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**LHN
GROUP**
SPACE OPTIMISED
LHN LIMITED
賢能集團有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Hong Kong stock code : 1730)
(Singapore stock code : 410)

**ANNOUNCEMENT OF FULL YEAR RESULTS
FOR THE 6 MONTHS AND FINANCIAL YEAR ENDED 30 SEPTEMBER 2024**

FINANCIAL HIGHLIGHTS

	For the 6 months ended 30 September			For the year ended 30 September		
	2024	2023	Change	2024	2023	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Continuing operations						
Revenue	66,474	50,761	31.0	121,021	93,644	29.2
Gross Profit	29,218	27,945	4.6	62,213	51,865	20.0
Net profit and attributable to equity owners of the Company						
- From continuing operations	34,317	3,353	>100	47,290	18,537	>100
- From discontinued operations	-	17,921	NM	-	19,674	NM
Total	34,317	21,274	61.3	47,290	38,211	23.8
Basic earnings per share (Singapore cents)						
- From continuing operations	8.26	0.82	>100	11.48	4.53	>100
- From discontinued operations	-	4.38	NM	-	4.81	NM
Total	8.26	5.20	58.8	11.48	9.34	22.9

* For identification purpose only

FULL YEAR RESULTS

The board (the “Board”) of directors (the “Directors”) of LHN Limited (the “Company”) hereby announces the consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended and full year ended 30 September 2024, together with the comparative figures for the six months ended and full year ended 30 September 2023, respectively. The Group’s full year results for the year ended 30 September 2024 have been reviewed by the audit committee of the Board (the “Audit Committee”).

HALF YEAR AND FULL YEAR CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	Note	For the 6 Months ended 30 September			For the year ended 30 September		
		2024	2023	Change	2024	2023	Change
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Continuing operations							
Revenue	6	66,474	50,761	31.0	121,021	93,644	29.2
Cost of sales	8	(37,256)	(22,816)	63.3	(58,808)	(41,779)	40.8
Gross profit		29,218	27,945	4.6	62,213	51,865	20.0
Other gains/(losses) – net and other income	7	4,086	1,574	>100	6,681	16,996	(60.7)
Other operating expenses							
- Impairment loss on trade, other and finance lease receivables		(300)	(260)	15.4	(357)	(429)	(16.8)
Selling and distribution expenses	8	(1,742)	(1,836)	(5.1)	(2,941)	(3,760)	(21.8)
Administrative expenses	8	(9,507)	(16,016)	(40.6)	(21,754)	(28,548)	(23.8)
Finance cost – net	9	(6,179)	(4,617)	33.8	(11,815)	(8,895)	32.8
Share of results of associates and joint ventures, net of tax		5,168	911	>100	8,935	1,725	>100
Fair value gain/(loss) on investment properties	16	15,424	(2,567)	NM	10,459	(5,971)	NM
Profit before taxation		36,168	5,134	>100	51,421	22,983	>100
Taxation	10	(1,553)	(1,767)	(12.1)	(3,548)	(4,065)	(12.7)
Profit from continuing operations		34,615	3,367	>100	47,873	18,918	>100
Discontinued operations							
Profit from discontinued operations	11	-	18,547	NM	-	21,303	NM
Net profit		34,615	21,914	58.0	47,873	40,221	19.0
Other comprehensive income/(loss)							
<u>Item that may be reclassified subsequently to profit or loss</u>							
Currency translation differences arising from consolidation		(774)	129	NM	(738)	53	NM
<u>Item that will not be reclassified subsequently to profit or loss</u>							
Revaluation gains/(loss) on leasehold properties		324	(209)	NM	392	408	(3.9)
Financial assets, at FVOCI – Fair value gain – equity investment		176	-	NM	176	-	NM
Share of other comprehensive income/(loss) of joint venture		232	(118)	NM	385	(231)	NM
Other comprehensive (loss)/income		(42)	(198)	(78.8)	215	230	(6.5)
Total comprehensive income		34,573	21,716	59.2	48,088	40,451	18.9

Profit attributable to:						
Equity holders of the Company	34,317	21,274	61.3	47,290	38,211	23.8
Non-controlling interests	298	640	(53.4)	583	2,010	(71.0)
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Net profit	34,615	21,914	58.0	47,873	40,221	19.0

Profit attributable to equity holders of the Company relates to:						
Profit from continuing operations	34,317	3,353	>100	47,290	18,537	>100
Profit from discontinued operations	-	17,921	NM	-	19,674	NM
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	34,317	21,274	61.3	47,290	38,211	23.8

Total comprehensive income attributable to:						
Equity holders of the Company	34,274	21,092	62.5	47,504	38,438	23.6
Non-controlling interests	299	624	(52.1)	584	2,013	(71.0)
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Total comprehensive income for the year	34,573	21,716	59.2	48,088	40,451	18.9

Earnings per share for profit from continuing and discontinued operations attributable to equity holders of the Company

Basic and diluted (cents)						
- From continuing operations	13	8.26	0.82	11.48	4.53	
- From discontinued operations	13	-	4.38	-	4.81	

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024

The Group	<i>Note</i>	30 September 2024 (unaudited) S\$'000	30 September 2023 (audited) S\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	15	31,719	34,874
Right-of-use assets		13,651	13,693
Investment properties	16	457,978	303,761
Investment in associates and joint ventures		34,098	27,601
Other financial assets		493	280
Deferred tax assets		55	57
Trade and other receivables	17	11,324	15,528
Loans to associates and joint ventures		16,137	-
Prepayments		279	291
Finance lease receivables		3,864	19,703
Fixed deposits with banks		500	500
		570,098	416,288
Current assets			
Development properties		43,866	28,950
Inventories		44	13
Trade and other receivables	17	13,052	12,858
Loans to associates and joint ventures		-	12,567
Prepayments		1,760	1,728
Finance lease receivables		17,297	19,292
Fixed deposits with banks		4,159	20,822
Cash and bank balances		46,503	41,555
		126,681	137,785
TOTAL ASSETS		696,779	554,073
EQUITY			
Capital and Reserves			
Share capital	18	68,340	65,496
Reserves		185,841	150,698
		254,181	216,194
Non-controlling interests		2,855	1,855
TOTAL EQUITY		257,036	218,049
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities		6,396	6,750
Other payables	19	16,590	2,461
Provisions		345	668
Bank borrowings	21	255,837	149,453
Lease liabilities	21	64,227	79,812
		343,395	239,144
Current liabilities			
Trade and other payables	19	32,904	42,208
Provisions		337	730
Bank borrowings	21	25,747	18,846
Lease liabilities	21	33,552	32,144
Current income tax liabilities		3,808	2,952
		96,348	96,880
TOTAL LIABILITIES		439,743	336,024
TOTAL EQUITY AND LIABILITIES		696,779	554,073

