilities (Note 4(b))	304	4,977	-	-
Deferred income	1,301	1,088	-	-
Deposits and advances received	6,050	6,362	-	-
Accrued operating expenses	10,457	9,343	380	278
	83,623	42,312	382	282
<i>Non-current</i>				
Trade payables to non-related parties	-	1,391	-	-
Other payables to non-related parties	586	22,830	-	-
	84,209	66,533	382	282

Transactions with associates, subsidiaries and other related parties were made on normal commercial terms and conditions.

Other payables to non-related parties includes accruals and payables for purchase of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

25. Borrowings

	Group	
	2024 \$'000	2023 \$'000
<i>Current</i>		
Bank borrowings	8,305	6,421
Other secured borrowings	10,668	13,652
Lease liabilities	695	695
	19,668	20,768
<i>Non-current</i>		
Bank borrowings	46,426	50,684
Other secured borrowings	15,086	15,500
Lease liabilities	11,632	12,296
	73,144	78,480
Total borrowings	92,812	99,248

The exposure of the borrowings of the Group to interest rate changes amounts to \$52,269,000 (2023: \$52,890,000). These borrowings are contractually repriced between one to three months. The remaining borrowings are fixed rate borrowings and are not subject to interest rate changes.

Other secured borrowings of the Group are effectively hire purchases which are secured over the leased Machinery and Motor vehicles (Note 21), as the legal titles are retained by the lessor and will be transferred to the Group upon full settlement of the borrowings.

(a) Security granted

Total borrowings include \$80,485,000 (2023: \$86,257,000) which are secured over certain of the Group's property, plant and equipment (Note 21).

(b) Fair value of non-current borrowings

The fair values of the non-current variable rate borrowings approximate the carrying values as the applicable interest rates are market rates.

The fair values of the non-current fixed rate borrowings, classified as a Level 2 financial liability, are determined from discounted cash flows analyses, using discount rates of an equivalent instrument at the reporting date which the directors expect to be available to the Group as follows:

	Carrying amounts		Fair values	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Group</u>				
Bank borrowings	683	2,462	664	2,412
Other secured borrowings	15,086	15,500	14,670	15,032
			15,334	17,444
<u>Group</u>				
			2024	2023
			\$'000	\$'000
Bank borrowings			2.02	2.02
Other secured borrowings			3.43	2.92
			5.45	4.94

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

25. Borrowings (continued)

(c) Other secured borrowings

	Group	
	2024	2023
	\$'000	\$'000
Minimum lease payments due:		
- not later than one year	11,356	14,290
- later than one year but not later than five years	15,915	16,008
	27,271	30,298
Less: Future finance charges	(1,517)	(1,146)
Present value of other secured borrowings	25,754	29,152
The present value of other secured borrowings are analysed as follows:		
Not later than one year	10,668	13,652
Later than one year but not later than five years	15,086	15,500
	25,754	29,152

(d) As at reporting date, the Company has given guarantees amounting \$80,416,000 (2023: \$86,257,000) to certain banks in respect of banking facilities and credit terms granted to the subsidiaries.

The Company has not recognised any liability in respect of guarantees given to the banks for banking facilities granted to the subsidiaries as the Company's directors have assessed that the likelihood of the subsidiaries defaulting on repayment of its loan is remote.

26. Provisions

The provision for reinstatement costs represents the estimated amount which the Group will have to pay to reinstate leased assets to a good and tenable condition as required by the terms and conditions of the lease agreements.

27. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority.

The amounts, determined after appropriate offsetting, are shown on the balance sheets as follows:

	Group	
	2024	2023
	\$'000	\$'000
Deferred tax assets	18	128
Deferred tax liabilities	(28,026)	(28,144)
Net deferred tax liabilities	(28,008)	(28,016)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

27. Deferred income taxes (continued)

The movement in the net deferred income tax account is as follows:

	Group	
	2024	2023
	\$'000	\$'000
Beginning of financial year	(28,016)	(27,915)
Credited/(Charged) to profit or loss (Note 10)	12	(123)
Exchange differences	(4)	22
End of financial year	<u>(28,008)</u>	<u>(28,016)</u>

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits are probable. The Group has unrecognised tax losses of approximately \$29,583,000 (2023: \$35,020,000) at the reporting date, which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses in their respective countries of incorporation. The tax losses have no expiry date except for an amount of \$11,181,000 (2023: \$13,421,000) which will expire between 2024 to 2029 (2023: 2023 to 2028).

Deferred income tax liabilities of \$887,000 (2023: \$875,000) have not been recognised for the withholding and other taxes that will be payable on the earnings of certain overseas subsidiaries when remitted to the holding company. These unremitted earnings are permanently reinvested and amounted to \$8,618,000 (2023: \$8,523,000) at the reporting date.

The movement in the deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) during the financial year is as follows:

Group

Deferred income tax liabilities

	Accelerated tax depreciation	Lease assets	Total
	\$'000	\$'000	\$'000
2024			
Beginning of financial year	27,916	2,104	30,020
(Credited)/Charged to profit or loss	(689)	32	(657)
End of financial year	<u>27,227</u>	<u>2,136</u>	<u>29,363</u>
2023			
Beginning of financial year	28,130	2,241	30,371
Credited to profit or loss	(170)	(137)	(307)
Exchange differences	(44)	-	(44)
End of financial year	<u>27,916</u>	<u>2,104</u>	<u>30,020</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

27. Deferred income taxes (continued)

Deferred income tax assets

	Unabsorbed capital allowances and unutilised tax losses \$'000	Provisions \$'000	Lease liabilities \$'000	Total \$'000
2024				
Beginning of financial year	178	(78)	(2,104)	(2,004)
Charged/(Credited) to profit or loss	497	180	(32)	645
Exchange differences	5	(1)	-	4
End of financial year	680	101	(2,136)	(1,355)
2023				
Beginning of financial year	(133)	(82)	(2,241)	(2,456)
Charged to profit or loss	289	4	137	430
Exchange differences	22	-	-	22
End of financial year	178	(78)	(2,104)	(2,004)