STATEMENT OF FINANCIAL POSITION – COMPANY
AS AT 30 SEPTEMBER 2024

<u>The Company</u>	<i>Note</i>	30 September 2024 (unaudited) S\$'000	30 September 2023 (audited) S\$'000
ASSETS			
Non-current assets			
Investment in subsidiaries		32,727	32,727
		<u>32,727</u>	<u>32,727</u>
Current assets			
Amount due from subsidiaries		39,812	38,504
Prepayments		33	53
Cash and bank balances		10,649	10,206
		<u>50,494</u>	<u>48,763</u>
TOTAL ASSETS		<u>83,221</u>	<u>81,490</u>
EQUITY			
Capital and Reserves			
Share capital	18	68,340	65,496
Reserves		12,671	10,589
TOTAL EQUITY		<u>81,011</u>	<u>76,085</u>
LIABILITIES			
Current liabilities			
Trade and other payables		1,904	5,019
Current income tax liabilities		306	386
		<u>2,210</u>	<u>5,405</u>
TOTAL LIABILITIES		<u>2,210</u>	<u>5,405</u>
TOTAL EQUITY AND LIABILITIES		<u>83,221</u>	<u>81,490</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Note	Share capital S\$'000	Retained profits S\$'000	Merger reserve S\$'000	Fair value reserve S\$'000	Asset revaluation reserve S\$'000	Exchange translation reserve S\$'000	Total attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Group										
Balance at 1 October 2023		65,496	179,479	(30,727)	(1,350)	4,207	(911)	216,194	1,855	218,049
Net profit		-	47,290	-	-	-	-	47,290	583	47,873
Other comprehensive income		-	-	-	176	777	(739)	214	1	215
Total comprehensive income for the year		-	47,290	-	176	777	(739)	47,504	584	48,088
Issuance of shares pursuant to Scrip Dividend Scheme	18	2,844	-	-	-	-	-	2,844	-	2,844
Dividend paid	12	-	(12,361)	-	-	-	-	(12,361)	-	(12,361)
Capital contribution from non-controlling interests		-	-	-	-	-	-	-	416	416
Total transactions with equity holders, recognised directly in equity		2,844	(12,361)	-	-	-	-	(9,517)	416	(9,101)
Balance at 30 September 2024 (unaudited)		68,340	214,408	(30,727)	(1,174)	4,984	(1,650)	254,181	2,855	257,036

	Note	Share capital S\$'000	Retained profits S\$'000	Merger reserve S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Asset revaluation reserve S\$'000	Exchange translation reserve S\$'000	Total attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Group											
Balance at 1 October 2022		65,496	147,237	(30,727)	2,179	(1,350)	4,030	(961)	185,904	6,274	192,178
Net profit		-	38,211	-	-	-	-	-	38,211	2,010	40,221
Other comprehensive income		-	-	-	-	-	177	50	227	3	230
Total comprehensive income for the year		-	38,211	-	-	-	177	50	38,438	2,013	40,451
Dividend paid	12	-	(8,148)	-	-	-	-	-	(8,148)	(452)	(8,600)
Disposal of subsidiaries ^(a)		-	2,179	-	(2,179)	-	-	-	-	(5,980)	(5,980)
Total transactions with equity holders, recognised directly in equity		-	(5,969)	-	(2,179)	-	-	-	(8,148)	(6,432)	(14,580)
Balance at 30 September 2023		65,496	179,479	(30,727)	-	(1,350)	4,207	(911)	216,194	1,855	218,049

(a) Arising from the disposal of LHN Logistics Limited and its group of companies (the "Logistics Group") (Note 11).

STATEMENT OF CHANGES IN EQUITY – COMPANY
FOR THE YEAR ENDED 30 SEPTEMBER 2024

	<i>Note</i>	Share capital S\$'000	Retained profits S\$'000	Total equity S\$'000
Company				
Balance at 1 October 2023		65,496	10,589	76,085
Issue of shares pursuant to Scrip Dividend Scheme	18	2,844	-	2,844
Dividend paid	12	-	(12,361)	(12,361)
Net profit and total comprehensive income for the year		-	14,443	14,443
Balance at 30 September 2024 (unaudited)		<u>68,340</u>	<u>12,671</u>	<u>81,011</u>

	<i>Note</i>	Share capital S\$'000	Retained profits S\$'000	Total equity S\$'000
Company				
Balance at 1 October 2022		65,496	6,430	71,926
Dividend paid	12	-	(8,148)	(8,148)
Net profit and total comprehensive income for the year		-	12,307	12,307
Balance at 30 September 2023		<u>65,496</u>	<u>10,589</u>	<u>76,085</u>