28. Share capital and treasury shares

Group and Company	No. of ← ordinary shares →		← Amount →	
	Issued share capital \$'000	Treasury shares \$'000	Issued share capital \$'000	Treasury shares \$'000
2024				
Beginning and end of financial year	232,235	(400)	87,340	(192)
2023				
Beginning of financial year	232,235	-	87,340	-
Treasury shares purchased	-	(400)	-	(192)
End of financial year	232,235	(400)	87,340	(192)

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

In 2023, the Company acquired 400,000 ordinary shares in the open market. The total amount paid to acquire the shares was \$192,000 and this was presented as a component within shareholder's equity. There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

29. Other reserves

	Group	
	2024 \$'000	2023 \$'000
(a) <u>Composition:</u>		
Foreign currency translation reserve (non-distributable)	(4,376)	(4,475)
Asset acquisition reserve	1,352	1,352
Capital reserve (non-distributable)	329	329
	(2,695)	(2,794)
(b) <u>Movements:</u>		
<i>Foreign currency translation reserve</i>		
Beginning of financial year	(4,475)	(2,563)
Net currency translation differences on consolidation	100	(1,911)
Less: Non-controlling interest	(1)	(1)
	99	(1,912)
End of financial year	(4,376)	(4,475)
<i>Asset acquisition reserve</i>		
Beginning and end of financial year	1,352	1,352
<i>Capital reserve</i>		
Beginning and end of financial year	329	329

Capital reserve represents amounts set aside in compliance with local laws in a country where the Group operates.

30. Dividends

	Group	
	2024 \$'000	2023 \$'000
<i>Ordinary dividends</i>		
Final dividend paid in respect of the previous financial year of 0.40 cent (2023: 0.35 cent) per share	927	811
Special dividend paid in respect of the previous financial year of 0.60 cent (2023: 0.15 cent) per share	1,391	348
	2,318	1,159

At the Annual General Meeting to be held in October 2024, a final dividend of 0.60 cent and special dividend of 0.90 cent per share amounting to a total of \$3,478,000 will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

31. Commitments

Capital commitments

Capital expenditure contracted for at the reporting date but not recognised in the financial statements are as follows:

	Group	
	2024 \$'000	2023 \$'000
Machinery	9,097	24,374

32. Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks, including market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's policies for managing each of these risks are summarised below.

(a) Market risk

(i) *Currency risk*

The Group operates mainly in Asia and Middle East with dominant operations in Singapore. Entities in our Group regularly transact in currencies other than their respective functional currencies. The Group is exposed to currency translation risk on the net assets in foreign operations. Currency exposures to the net assets of the Group's operations are managed by natural hedges of matching assets and liabilities where practicable.

The Group does not have a formal hedging policy with respect to its foreign exchange exposure but it minimises such risks by actively monitoring its foreign currency exposure on an on-going basis and taking appropriate hedging measures, where appropriate/practicable. Where appropriate, the Group hedges foreign currency purchases at contracted forward exchange rates.

The Group's currency exposure of financial assets and financial liabilities net of those denominated in currencies other than the respective entities' functional currencies based on the information provided to key management are as follows:

	SGD \$'000	USD \$'000	RMB \$'000	MYR \$'000
At 30 June 2024				
Financial assets				
Cash and bank deposits	62	9,908	30	-
Trade and other receivables	-	245	-	-
Intercompany receivables	2,662	20,156	790	260
Other financial assets	-	689	-	-
	2,724	30,998	820	260
Financial liabilities				
Trade and other payables	-	(13,041)	(27,848)	-
Intercompany payables	(119,998)	(23,089)	(1,564)	(12,515)
	(119,998)	(36,130)	(29,412)	(12,515)
Net liabilities exposure	(117,274)	(5,132)	(28,592)	(12,255)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

32. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

	SGD \$'000	USD \$'000	RMB \$'000	MYR \$'000
At 30 June 2023				
Financial assets				
Cash and bank deposits	54	10,309	30	-
Trade and other receivables	-	2,345	-	-
Intercompany receivables	2,833	14,754	1,130	261
Other financial assets	-	687	-	-
	<u>2,887</u>	<u>28,095</u>	<u>1,160</u>	<u>261</u>
Financial liabilities				
Trade and other payables	(114)	(11,609)	(17,581)	(2)
Intercompany payables	(95,035)	(19,787)	(1,130)	(14,354)
	<u>(95,149)</u>	<u>(31,396)</u>	<u>(18,711)</u>	<u>(14,356)</u>
Net liabilities exposure	<u>(92,262)</u>	<u>(3,301)</u>	<u>(17,551)</u>	<u>(14,095)</u>

The Group's exposure to SGD arises mainly from SGD denominated intercompany balances of its subsidiaries in Thailand, Saudi Arabia, India and Malaysia.

If the following currencies where the Group has significant exposure changes by 5.0% (2023: 5.0%) against the respective group entities' functional currencies with all other variables including tax rate being held constant, the effects arising from the net financial asset/liability position will be as follows:

	Increase/(Decrease) Profit after tax	
	30 June 2024 \$'000	30 June 2023 \$'000
Group		
SGD against THB/SAR/INR/MYR		
- Strengthened	(4,867)	(3,829)
- Weakened	<u>4,867</u>	<u>3,829</u>
RMB against SGD		
- Strengthened	(1,187)	(728)
- Weakened	<u>1,187</u>	<u>728</u>
MYR against SGD		
- Strengthened	(509)	(585)
- Weakened	<u>509</u>	<u>585</u>

The Company is not exposed to any other significant foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

32. Financial risk management (continued)

(a) Market risk (continued)

(ii) *Price risk*

The Group has insignificant exposure to equity price risk as it does not hold any significant equity financial assets.

(iii) *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's significant interest-bearing assets relates mainly to bank deposits which are short term in nature, the Group's income is substantially independent of changes in market interest rates.

The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities. The Group's borrowings include bank borrowings, other secured borrowings and lease liabilities.

The Group's borrowings at variable rates on which effective hedges have not been entered into are denominated mainly in SGD. If the SGD interest rates increase/decrease by 3.0% (2023: 3.0%) with all other variables including tax rate being held constant, the effect on the profit after tax will be as follows:

	(Decrease)/Increase Profit after tax	
	2024	2023
	\$'000	\$'000
<u>Group</u>		
Interest rate		
- increased	(1,302)	(1,317)
- decreased	1,302	1,317

(b) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due. Credit risk is managed through the application for credit approvals, performing credit evaluations, setting credit limits and monitoring procedures. It is the Group's policy to trade with creditworthy customers, and to reduce concentration of credit risk where practicable. To ensure minimal bad debts, the Group carries out credit reviews and background checks on new customers as part of the Group's formal credit control policy procedure.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

32. Financial risk management (continued)

(b) Credit risk (continued)

The payment histories of the Group's customers are monitored closely and appropriate measures are taken to ensure full payment. Cash terms or advance payments are required for customers with lower credit standing.

As at reporting date, the Group has exposure to one debtor which individually represented 14.0% (2023: 15.0%) of gross trade and other receivables. Allowance for impairment has been fully made for this debt. Apart from this, concentrations of credit risk with respect to other customers are limited as they are dispersed over the Asian region.

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 sheet except as disclosed in Note 25 in relation to the Company's corporate guarantees for borrowings of certain subsidiaries.

The movement in allowance for impairment of trade and other receivables are as follows:

	Trade receivables \$'000	Other receivables \$'000
<u>Group</u>		
Balance at 1 July 2023	27,640	1,621
Loss allowance recognised in profit or loss during the financial year on:		
- Reversal of unutilised amounts	(357)	-
- Receivables impaired	943	-
	586	-
Receivables written off as uncollectible	(489)	-
Currency translation differences	(74)	-
Balance at 30 June 2024	27,663	1,621
Balance at 1 July 2022	28,752	1,826
Loss allowance recognised in profit or loss during the financial year on:		
- Reversal of unutilised amounts	(646)	-
- Receivables impaired	1,232	-
	586	-
Receivables written off as uncollectible	(865)	(205)
Currency translation differences	(833)	-
Balance at 30 June 2023	27,640	1,621

The Group and the Company other receivables of \$1,621,000 and \$495,000 respectively are measured based on 12-month expected credit losses and are fully impaired as at 30 June 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

32. Financial risk management (continued)

(b) Credit risk (continued)

(i) *Trade receivables and contract assets*

The Group uses a provision matrix to measure the lifetime expected credit losses for trade receivables and contract assets.

In measuring the expected credit losses, trade receivables and contract assets are grouped based on days past due. The contract assets relate to unbilled work in progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for the trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical loss rates, and adjusts where material, for forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group considers a receivable for write off when a debtor fails to make contractual payment. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

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

	2024 \$'000
Group	
Gross carrying amount	27,663
Less: loss allowance	<u>(27,663)</u>
Carrying amount net of allowance	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

32. Financial risk management (continued)

(b) Credit risk (continued)

(i) Trade receivables and contract assets (continued)

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

	Current \$'000	← Past due →				Total \$'000
		Within 30 days \$'000	30 to 60 days \$'000	60 to 90 days \$'000	More than 90 days \$'000	
2024						
Group						
Expected loss rate	-	-	-	-	-	-
Contract assets	913	-	-	-	-	913
Trade receivables	10,742	8,799	5,156	3,347	9,156	37,200
Loss allowances	-	-	-	-	-	-
2023						
Group						
Expected loss rate	-	-	-	-	-	-
Contract assets	1,461	-	-	-	-	1,461
Trade receivables	13,570	7,784	4,460	2,610	8,820	37,244
Loss allowances	-	-	-	-	-	-

(ii) Cash and bank deposits

The Group and the Company held bank deposits of \$80,999,000 (2023: \$75,359,000) and \$119,000 (2023: \$1,122,000) respectively with banks which have good credit-ratings and considered to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit losses.

(iii) Corporate guarantees

With reference to Note 25, the Company provides corporate guarantees to certain banks in respect of bank facilities granted to certain subsidiaries. The Company assessed that the credit risk relating to the corporate guarantees is insignificant to the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

32. Financial risk management (continued)

(c) Liquidity risk

The objective of liquidity management is to ensure that the Group has sufficient funds to meet its contractual and financial obligations as and when they fall due. To manage liquidity risk, the Group monitors its net operating cash flow and maintains a level of cash and bank deposits deemed adequate by management for working capital purposes so as to mitigate the effects of fluctuations in cash flows. Over the years, the Group has enhanced its ability to generate cash from operating activities.

The table below analyses the maturity profile of the non-derivative financial liabilities of the Group and the Company based on contractual undiscounted cash flows.

	1 year or less \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	More than 5 years \$'000	Total \$'000
Group					
2024					
Trade and other payables	(70,707)	(586)	-	-	(71,293)
Lease liabilities	(1,045)	(1,045)	(3,134)	(10,870)	(16,094)
Borrowings (excluding lease liabilities)	(22,162)	(16,571)	(24,550)	(33,777)	(97,060)
	(93,914)	(18,202)	(27,684)	(44,647)	(184,447)
2023					
Trade and other payables	(31,890)	(21,810)	(2,071)	(340)	(56,111)
Lease liabilities	(1,043)	(1,043)	(3,130)	(11,597)	(16,813)
Borrowings (excluding lease liabilities)	(23,407)	(17,904)	(25,316)	(39,113)	(105,740)
	(56,340)	(40,757)	(30,517)	(51,050)	(178,664)

The Company's trade and other payables of \$382,000 (2023: \$282,000) is due within 1 year from the reporting date.

(d) Capital risk

The Group's objectives are to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to provide appropriate returns to shareholders and benefits for other stakeholders through pricing its services at levels commensurate with the level of risks it is exposed to. The capital structure of the Group consists of borrowings, issued share capital and retained earnings. Regular review is performed to ensure optimal capital structure taking into consideration future capital requirements and capital efficiency, prevailing operating cash flow and profitability as well as projected capital expenditure.