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

	2024	2023
	(unaudited)	(audited)
	S\$'000	S\$'000
Cash flows from operating activities:		
Net profit	47,873	40,221
Adjustments for:		
Taxation	3,548	4,068
Share of results of associates and joint ventures, net of tax	(8,935)	(2,938)
Depreciation of property, plant and equipment	6,949	7,450
Depreciation of right-of-use assets	12,585	12,650
Gain on disposal of property, plant and equipment	(73)	(217)
Gain on disposal of right-of-use assets	-	(54)
Write-off and impairment loss of property, plant and equipment	10	1,937
Fair value (gain)/loss on investment properties	(10,459)	5,971
Gain on disposal of associate	-	(7,732)
Loss on disposal of joint venture	-	496
Gain on disposal of subsidiaries	-	(18,187)
Gain from net investment in subleases	(1,808)	(6,427)
Loss from termination of lease	-	23
Lease modification losses/(gains) - net	18	(25)
Impairment loss on trade, other and finance lease receivables	357	445
Finance income	(2,437)	(1,914)
Finance cost	11,815	9,145
Operating cash flows before working capital changes	59,443	44,912
Changes in working capital:		
- Development properties	(13,059)	(2,813)
- Inventories	(31)	(102)
- Trade and other receivables	(10,486)	8,431
- Trade and other payables	(3,910)	7,837
Cash generated from operations	31,957	58,265
Interest expense paid	(533)	(137)
Income tax paid	(3,820)	(4,640)
Income tax refunded	805	584
Net cash generated from operating activities	28,409	54,072
Cash flows from investing activities:		
Additions to property, plant and equipment	(4,882)	(18,819)
Additions to investment properties	(116,994)	(49,482)
Deposits paid for acquisition of investment properties	-	(14,853)
Purchase of financial assets	-	(269)
Cash outflow on acquisition of joint venture	(50)	(250)
(Loans to)/repayment from associates and joint ventures, net	(3,382)	1,932
Proceeds from disposal of property, plant and equipment	103	381
Proceeds from disposal of right-of-use assets	-	107
Proceeds from disposal of investment property	-	4,500
Proceeds from disposal of associate and joint ventures	-	15,594
Proceeds from disposal of subsidiaries - net	-	24,178
Receipts from finance lease receivables	21,329	20,498
Interest received from finance lease receivables	921	1,271
Dividend from associate and joint ventures	2,860	1,755
Interest received	1,300	413
Interest expenses paid	(1,021)	(265)
Net cash used in investing activities	(99,816)	(13,309)
Cash flows from financing activities:		
Increase in restricted bank deposits and pledged fixed deposits	(3,532)	(320)
Proceeds from bank borrowings and commercial paper	154,133	63,163
Repayment of bank borrowings and commercial paper	(40,850)	(26,453)
Repayment of lease liabilities	(39,225)	(40,013)
Loans from non-controlling interests	6,330	1,280
Capital contribution from non-controlling interests	416	-
Interest expense paid	(11,489)	(8,894)
Dividends paid to equity holders of the Company	(9,517)	(8,148)
Dividends paid to non-controlling interests	-	(452)
Net cash generated from/(used in) financing activities	56,266	(19,837)
Net (decrease)/increase in cash and cash equivalents	(15,141)	20,926
Cash and cash equivalents at beginning of year	58,580	37,834
Exchange losses on cash and cash equivalents	(106)	(180)
Cash and cash equivalents at end of year	43,333	58,580

	2024	2023
	(unaudited)	(audited)
	S\$'000	S\$'000
Cash and bank balances	46,503	41,555
Fixed deposits with banks that mature within one year	4,159	20,822
	<u>50,662</u>	<u>62,377</u>
Less: Restricted bank deposits and pledged fixed deposits	(7,329)	(3,797)
Cash and cash equivalents as per consolidated statement of cash flows	<u>43,333</u>	<u>58,580</u>

Consolidated cash and bank deposits are represented by:

Cash and bank balances

Fixed deposits with banks that mature within one year

Less: Restricted bank deposits and pledged fixed deposits

Cash and cash equivalents as per consolidated statement of cash flows

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

LHN Limited (the “**Company**”) was incorporated on 10 July 2014 in Singapore under the Companies Act as an investment holding private limited company under the name of “LHN Pte. Ltd.”. The Company’s registration number is 201420225D. The Company was converted into a public company and renamed as “LHN Limited” on 16 March 2015. The address of the Company’s registered office is at 75 Beach Road #04-01 Singapore 189689.

The Company has its primary listings on the Mainboard of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) since 13 December 2023 and on the Main Board of The Stock Exchange of Hong Kong Limited (“**SEHK**”) since 29 December 2017. The Company was formerly listed on the Catalist of the SGX-ST on 13 April 2015 and has completed the transfer of its listing from Catalist to the Mainboard of the SGX-ST on 13 December 2023.

The Company is an investment holding company. The Company and its subsidiaries (the “**Group**”) are principally engaged in (i) space optimisation; (ii) property development; (iii) facilities management services; and (iv) energy business. Following the disposal of the Group’s entire shareholding interests in LHN Logistics Limited (which formerly had a primary listing on Catalist of the SGX-ST on 29 April 2022) and its group of companies (the “**Logistics Group**”) on 28 August 2023, the logistics services business segment will no longer be part of the Group’s business with effect from the date of disposal.

2. BASIS OF PREPARATION

The consolidated financial statements for the six months and full year ended 30 September 2024 have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) issued by International Accounting Standards Board (the “**IASB**”) and Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) issued by Accounting Standards Council Singapore. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and leasehold properties (classified under Property, plant and equipment), which are carried at fair value and revaluation of investments held at fair value through other comprehensive income or profit or loss. This consolidated financial information is presented in Singapore Dollars (“**SGD**” or “**S\$**”) and all values are rounded to the nearest thousand (“**S\$’000**”), unless otherwise stated.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The Group has adopted the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with those of the audited financial statements for the year ended 30 September 2023.

- (a) Amendments to IFRSs effective for the financial year ending 30 September 2024 do not have a material impact on the Group.
- (b) The following new standards and amendments to standards have been published but are not yet effective for the current financial year and which the Group has not early adopted:

		<u>Effective for accounting periods beginning on or after</u>
Amendments to IAS 1	Non-current Liabilities with Covenants	1 October 2024
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	1 October 2024
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangement	1 October 2024
Amendments to IAS 21	Lack of Exchangeability	1 October 2025
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 October 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 October 2027
IFRS 19	Subsidiaries without Public Accountability Disclosures	1 October 2027

3.1. Leases

Where the Group is 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.

(i) 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 asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meet the definition of an investment property) are presented within "Right-of-use assets".

Right-of-use asset which meets the definition of an investment property is presented within "Investment properties".

(ii) Lease liabilities

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

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if 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 contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component.

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

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

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

(iii) Short term and low value leases

The Group has elected to not 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. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(iv) 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 recognises those lease payments in profit or loss in the periods that triggered those lease payments.