In order to maintain or achieve an optimal capital structure, the Group may issue new shares, conduct share buy-back, obtain new bank borrowings, sell assets to reduce external borrowings, pay or adjust the amount of dividend payment or return capital to shareholders.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

32. Financial risk management (continued)

(d) Capital risk (continued)

Management monitors capital based on the Group's gearing ratio and tangible net worth. The Group and the Company are required by the banks to maintain certain level of tangible net worth amount and gearing ratios. The Group's overall strategies remain unchanged from 2023.

The gearing ratio is calculated as total bank borrowings and other secured borrowings divided by the Group's tangible net worth. Tangible net worth is calculated as total equity less non-controlling interest and intangible assets, if any.

	2024 \$'000	2023 \$'000
Group		
Total bank borrowings and other secured borrowings (Note 25)	80,485	86,257
Tangible net worth	<u>309,347</u>	<u>293,359</u>
Gearing ratio	<u>0.26 times</u>	<u>0.29 times</u>

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

(e) Fair value measurements

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

The fair values of financial liabilities carried at amortised cost are estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial liabilities.

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

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) 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
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

32. Financial risk management (continued)

(e) Fair value measurements (continued)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group				
2024				
<i>Asset</i>				
Financial assets, at fair value through profit or loss	211	-	-	211
2023				
<i>Asset</i>				
Financial assets, at fair value through profit or loss	191	-	-	191

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

(f) Financial instruments by category

The carrying amounts of financial assets, at fair value through profit or loss are disclosed on the face of the balance sheet. The aggregate carrying amounts of the different categories of financial instruments are as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Financial assets, at amortised cost	123,630	122,951	119	1,122
Financial liabilities, at amortised cost	164,105	155,359	382	282

(g) Offsetting of financial assets and financial liabilities

The Group has no financial assets and liabilities that are being offset and presented net on the face of the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

33. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	Group	
	2024	2023
	\$'000	\$'000
Sales to corporations in which certain directors or their close family members have control or significant influence over:		
- Sales and rental of equipment and rendering of services	151	167
Purchases from corporations in which certain directors or their close family members have control or significant influence over:		
- Rental of equipment	345	105

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2024	2023
	\$'000	\$'000
Salaries and other short-term employee benefits	6,880	5,903
Employer's contribution to defined contribution plans, including Central Provident Fund	211	195
	7,091	6,098

Included in the above is total compensation to the directors of the Company of \$4,345,000 (2023: \$3,688,000), of which compensation to the executive directors amounted to \$4,137,000 (2023: \$3,558,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

34. Segment information

The Senior Management of the Group comprises the Executive Chairman, Executive Directors and key senior management personnel of the Group. Management has determined the operating segments based on the reports reviewed by the Senior Management of the Group that are used to make strategic decisions and assess performance.

Management considers the business from the business segment perspective. From a business segment perspective, management separately considers the sale, and business activities in these geographic areas. The main geographic areas are engaged in heavy lift and haulage activities.

The segment information provided to the Senior Management of the Group for the reportable segments is as follows:

(a) Reportable segments

	Heavy lift and haulage \$'000	Marine transportation \$'000	Trading \$'000	Total \$'000
Financial year ended 30 June 2024				
Revenue:				
- external sales	139,422	2,153	1,557	143,132
- inter-segment sales	415	1,821	-	2,236
	139,837	3,974	1,557	145,368
Elimination				(2,236)
				143,132
Segment result	24,413	(160)	424	24,677
Depreciation - property, plant and equipment				(2,950)
Depreciation - ROU assets				(542)
Other income				3,778
Other gains - net				858
Finance costs				(2,583)
Share of (loss)/profit of associated companies	(4)	(49)	-	(53)
Profit before income tax				23,185
Income tax expense				(4,889)
Net profit				18,296
Other segment items				
Capital expenditure				
- property, plant and equipment	61,979	633	-	62,612
- ROU assets	1,061	-	-	1,061
Depreciation - property, plant and equipment	28,982	446	5	29,433
Depreciation - ROU assets	329	-	-	329
Segment assets	444,948	3,509	3,182	451,639
Investments in associated companies	-	2,974	-	2,974
Unallocated assets				64,450
Consolidated total assets				519,063
Segment liabilities	(124,216)	(419)	(30)	(124,665)
Unallocated liabilities				(85,034)
Consolidated total liabilities				(209,699)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

34. Segment information (continued)

(a) Reportable segments (continued)

	Heavy lift and haulage \$'000	Marine transportation \$'000	Trading \$'000	Total \$'000
Financial year ended 30 June 2023				
Revenue:				
- external sales	131,685	2,852	1,278	135,815
- inter-segment sales	537	2,209	-	2,746
	132,222	5,061	1,278	138,561
Elimination				(2,746)
				135,815
Segment result	19,344	1,747	210	21,301
Depreciation - property, plant and equipment				(2,950)
Depreciation - ROU assets				(505)
Other income				3,489
Other gains - net				1,272
Finance costs				(2,460)
Share of (loss)/profit of associated companies	(3)	140	-	137
Profit before income tax				20,284
Income tax expense				(4,629)
Net profit				15,655
Other segment items				
Capital expenditure				
- property, plant and equipment	38,929	211	-	39,140
- ROU assets	126	-	-	126
Depreciation - property, plant and equipment	27,168	1,000	13	28,181
Depreciation - ROU assets	425	-	-	425
Segment assets	411,519	4,327	5,349	421,195
Investments in associated companies	-	3,018	-	3,018
Unallocated assets				67,300
Consolidated total assets				491,513
Segment liabilities	(104,191)	(1,203)	(4,077)	(109,471)
Unallocated liabilities				(88,754)
Consolidated total liabilities				(198,225)

Sales between segments are carried out at market terms. Inter-segment revenue is eliminated on consolidation. The revenue from non-related parties reported to the Senior Management of the Group is measured in a manner consistent with that in the consolidated statement of comprehensive income.