Where the Group is lessor

The Group subleases its leased premises under operating leases. The Group also leases its owned investment properties under operating leases.

(i) 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.

(ii) Lessor - Subleases

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset. The Group will assess a sublease to be a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the right-of-use asset (e.g. the lease term is for the major part of the economic life of the right-of-use asset, even if title is not transferred).

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease as "Finance lease receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the statement of financial position, which represents the lease payments owed to the head lessor.

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

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

4. USE OF JUDGEMENT AND ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these unaudited condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 September 2023, except for (c) depreciation of property, plant and equipment and (d) expected credit losses ("ECL") which are applicable.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

5. SEGMENT INFORMATION

The Group Managing Director monitors the operating results of its operating segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on segment results which in certain respects, set out below, are presented differently from the operating profit or loss in the consolidated financial statements of the Group. The Group's reportable operating segments are as follows:

1. Industrial group
2. Commercial group
3. Residential group
4. Property development group
5. Facilities management group
6. Energy group

Industrial, Commercial and Residential groups form the space optimisation business.

Group taxation is managed on a group basis and is not allocated to operating segments.

During the financial year 2023, the Group completed the disposal of the Logistics Group and it was re-presented as discontinued operations in the segment results. The gain on disposal of discontinued operations of S\$18,187,000 (Note 11) is included within "Corporate and Elimination" as the disposal is monitored at the Corporate level.

During the financial year 2024, revenue attributable to the Group's largest customer accounted for approximately 8.3% (2023: 3.9%) of the Group's total revenue and aggregate revenue attributable to the five largest customers of the Group accounted for approximately 16.2% (2023: 10.5%) of the Group's total pre-IFRS 16 revenue.

To the knowledge of the Directors, none of the Directors, or their respective associates, or shareholders owning more than 5% of the Company's issued share capital had any beneficial interests in any of the five largest customers.

Allocation basis and transfer pricing

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income tax expense and non-controlling interests.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties, if any.

Sales

Sales between segments are carried out at market terms. Both the pre-IFRS 16 and post-IFRS 16 revenue are reported to the Group Managing Director.

The Group Managing Director assesses the performance of the operating segments based on the segment results, being a measure of earnings before tax, interest, finance costs, share of results of associates and joint ventures and fair value gain or loss on investment properties from continuing operations.

Segment assets and liabilities

The amounts reported to the Group Managing Director with respect to the total assets and liabilities are measured in a manner consistent with that of the financial statements. Segment assets and liabilities include investment properties, property, plant and equipment, right-of-use assets, financial assets at FVOCI/FVTPL, prepayments, development properties, inventories, loans to associates and joint ventures, trade and other receivables, finance lease receivables, bank borrowings, lease liabilities and trade and other payables, which are directly attributable to a segment as well as items that can be allocated on a reasonable basis.

Segment breakdown for the year ended 30 September 2024 is as follows:

	Industrial	Commercial	Residential	Property Development	Facilities Management	Energy	Corporate and Eliminations	Consolidated
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Sales								
Total segment sales	25,888	5,115	58,303	-	38,144	3,813	18,614	149,877
Inter-segment sales	(567)	(801)	(4,731)	-	(2,596)	(2,232)	(17,929)	(28,856)
External sales	25,321	4,314	53,572 ¹	-	35,548	1,581	685	121,021
Segment operating results								
Fair value (loss)/gain on investment properties - net	(4,954)	(1,409)	16,822 ³	-	-	-	-	10,459
Interest income	540	377	442 ⁴	9	134	38	897	2,437
Finance cost	(3,273)	(683)	(6,597) ⁵	(18)	(553)	(54)	(637)	(11,815)
	7,846	(483)	31,907 ⁶	(38)	2,633	739	(118)	42,486
Share of results of associates and joint ventures								
- Operating results	3,455	-	(770)	-	(362)	(62)	-	2,261
- Gain on disposal of property, plant and equipment	-	-	-	-	2,396	-	-	2,396
- Fair value gain on investment properties - net	934	-	3,336	-	8	-	-	4,278
Total share of results of associates and joint ventures	4,389	-	2,566	-	2,042	(62)	-	8,935
Profit before taxation	12,235	(483)	34,473	(38)	4,675	677	(118)	51,421
Taxation								(3,548)
Net profit								47,873
Included in segments operating results:								
Depreciation of property, plant and equipment	900	759	2,892	-	1,328	198	872	6,949
Depreciation of right-of-use assets	-	2	138	-	12,370	26	49	12,585
Write off and impairment loss of property, plant and equipment	-	-	-	-	10	-	-	10
Operating and capital assets								
Operating and capital assets	130,608	20,353	399,798	44,819	30,535	7,199	29,314	662,626
Investment in joint ventures	24,836	-	7,918	-	1,182	162	-	34,098
Total segment assets								696,724
Total segment liabilities								
Total segment liabilities	89,293	19,660	249,601	33,157	18,827	3,052	15,949	429,539
Capital expenditures ⁷								
Capital expenditures ⁷	121	148	134,271	-	1,936	775	766	138,017

¹ Includes revenue of S\$1,147,000 from 85 SOHO (Overseas).

² Includes loss of S\$529,000 in segment results from 85 SOHO (Overseas).

³ Includes fair value gain of S\$208,000 from 85 SOHO (Overseas).

⁴ Includes interest income of S\$2,000 from 85 SOHO (Overseas).

⁵ Includes finance cost of S\$431,000 from 85 SOHO (Overseas).

⁶ Includes loss before tax of S\$750,000 from 85 SOHO (Overseas).

⁷ Excludes initial additions to right-of-use investment properties with corresponding lease liabilities of S\$25,007,000.