The Senior Management of the Group assesses the performance of the operating segments based on a measure of earnings before a portion of depreciation expense, other income, other losses - net, a portion of finance costs, share of profit/(loss) in associated companies and income tax expense. A portion of depreciation expense, other income, other gains - net and a portion of finance costs are not allocated to segments as these are not considered to be part of the operating activities of the segments.

Capital expenditure comprises additions to property, plant and equipment and right-of-use assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

34. Segment information (continued)

(a) Reportable segments (continued)

Reportable segments' assets

The amounts provided to the Senior Management of the Group with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment. All assets are allocated to reportable segments other than deferred income tax assets and a portion of right-of-use asset and property, plant and equipment.

Segment assets are reconciled to total assets as follows:

	Group	
	2024	2023
	\$'000	\$'000
Segment assets for reportable segments	454,613	424,213
Unallocated:		
Deferred income tax assets	18	128
Property, plant and equipment	54,004	56,953
Right-of-use asset	10,428	10,219
	519,063	491,513

Reportable segments' liabilities

The amounts provided to the Senior Management of the Group 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 a portion of bank borrowings and current and deferred income tax liabilities.

Segment liabilities are reconciled to total liabilities as follows:

	Group	
	2024	2023
	\$'000	\$'000
Segment liabilities for reportable segments	124,665	109,471
Unallocated:		
Current income tax liabilities	3,602	4,300
Deferred income tax liabilities	28,026	28,144
Bank borrowings	53,406	56,310
	209,699	198,225

Revenue from major business segments

At 30 June 2024, the Group is organised into three main reportable segments:

- Heavy lift and haulage - Hiring out of cranes and provision of transportation;
- Marine transportation - Provision of marine transportation and logistics services; and
- Trading - Trading of equipment and spare parts.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

34. Segment information (continued)

(b) Geographical information

The Group's three main reportable segments operate in eight main geographical areas:

- (i) Singapore is the home country of the Group. The areas of operation are principally heavy lift and haulage, marine transportation, trading and other operations of the Group;
- (ii) Brunei - the main activity is heavy lift and haulage;
- (iii) Middle East - the main activity is heavy lift and haulage;
- (iv) India - the main activity is heavy lift and haulage;
- (v) Malaysia - the main activity is heavy lift and haulage;
- (vi) Thailand - the main activity is heavy lift and haulage;
- (vii) Indonesia - the main activity is heavy lift and haulage; and
- (viii) China - the main activity is heavy lift and haulage.

Other countries - comprise Bangladesh, Myanmar, Philippines, Sri Lanka and Vietnam and the main activity is heavy lift and haulage.

	Sales		Non-current assets*	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Singapore	107,661	105,089	300,089	312,190
Brunei	1,542	1,222	-	30
Middle East	6,324	3,086	6,420	6,615
India	12,654	8,976	29,031	6,974
Malaysia	2,637	2,275	13,857	14,118
Thailand	6,209	3,399	22,531	10,016
Indonesia	4,601	7,007	21	21
China	174	254	3,620	5,890
Other countries	1,330	4,507	4,774	3,712
	143,132	135,815	380,343	359,566

* Does not include deferred income tax assets.

With the exception of Singapore, no other individual country or region contributed more than 10% of consolidated sales and non-current assets.

Sales are based on the country in which the revenue is derived. Non-current assets are shown by the geographical area where the assets originated.

Revenue of \$9,204,000 (2023: \$12,068,000) are derived from a single external customer. These revenues are attributable to the Singapore heavy lift and haulage segments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

35. New or revised accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2024 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

36. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Tiong Woon Corporation Holding Ltd on 30 September 2024.

SHAREHOLDERS' INFORMATION

As at 16 September 2024

Number of shares (excluding treasury share) :	231,835,253
Class of shares :	Ordinary Shares
Voting per share :	One vote per share
Treasury Shares :	400,000

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 16 SEPTEMBER 2024

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	40	1.19	1,396	0.00
100 - 1,000	746	22.25	442,940	0.19
1,001 - 10,000	1,559	46.49	8,284,625	3.57
10,001 - 1,000,000	988	29.47	47,493,832	20.49
1,000,001 and above	20	0.60	175,612,460	75.75
TOTAL	3,353	100.00	231,835,253	100.00

TWENTY LARGEST SHAREHOLDERS AS AT 16 SEPTEMBER 2024

NO.	NAME OF SHAREHOLDER	NO. OF SHARES	%
1	ANG CHOO KIM & SONS (PTE) LIMITED	90,517,131	39.04
2	PHILLIP SECURITIES PTE LTD	37,725,535	16.27
3	CITIBANK NOMINEES SINGAPORE PTE LTD	9,573,766	4.13
4	DBS NOMINEES PTE LTD	7,471,475	3.22
5	MAYBANK SECURITIES PTE. LTD.	3,359,450	1.45
6	OCBC SECURITIES PRIVATE LTD	3,073,900	1.33
7	ABN AMRO CLEARING BANK N.V.	2,928,500	1.26
8	ONG KIAN KOK	2,800,000	1.21
9	LO KAI LEONG @ LOH KAI LEONG	2,407,500	1.04
10	ANG KAH HONG	2,246,250	0.97
11	UOB KAY HIAN PTE LTD	1,914,225	0.83
12	ANG KHA KING	1,842,500	0.79
13	KOH CHEW KWEE	1,513,800	0.65
14	RAFFLES NOMINEES (PTE) LIMITED	1,310,178	0.57
15	UNITED OVERSEAS BANK NOMINEES PTE LTD	1,247,800	0.54
16	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	1,245,400	0.54
17	LOW WOO SWEE @ LOH SWEE TECK	1,219,425	0.53
18	OCBC NOMINEES SINGAPORE PTE LTD	1,195,575	0.52
19	CHIAM HOCK POH	1,020,000	0.44
20	LOW CHOR CHUAN	1,000,050	0.43
	TOTAL	175,612,460	75.76

Based on the information available, approximately 59.11% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual of the SGX-ST is complied with.

SHAREHOLDERS' INFORMATION

As at 16 September 2024

SUBSTANTIAL SHAREHOLDERS AS AT 16 SEPTEMBER 2024

Substantial Shareholders	Number Of Shares	
	Direct Interest	Deemed Interest
Ang Choo Kim & Sons (Pte) Limited	90,517,131	-
Mr Ang Kah Hong	2,246,250	90,517,131 ⁽¹⁾
Mr Ang Kha King	1,842,500	90,659,631 ⁽²⁾

Notes:

- (1) This represents Mr Ang Kah Hong's deemed interest of 90,517,131 shares held in the name of Ang Choo Kim & Sons (Pte) Limited.
- (2) This represents Mr Ang Kha King's deemed interest of 90,659,631 shares held in the name of the following:-
 - (a) 142,500 shares held by his wife, Mdm Toh Koon Tee
 - (b) 90,517,131 shares held by Ang Choo Kim & Sons (Pte) Limited

DIRECTORS' INTEREST IN SHARES AS AT 21 JULY 2024

According to the register maintained under Section 164 of the Companies Act 1967, the Directors had an interest in the shares of the Company on the 21st day after the end of the financial year as undernoted:

Directors	Number Of Shares	
	Direct Interest as at 21.07.2024	Deemed Interest as at 21.07.2024
Mr Ang Kah Hong	2,246,250	90,517,131 ⁽¹⁾
Mr Ang Kha King	1,842,500	90,659,631 ⁽²⁾
Mr Wong King Kheng	32,000	-
Mr Ang Guan Hwa	-	-
Mr Ang Boon Chang	-	-
Mdm Luk Ka Lai Carrie (Mrs Carrie Cheong)	-	-
Mr Poon Guokun, Nicholas	-	-
Ms Wong Bee Eng	-	-
Mr Ding Hock Chai	-	-

Notes:

- (1) This represents Mr Ang Kah Hong's deemed interest of 90,517,131 shares held in the name of Ang Choo Kim & Sons (Pte) Limited.
- (2) This represents Mr Ang Kha King's deemed interest of 90,659,631 shares held in the name of the following:-
 - (a) 142,500 shares held by his wife, Mdm Toh Koon Tee
 - (b) 90,517,131 shares held by Ang Choo Kim & Sons (Pte) Limited

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of **TIONG WOON CORPORATION HOLDING LTD** (the “Company”) will be held at No. 15 Pandan Crescent, Level M1, Singapore 128470 on Wednesday, 30 October 2024 at 10.00 a.m. (Singapore time), to transact the following business:

AS ORDINARY BUSINESSES:

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2024 and the Statement of Directors and the Report of Auditors thereon. **Resolution 1**
2. To approve a tax exempt (1-tier) final dividend of 0.60 Singapore cent per share and a tax exempt (1-tier) special dividend of 0.90 Singapore cent per share for the financial year ended 30 June 2024. **Resolution 2**
3. To approve Directors’ fees of \$208,000 for the year ended 30 June 2024 (2023: \$130,000). **Resolution 3**
4. To re-elect Mr Poon Guokun, Nicholas, being an Independent Non-Executive Director of the Company retiring pursuant to Regulation 104 of the Company’s Constitution, and being eligible, has offered himself for re-election.
[see Explanatory Note (a)] **Resolution 4**
5. To re-elect Mr Ang Boon Chang, being a Director of the Company retiring pursuant to Regulation 104 of the Company’s Constitution, and being eligible, has offered himself for re-election.
[see Explanatory Note (b)] **Resolution 5**
6. To re-elect Ms Wong Bee Eng, being an Independent Non-Executive Director of the Company retiring pursuant to Regulation 108 of the Company’s Constitution, and being eligible, has offered herself for re-election.
[see Explanatory Note (c)] **Resolution 6**
7. To re-elect Mr Ding Hock Chai, being an Independent Non-Executive Director of the Company retiring pursuant to Regulation 108 of the Company’s Constitution, and being eligible, has offered himself for re-election.
[see Explanatory Note (d)] **Resolution 7**
8. To re-appoint Messrs PricewaterhouseCoopers LLP, as auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 8**
9. To transact any other ordinary business that may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESSES:

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

10. Share Issue Mandate **Resolution 9**

“That pursuant to Section 161 of the Companies Act 1967 (the “Companies Act”), and the Listing Rules of the SGX-ST, approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

 - (a) (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "Instruments") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;
 - (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and
- (b) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force;

provided always that

the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the Company's issued share capital, of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the issued share capital of the Company, and for the purpose of this resolution, the issued share capital shall be the Company's issued share capital at the time this resolution is passed, after adjusting for;

- (i) new shares arising from the conversion or exercise of convertible securities;
- (ii) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
- (iii) any subsequent consolidation or subdivision of the Company's shares; and

such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

[see Explanatory Note (e)]

11. Proposed Renewal of The Share Purchase Mandate

Resolution 10

"That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares in the capital of the Company ("Shares") not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (i) On-market purchase(s) on the SGX-ST; and/or
 - (ii) Off-market purchase(s) if effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act, and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");

NOTICE OF ANNUAL GENERAL MEETING

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the "Relevant Period" which is the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next annual general meeting of the Company is held;
 - (ii) the date by which the next annual general meeting of the Company is required by law to be held;
 - (iii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or
 - (iv) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by ordinary resolution of the Company in general meeting.
- (c) in this Resolution:
- "Maximum Percentage" means the number of Shares representing ten per cent (10%) of the total number of issued Shares as at the date of the passing of this Resolution unless the Company has effected a reduction of the total number of issued Shares in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued Shares shall be taken to be the amount of the issued Shares as altered (excluding any treasury shares that may be held by the Company from time to time); and
- "Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) which shall not exceed:
- (i) in the case of an on-market purchase, one hundred and five per cent (105%) of the Average Closing Price;
 - (ii) in the case of an off-market purchase, one hundred and twenty per cent (120%) of the Average Closing Price,
- where "Average Closing Price" is the average of the closing market prices of a Share transacted on the SGX-ST over the last five (5) Market Days ("Market Day" being a day on which the SGX-ST is opened for securities trading), on which transactions in the Shares are recorded, immediately preceding the date of the on-market purchase or, as the case may be, the date of making an announcement for an offer pursuant to the offmarket purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) day period;
- (d) the Directors or any of them be and are/is hereby authorised to deal with the Shares purchased or acquired by the Company pursuant to the Share Purchase Mandate in any manner as they think and/or he/she thinks fit, which is permissible under the Companies Act; and
- (e) the Directors and/or any of them be and are/is hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he/she may consider necessary, expedient or incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution."