Segment breakdown for the year ended 30 September 2023 is as follows:

	Industrial	Commercial	Residential	Property Development	Facilities Management	Energy	Corporate and Eliminations	Consolidated
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Sales								
Total segment sales	25,571	6,205	32,901	-	33,075	2,917	21,494	122,163
Inter-segment sales	(379)	(294)	(3,570)	-	(1,735)	(2,372)	(20,169)	(28,519)
External sales	25,192	5,911	29,331 ¹	-	31,340	545	1,325	93,644
Segment operating results								
Fair value (loss)/gain on investment properties - net	18,096	1,221	11,442 ²	(11)	12,990	422	8,266 ⁷	52,426
Interest income	(7,062)	(252)	1,343 ³	-	-	-	-	(5,971)
Finance cost	647	499	402 ⁴	4	95	-	238	1,885
Share of results of associates and joint ventures	(3,200)	(401)	(4,733) ⁵	-	(387)	(26)	(148)	(8,895)
	8,481	1,067	8,454 ⁶	(7)	12,698	396	8,356	39,445
- Operating results	4,170	-	313	-	(37)	(26)	-	4,420
- Fair value loss on investment properties - net	(1,467)	-	(741)	-	(487)	-	-	(2,695)
Total share of results of associates and joint ventures	2,703	-	(428)	-	(524)	(26)	-	1,725
Adjusted profit before taxation ⁸	11,184	1,067	8,026	(7)	12,174	370	8,356	41,170
Taxation								(4,065)
Operating profit after tax from discontinued operations (Note 11)								3,116
Net profit								40,221
Included in segments operating results:								
Depreciation of property, plant and equipment	1,135	1,045	2,450	-	1,122	181	646	6,579
Depreciation of right-of-use assets	156	1	101	-	10,553	30	49	10,890
Write off and impairment loss of property, plant and equipment	127	78	1,721	-	-	-	11	1,937
Operating and capital assets	143,179	28,951	240,567	30,457	29,433	5,444	48,384	526,415
Investment in joint ventures	20,974	-	5,303	-	1,100	224	-	27,601
Total segment assets								554,016
Total segment liabilities	106,467	19,741	144,004	19,904	18,193	1,277	16,736	326,322
Capital expenditures ⁹	366	662	49,383	-	1,228	644	672	52,955

¹ Includes revenue of S\$1,074,000 from 85 SOHO (Overseas).

² Includes loss of S\$2,906,000 in segment results from 85 SOHO (Overseas).

³ Includes fair value gain of S\$697,000 from 85 SOHO (Overseas).

⁴ Includes interest income of S\$4,000 from 85 SOHO (Overseas).

⁵ Includes finance cost of S\$614,000 from 85 SOHO (Overseas).

⁶ Includes loss before tax of S\$2,819,000 from 85 SOHO (Overseas).

⁷ Includes gain on disposal of discontinued operations of S\$18,187,000 which is presented within profit/(loss) from discontinued operations

⁸ Adjusted profit before taxation is a non IFRS and SFRS(I) financial measure defined as profit from continuing operations for the year adjusted for the inclusion of gain on disposal of discontinued operations

⁹ Excludes initial additions to right-of-use investment properties with corresponding lease liabilities of S\$76,188,000.

Reconciliation of segments' total assets and total liabilities

	30 September 2024 S\$'000	30 September 2023 S\$'000
Reportable segments' assets are reconciled to total assets:		
Segment assets	696,724	554,016
Deferred tax assets	55	57
	<u>696,779</u>	<u>554,073</u>
Reportable segments' liabilities are reconciled to total liabilities:		
Segment liabilities	429,539	326,322
Current income tax liabilities	3,808	2,952
Deferred tax liabilities	6,396	6,750
	<u>439,743</u>	<u>336,024</u>

Geographical segment

The following table shows the distribution of the Group's revenue from external customers based on the location where goods are sold, services are provided or properties are located:

	Revenue from external customers			
	6 Months ended 30 September		Year ended 30 September	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Singapore	64,070	48,750	116,298	89,721
Hong Kong	1,586	1,141	3,086	2,396
Myanmar	294	331	585	623
Indonesia	240	239	490	452
Cambodia	284	300	562	452
	<u>66,474</u>	<u>50,761</u>	<u>121,021</u>	<u>93,644</u>

The following table shows the distribution of the Group's non-current assets excluding deferred tax assets based on the geographical location of customers:

	Non-current assets as at	
	30 September 2024 S\$'000	30 September 2023 S\$'000
Singapore	546,706	391,388
Hong Kong	78	1
Myanmar	739	962
Indonesia	5,572	5,740
Cambodia	15,562	16,596
People's Republic of China	1,381	1,544
Others	5	-
	<u>570,043</u>	<u>416,231</u>

6. Revenue

	6 Months ended 30 September		Year ended 30 September	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Rental and warehousing lease income from				
- Leased properties	22,311	21,966	45,632	37,359
- Owned properties	6,054	4,661	11,420	9,018
Car park services	14,149	12,232	27,420	24,174
Facilities services	21,376	9,802	31,293	18,814
Energy related services and sale of goods	612	170	1,193	302
Management services fee income	1,537	998	2,919	2,424
Others	435	932	1,144	1,553
	<u>66,474</u>	<u>50,761</u>	<u>121,021</u>	<u>93,644</u>

7. Other gains/(losses) – net and other income

	6 Months ended 30 September		Year ended 30 September	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Other gains/(losses) – net				
Gain on disposal of property, plant and equipment	41	8	73	78
Write-off and impairment loss of property, plant and equipment	(10)	(1,665)	(10)	(1,937)
Gain on disposal of associate	-	(21)	-	7,732
Loss on disposal of joint venture	-	(496)	-	(496)
Gain from net investment in subleases	1,424	300	1,808	6,427
Gain/(loss) from termination of lease	-	30	-	(23)
Lease modification (losses)/gains – net	-	(35)	(18)	25
Foreign exchange (losses)/gains – net	(281)	357	(1,061)	(1,450)
	<u>1,174</u>	<u>(1,522)</u>	<u>792</u>	<u>10,356</u>
Other income				
Administrative services charges	534	531	973	980
Interest income	1,252	1,094	2,437	1,885
Government grants	93	21	189	153
Progressive wage credit scheme and senior employment credit ¹	240	38	473	349
Job support scheme ²	-	-	-	275
Job growth incentive ³	-	39	-	212
Forfeiture of tenant deposit	303	268	474	489
Rental rebates, net ⁴	13	642	376	1,523
Other income	477	463	967	774
	<u>2,912</u>	<u>3,096</u>	<u>5,889</u>	<u>6,640</u>
	<u>4,086</u>	<u>1,574</u>	<u>6,681</u>	<u>16,996</u>

¹ Progressive wage credit scheme and senior employment credit are incentives introduced by the Singapore Government to help business alleviate business costs in a tight labour market and to support business investments. These incentives are in the form of cash payout.