[see Explanatory Note (f)]

NOTICE OF ANNUAL GENERAL MEETING

BY ORDER OF THE BOARD

Joanna Lim Lan Sim (Ms)
Company Secretary
11 October 2024

Explanatory Notes:

- (a) *In relation to Resolution no. 4, the detailed information on Mr Poon Guokun, Nicholas is set out in the section titled "Board of Directors" and in the "Additional Information on Directors Seeking Re-Election" of the Company's 2024 Annual Report. There are no relationships (including immediate family relationships) between Mr Poon Guokun, Nicholas and other directors of the Company.*

Subject to his re-election, Mr Poon Guokun, Nicholas, who is considered an independent director, will be appointed as a member of the Nominating Committee and will remain as a member of both the Audit Committee and the Remuneration Committee.

- (b) *In relation to Resolution no. 5, the detailed information on Mr Ang Boon Chang is set out in the section titled "Board of Directors" and in the "Additional Information on Directors Seeking Re-Election" of the Company's 2024 Annual Report. Mr Ang Boon Chang is son of Mr Ang Kha King, nephew of Mr Ang Kah Hong and cousin of Mr Ang Guan Hwa.*

- (c) *In relation to Resolution no. 6, the detailed information on Ms Wong Bee Eng is set out in the section titled "Board of Directors" and in the "Additional Information on Directors Seeking Re-Election" of the Company's 2024 Annual Report. There are no relationships (including immediate family relationships) between Ms Wong Bee Eng and other directors of the Company.*

Subject to her re-election, Ms Wong Bee Eng, who is considered an independent director, will be appointed as Chairperson of the Audit Committee and Lead Independent Director and will remain as a member of both the Nominating Committee and the Remuneration Committee.

- (d) *In relation to Resolution no. 7, the detailed information on Mr Ding Hock Chai is set out in the section titled "Board of Directors" and in the "Additional Information on Directors Seeking Re-Election" of the Company's 2024 Annual Report. There are no relationships (including immediate family relationships) between Mr Ding Hock Chai and other directors of the Company.*

Subject to his re-election, Mr Ding Hock Chai, who is considered an independent director, will be appointed as Chairman of the Nominating Committee and the Remuneration Committee and will remain as a member of the Audit Committee.

- (e) *Ordinary Resolution no. 9, if passed, will authorise the Directors from the date of the above Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 50% of the total number of issued shares (excluding treasury shares) of the Company of which the total number of shares and convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed 20% of the total number of issued shares (excluding treasury shares) of the Company. Rule 806(3) of the Listing Rules of the SGX-ST currently provides that the percentage of issued share capital is based on the share capital of the Company at the time the mandate is passed after adjusting for:*

- i. new shares arising from the conversion or exercise of convertible securities;*
- ii. new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and*
- iii. any subsequent consolidation or subdivision of the Company's shares.*

This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

- (f) *Ordinary Resolution no. 10, if passed, will empower the Directors to exercise all powers of the Company in purchasing or acquiring Shares pursuant to the terms of the Share Purchase Mandate as set out in the letter to shareholders of the Company dated 11 October 2024 ("Letter"). This authority will continue in force until the date the next annual general meeting of the Company is held or is required by law to be held, or the date on which purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated unless previously varied or revoked by ordinary resolution of the Company in general meeting. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate are set out in greater detail in the Letter.*

NOTICE OF ANNUAL GENERAL MEETING

Other Notes:

1. FORMAT OF MEETING

The AGM will be held, in a wholly physical format, at the venue, date and time stated above. Shareholders, including CPF/SRS investors, and (where applicable) duly appointed proxies or representatives will be able to ask questions and vote at the AGM by attending the AGM in person. **There will be no option for shareholders to participate virtually.** Printed copies of this Notice of AGM, Proxy Form and Request Form for members to request a printed copy of 2024 Annual Report and Letter on Share Buy-Back Mandate will be sent by post to members. These documents will also be published on the Company's website at <https://www.tiongwoon.com/> and on the SGX website at <https://www.sgx.com/securities/company-announcements>.

2. APPOINTMENT OF PROXY(IES)

- (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints two (2) proxies, he/she should specify the proportion of his/her shareholding to be presented by each proxy in the instrument appointing a proxy or proxies.
- (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.

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

A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

Submission of Proxy Forms to Vote

A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/ its proxy.

The Proxy Form, duly completed and signed, must be submitted to the Company in the following manner:

- (a) if submitted personally or by post, must be deposited at the registered office of the Company at No. 15 Pandan Crescent, Singapore 128470; or
- (b) if submitted electronically, be submitted via email to the Company's email address at AGM@tiongwoon.com

in either case, by 10.00 a.m. on 27 October 2024.

CPF and SRS investors:

- (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
- (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 21 October 2024.

3. SUBMISSION OF QUESTIONS PRIOR TO THE AGM

Shareholders, including CPF and SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM via any of the following manner.

- (a) if submitted by post, be deposited at the registered office of the Company at No. 15 Pandan Crescent, Singapore 128470; or
- (b) if submitted by email, be submitted to the Company's email address at AGM@tiongwoon.com.

When submitting questions by post or via email, shareholders should also provide the following details: (i) the shareholder's full name; (ii) National Registration Identity Card Number or Passport Number (for individual)/Company Registration Number (for corporates); (iii) the manner in which the shareholder holds shares in the Company (e.g., via CDP, CPF/SRS and/or physical scrip); (iv) Contact Number; and (v) email address, for verification purposes.

All questions must be submitted not later than 5.00 p.m. on 18 October 2024.

NOTICE OF ANNUAL GENERAL MEETING

The Company will address all substantial and relevant questions received from shareholders by the 25 October 2024 deadline by publishing its responses to such questions on the Company's corporate website at <https://www.tiongwoon.com/> and on the SGX website at <https://www.sgx.com/securities/company-announcements> and at least 72 hours prior to the closing date and time for the lodgement of instruments appointing a proxy(ies). The Company will respond to questions or follow-up questions submitted after the 18 October 2024 deadline either within a reasonable timeframe before the AGM, or at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies or representatives can also ask the substantial and relevant questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.

4. ACCESS TO DOCUMENTS

The Company's AGM Notice, Proxy Form, Annual Report 2024 and Letter to Shareholders dated 11 October 2024 can be accessed via the Company's website at <https://www.tiongwoon.com/> and <https://www.sgx.com/securities/company-announcements>.

5. PERSONAL DATA PRIVACY

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

TIONG WOON CORPORATION HOLDING LTD

Company Registration No. 199705837C
(Incorporated in the Republic of Singapore)

PROXY FORM

(Please see notes overleaf before completing this Form)

Important:

1. The Annual General Meeting ("AGM") will be held, in a wholly physical format, at the venue, date and time stated below. There will be no option for shareholders to participate virtually.
2. Please read the notes overleaf which contain instructions on, inter alia, the appointment of proxy(ies).
3. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") who wishes to vote at the AGM should approach their respective agent banks to submit their votes at least seven working days before the date of the AGM (i.e.: by 5.00 p.m. on 21 October 2024). CPF Investors and/or SRS Investors are requested to contact their respective agent banks for any queries they may have with regards to appointment as to the appointment of the Chairman of the AGM as proxy for the AGM.
4. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, _____ (Name) NRIC/Passport/Registration No. _____

of _____ (Address)

being a member/members of Tiong Woon Corporation Holding Ltd (the "Company"), hereby appoint:

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

*and/or

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

or, both of whom failing, the Chairman of the AGM as *my/our proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the AGM to be held at No. 15 Pandan Crescent, Level M1, Singapore 128470 on Wednesday, 30 October 2024 at 10.00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for, against or abstain from voting on, the Ordinary Resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting is given, or in the event of any other matter arising at the AGM and at any adjournment thereof, *my/our *proxy/proxies will vote or abstain from voting at his/her/their discretion. Where the Chairman of the Meeting is appointed as proxy and no specific directions as to voting is given in respect of the resolution, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

* delete where appropriate

(Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" the relevant resolution, please tick [✓] within the box provided. Alternatively, please indicate the number of votes "For" or "Against" as appropriate in each resolution. If you wish to "Abstain" from voting on a resolution, please indicate with tick [✓] in the "Abstain" box. If you wish to exercise your votes both "For" and "Against" the relevant resolution, please indicate the number of shares in the boxes provided.)

No.	Ordinary Resolutions	For	Against	Abstain
1.	To receive and adopt the Audited Financial Statements for the financial year ended 30 June 2024 and the Statement of Directors and the Reports of the Auditors thereon. (Resolution 1)			
2.	To approve a tax exempt (1-tier) final dividend of 0.60 Singapore cent per share and a tax exempt (1-tier) special dividend of 0.90 Singapore cent per share for the financial year ended 30 June 2024. (Resolution 2)			
3.	To approve Directors' fees of \$208,000 for the year ended 30 June 2024. (2023: \$130,000). (Resolution 3)			
4.	To re-elect Mr Poon Guokun, Nicholas who is retiring pursuant to Regulation 104 of the Company's Constitution. (Resolution 4)			
5.	To re-elect Mr Ang Boon Chang who is retiring pursuant to Regulation 104 of the Company's Constitution. (Resolution 5)			
6.	To re-elect Ms Wong Bee Eng who is retiring pursuant to Regulation 108 of the Company's Constitution. (Resolution 6)			
7.	To re-elect Mr Ding Hock Chai who is retiring pursuant to Regulation 108 of the Company's Constitution. (Resolution 7)			
8.	To re-appoint Messrs PricewaterhouseCoopers LLP as auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 8)			
9.	To approve the Share Issue Mandate. (Resolution 9)			
10.	To approve the Renewal of The Share Purchase Mandate. (Resolution 10)			

Dated this _____ day of _____, 2024

Total Number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Shareholder(s)/Common Seal of
Corporate 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, you should insert that number. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number. 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. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.
2.
 - (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints two (2) proxies, he/she should specify the proportion of his/her shareholding to be presented by each proxy in the instrument appointing a proxy or proxies.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.

“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act 1967.
3. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/ its proxy.
4. A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy/proxies, before submitting it in the manner set out below:
 - (a) if submitted personally or by post, must be deposited at the registered office of the Company at No. 15 Pandan Crescent, Singapore 128470; or
 - (b) if submitted electronically, be submitted via email to the Company's email address at AGM@tiongwoon.comin either case, by 10.00 a.m. on 27 October 2024.
5. The instrument appointing a proxy or proxies must be under the hand of the appointer or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its officer or attorney duly authorised.
6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the letter or the power of attorney (or other authority) or a duly certified copy thereof shall (failing previous registration with the Company) if required by law, be duly stamped and be deposited at the Office, not less than 72 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
7. A corporation, which is a member, may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act 1967.
8. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointer, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.
9. An investor who buys shares using CPF monies (“**CPF Investor**”) and/or SRS monies (“**SRS Investor**”) (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the Annual General Meeting dated 11 October 2024.



TIONG WOON CORPORATION HOLDING LTD

Company Registration Number: 199705837C

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Singapore 128470

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