² Job support scheme (“JSS”) is introduced by the Singapore Government to help employers to retain their local employees during the period of economic uncertainty as a result of global pandemic outbreak of COVID-19.

³ Job growth incentive (“JGI”) is introduced by the Singapore Government to support employers to expand their local hiring.

⁴ Rental rebates are introduced by Governments mainly to help tenants with their rental payments during the global pandemic outbreak of COVID-19.

8. Expense by nature

	6 Months ended		Year ended	
	30 September		30 September	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Advertising and marketing expenses	408	330	732	613
Commission fees	1,049	1,193	1,698	2,553
Entertainment expenses	169	312	325	515
Rental expenses	3,948	2,768	7,598	5,379
Site maintenance and preparation	13,748	3,678	17,610	7,193
Depreciation of property, plant and equipment	3,782	3,529	6,949	6,579
Depreciation of right-of-use assets	6,645	5,465	12,585	10,890
Professional fees	650	839	1,371	1,645
Employee benefit costs	14,150	18,000	27,038	30,610
Insurance fees	339	220	663	507
IT Maintenance expenses	515	469	973	908
Printing expenses	42	83	216	188
Property management fees	396	394	737	634
Telephone expenses	203	163	370	316
Auditor's remuneration				
– Audit services	312	338	576	556
– Non-audit services	10	190	19	311
Other expenses	2,139	2,697	4,043	4,690
	<u>48,505</u>	<u>40,668</u>	<u>83,503</u>	<u>74,087</u>

9. Finance cost - net

	6 Months ended		Year ended	
	30 September		30 September	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Interest expense				
– bank borrowings and commercial paper	6,033	3,330	10,190	6,193
– lease liabilities from hire purchase arrangements	7	8	14	17
– lease liabilities from lease arrangements	1,548	1,496	3,140	3,054
– others	172	56	259	97
	<u>7,760</u>	<u>4,890</u>	<u>13,603</u>	<u>9,361</u>
Less: Amounts capitalised	(1,581)	(273)	(1,788)	(466)
	<u>6,179</u>	<u>4,617</u>	<u>11,815</u>	<u>8,895</u>

10. Taxation

	6 Months ended		Year ended	
	30 September		30 September	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax	2,114	1,865	4,829	3,290
Deferred income tax	258	250	(305)	658
	<u>2,372</u>	<u>2,115</u>	<u>4,524</u>	<u>3,948</u>
(Over)/under provision in respect of prior years				
- current taxation	(907)	(415)	(988)	(430)
- deferred taxation	88	67	12	547
	<u>1,553</u>	<u>1,767</u>	<u>3,548</u>	<u>4,065</u>

11. Discontinued operations

On 28 August 2023, the Group completed the disposal of its entire 84.05% shareholding interests in its non-wholly owned subsidiary, LHN Logistics Limited and its group of companies, and its entire results was presented separately on the statement of profit or loss as “Discontinued operations” for the six months and the financial year ended 30 September 2023. The disposal group was previously presented under the “Logistics services business” reportable segment of the Group.

	1 April 2023 to 28 August 2023 S\$'000	1 October 2022 to 28 August 2023 S\$'000
Revenue	10,675	23,409
Cost of sales	(7,079)	(14,992)
Gross profit	3,596	8,417
Other gains/(losses) - net and other income	562	1,235
Expenses *^	(4,149)	(7,746)
Share of results of associate, net of tax	623	1,213
Operating profit before tax from discontinued operations	632	3,119
Taxation	(272)	(3)
Operating profit after tax from discontinued operations	360	3,116
Gain on disposal of discontinued operations	18,187	18,187
Profit for the year from discontinued operations	18,547	21,303

* Included in the expenses is an amount of S\$861,000 for the financial year ending 30 September 2023 relating to employee costs for Logistics Group reclassified from profit from continuing operations to operating profit from before tax from discontinued operations.

^ Includes fees for non-audit services of S\$63,000

	1 October 2022 to 28 August 2023 S\$'000
Net cash generated from operating activities	6,545
Net cash used in investing activities	(12,422)
Net cash generated from financing activities	4,340
Total cash outflows	(1,537)

12. Dividends

	Year ended 30 September 2024 S\$'000	2023 S\$'000
Ordinary dividends:		
- Final dividend paid in respect of the previous financial year of 1.0 Singapore cent (2023: 1.0 Singapore cent) per share	4,088	4,043
- Special dividend paid in respect of the previous financial year of 1.0 Singapore cent (2023: nil Singapore cent) per share	4,091 ¹	-
- Interim dividend paid in respect of the current financial year of 1.0 Singapore cent (2023: 1.0 Singapore cent) per share	4,182	4,105
	12,361	8,148

The Board has resolved to recommend a final dividend and special dividend of 1.0 Singapore cent (equivalent to HK\$0.0578) per share and 1.0 Singapore cent (equivalent to HK\$0.0578) per share respectively for the financial year ended 30 September 2024. These financial statements do not reflect these dividends, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 30 September 2025.

The Board recommended that the final dividend is to be satisfied wholly in the form of cash. For the special dividend, the Board recommended that Shareholders be given the option to receive the special dividend wholly or partly in the form of new shares in lieu of cash (the “**Scrip Dividend Scheme**”). The Scrip Dividend Scheme is subject to: (1) the approval of the proposed special dividend at the forthcoming annual general meeting of the Company; and (2) the SGX-ST and SEHK granting the listing of and permission to deal in the scrip shares to be issued. In the event that the said approvals are not obtained for the Scrip Dividend Scheme, the special dividend will be satisfied and paid to the Shareholders in the form of cash only.

¹ Includes special scrip dividend (Note 18) allocated and issued in respect of the previous financial year of 1.0 Singapore cent.

13. Earnings per share

Basic earnings per share are calculated by dividing the profit of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares deemed to be in issue during each of the periods:

	6 Months ended 30 September					
	Continuing operations		Discontinued operations		Total	
	2024	2023	2024	2023	2024	2023
Net profit attributable to equity holders of the Company (S\$'000)	34,317	3,353	-	17,921	34,317	21,274
Weighted average number of ordinary shares ('000)	415,265	408,945	415,265	408,945	415,265	408,945
Basic earnings per share (Singapore cents)	8.26	0.82	-	4.38	8.26	5.20

	Year ended 30 September					
	Continuing operations		Discontinued operations		Total	
	2024	2023	2024	2023	2024	2023
Net profit attributable to equity holders of the Company (S\$'000)	47,290	18,537	-	19,674	47,290	38,211
Weighted average number of ordinary shares ('000)	412,105	408,945	412,105	408,945	412,105	408,945
Basic earnings per share (Singapore cents)	11.48	4.53	-	4.81	11.48	9.34

The basic and diluted earnings per share are the same as there were no potentially dilutive securities in issue as at 30 September 2024 and 2023.

14. Net asset value

	Group		Company	
	30 September 2024	2023	30 September 2024	2023
Net assets attributable to Shareholders (S\$ '000)	254,181	216,194	81,011	76,085
Number of ordinary shares in issue (in '000)	418,272	408,945	418,272	408,945
Net asset value per ordinary share (Singapore cents)	60.77	52.87	19.37	18.61

15. Property, plant and equipment

The Group had additions of approximately S\$2,814,000 (2023: S\$7,556,000) and disposals of Nil (2023: S\$23,626,000) for the six months ended and additions of approximately of S\$4,909,000 (2023: S\$19,659,000) and disposal of S\$30,000 (2023: S\$23,746,000) for the full year ended 30 September 2024. The disposals in the financial year 2023 include that of the Logistics Group (Note 11).

16. Investment properties

	30 September 2024 S\$'000	30 September 2023 S\$'000
Beginning of financial year	303,761	233,267
Additions – investment properties	134,507	109,292
Additions – capitalised expenditure	12,528	10,506
Disposals	-	(4,500)
Reclassification to development properties ¹	-	(26,000)
Derecognition of assets of right-of-use properties	(2,045)	(11,529)
Lease modification adjustments	-	(125)
Net (loss)/gain from fair value adjustment	10,459	(5,971)
Currency translation	(1,232)	(1,179)
End of financial year	457,978	303,761

Fair value measurements of investment properties

Investment properties that comprising owned properties and right-of-use leased properties are carried at fair values at the end of reporting period as determined by independent professionally-qualified property valuers. Valuations are made at least annually based on the properties' highest-and-best-use using the direct market comparison method, discounted cash flow method, income capitalisation method and residual value method. The significant inputs and assumptions are developed in close consultation with management. The valuation reports and fair value changes are reviewed by the management at each reporting date.

¹ During the financial year 2023, the investment property at 55 Tuas South Avenue 1 was reclassified at fair value to development property after the necessary approvals have been obtained for the change in use, as it is the Group's intention to redevelop the property for sale.

17. Trade and other receivables

	30 September 2024 S\$'000	30 September 2023 S\$'000
Trade receivables		
- Third parties	2,961	4,414
- Related parties	29	-
- Associates and Joint ventures	307	456
- Unbilled	2,008	329
	5,305	5,199
Accrued rental income	494	444
Other receivables		
- Goods and service tax receivables	1,310	1,090
- Deposits with external parties	4,787	4,613
- Tax recoverable	161	227
- Other receivables	1,311	1,911
	7,569	7,841
Less:		
Impairment loss on trade receivables	(314)	(623)
Impairment loss on other receivables	(2)	(3)
Trade and other receivables included in current assets	13,052	12,858
Trade receivables, unbilled	9,886	-
Deposits paid for acquisition of investment properties and plant and equipment	1,438	15,528
Trade and other receivables included in non-current assets	11,324	15,528

The aging analysis of the Group's current trade receivables based on invoice date is as follows:

	30 September 2024	30 September 2023
	S\$'000	S\$'000
Unbilled	2,008	329
0 to 30 days	2,359	2,990
31 to 60 days	341	267
61 to 90 days	131	252
91 to 180 days	56	661
181 to 365 days	28	181
Over 365 days	382	519
	<hr/>	<hr/>
	5,305	5,199
	<hr/>	<hr/>

18. Share capital

	Year ended 30 September 2024		Year ended 30 September 2023	
	No. of Shares Issued	Nominal Amount S\$'000	No. of Shares Issued	Nominal Amount S\$'000
Beginning of financial year	408,945,400	65,496	408,945,400	65,496
Issuance of scrip shares ¹	9,326,553	2,844	-	-
End of financial year	<hr/>	<hr/>	<hr/>	<hr/>
	418,271,953	68,340	408,945,400	65,496
	<hr/>	<hr/>	<hr/>	<hr/>

¹ On 30 May 2024, 9,326,553 number of ordinary shares of the Company were allocated and issued pursuant to the Scrip Dividend Scheme (Note 12). The new shares will rank pari passu in all respects with the existing issued shares.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

The Company did not have any outstanding options, treasury shares, convertibles or subsidiary holdings as at 30 September 2024 and 30 September 2023.

19. Trade and other payables

	30 September 2024 S\$'000	30 September 2023 S\$'000
Trade payables		
- Third parties	2,224	4,781
- Related parties	499	-
- Associates and Joint Venture	226	470
	<u>2,949</u>	<u>5,251</u>
Contract liabilities		
- Advances received from customers	4,543	4,496
Other payables and accruals		
- Goods and services tax payables	1,475	1,434
- Loans from non-controlling interests	-	4,113
- Provision for directors' fees	70	71
- Accruals	11,614	13,100
- Rental deposits received from tenants	10,377	12,331
- Rental deposits received from related parties	49	49
- Rental received in advance	828	134
- Sundry creditors	999	1,229
	<u>25,412</u>	<u>32,461</u>
Trade and other payables included in current liabilities	<u>32,904</u>	<u>42,208</u>
Other payables		
- Loans from non-controlling interests	10,683	-
- Rental deposits received from tenants	5,479	2,441
- Other payables	428	20
Other payables included in non-current liabilities	<u>16,590</u>	<u>2,461</u>

The aging analysis of the Group's trade payables based on invoice date is as follows:

	30 September 2024 S\$'000	30 September 2023 S\$'000
0 to 30 days	2,385	2,697
31 to 60 days	236	2,133
61 to 90 days	45	53
Over 90 days	283	368
	<u>2,949</u>	<u>5,251</u>

The carrying amount of trade and other payables approximated their fair value.

20. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2024 and 30 September 2023:

	Group 30 September		Company 30 September	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Financial assets				
- at FVOCI	187	11	-	-
- at FVTPL	306	269	-	-
- at amortised costs	100,041	125,980	50,461	48,710
Financial liabilities				
- at amortised costs	422,011	318,860	1,787	4,603

21. Bank borrowings and lease liabilities

	30 September 2024 S\$'000	30 September 2023 S\$'000
Amount repayable in one year or less		
- Bank borrowings	25,747	18,846
- Lease liabilities from hire purchase arrangements	115	144
- Lease liabilities from right-of-use lease arrangements	33,437	32,000
	<hr/>	<hr/>
	59,299	50,990
	<hr/>	<hr/>
Amount repayable after one year		
- Bank borrowings	255,837	149,453
- Lease liabilities from hire purchase arrangements	116	258
- Lease liabilities from right-of-use lease arrangements	64,111	79,554
	<hr/>	<hr/>
	320,064	229,265
	<hr/>	<hr/>
Total borrowings and lease liabilities	<hr/>	<hr/>
	379,363	280,255

Details of any collaterals:

- (a) Bank borrowings of approximately S\$276.6 million as at 30 September 2024 (30 September 2023 - S\$166.9 million) obtained by the Group are secured by (i) legal mortgage of certain investment properties, leasehold properties and development properties in Singapore and Cambodia; (ii) corporate guarantees provided by the Group; (iii) assignment of rental proceeds of the mortgaged properties; and (iv) personal guarantees provided by non-controlling interest shareholders of certain non-wholly owned subsidiaries of the Company, where applicable.
- (b) Certain lease liabilities of approximately S\$0.2 million (30 September 2023 - S\$0.4 million) of the Group are secured by the underlying assets of certain plant and machinery and corporate guarantees provided by the Group.

Management Discussion and Analysis

Business Review

The **Space Optimisation Business** continued to be the primary revenue driver for the Group in the financial year ended 30 September 2024 (“FY2024”), with year-on-year (“y-o-y”) growth mainly attributed to Singapore’s strong demand for co-living spaces. The co-living business in Singapore experienced a significant boost driven by high occupancy rates and following the Group’s expansion of co-living capacity to meet market demand.

The Group’s strategic focus on expanding its co-living portfolio has been instrumental in capturing the strong demand for co-living spaces.

Number of Keys by Projects

As at	Co-living – Singapore Projects		85 SOHO – Overseas Projects		Total
	Master Lease / Management Contract	Owned / Joint Venture	Master Lease	Owned / Joint Venture	
30 September 2024	1,864	677	246	108	2,895

As at 30 September 2024, the Space Optimisation Business had the following occupancy rates across certain properties (excluding joint venture properties and those under progressive handover):

Industrial Properties	
- Work+Store space:	99.0%
- Industrial space:	98.5%
Commercial Properties	
- Commercial space:	96.5%
Residential Properties	
- Co-living space (Singapore):	97.5%

For the **Property Development Business**, the property at 55 Tuas South was completed on schedule and received its Temporary Occupation Permit in September 2024. Units are now available for sale with revenue contributions anticipated in the next financial year.

The **Facilities Management Business** revenue grew y-o-y in FY2024, driven by the addition of new contracts from the cleaning related services business and the expansion of the car park business. The Group secured 125 new facilities management contracts and renewed 117 contracts. The car park business added 24 new car parks, with over 1,000 lots in Singapore and two car parks with over 500 lots in Hong Kong. In total, the Group operates 99 car parks with over 27,000 lots in Singapore and three car parks with over 1,000 lots in Hong Kong.

The **Energy Business** saw significant revenue growth y-o-y in FY2024. The Energy Business provides renewable energy solutions to industrial clients, including electricity supply agreements, solar energy system installations and electric vehicle (“EV”) charging stations. As at 30 September 2024, the Group’s total solar energy capacity reached approximately 8.8 MW with 44 main energy contracts, which includes 20 new solar energy contracts with a combined capacity of approximately 4.9 MW secured in FY2024. Currently, the Group operates 23 EV charging points through its subsidiaries and joint venture projects.

In line with the Group’s capital recycling strategy, the Group completed key transactions in the fourth quarter of FY2024. On 31 July 2024, the Group’s 40% associated company sold the car park at Bukit Timah Shopping Centre, located at 170 Upper Bukit Timah Road (sale price of S\$22 million) and invested in a 50% joint venture which purchased Wilmar Place, located at 50 Armenian Street (purchase price of S\$26.5 million) which will be operated under the Coliwoo co-living brand.

These transactions reflect the Group’s commitment to reallocating capital to expand its Coliwoo co-living brand.

Industry Overview

Space Optimisation Business

In FY2024, the Space Optimisation Business continued to play a pivotal role in the Group’s growth strategy. According to URA’s third quarter 2024 (“3Q 2024”) report, Singapore’s residential rental market demonstrated resilience, with the rental index for private residential properties rising by 0.8% quarter-on-quarter (“q-o-q”) in 3Q 2024, following a 0.8% q-o-q decline in the previous quarter. This stability reflects sustained demand for rental accommodation, likely bolstered by Singapore’s stable economic environment and favourable outlook.

The Group capitalised on this demand through targeted expansion, increasing its co-living capacity to cater to tenants seeking centrally located, high-quality rental options. However, with approximately 52,200 private residential units expected to enter the supply pipeline over the coming years¹, rental prices may face downward pressure as tenants gain more leverage in negotiating favourable terms. Despite this, the Group's focus on flexible, affordable co-living spaces positions it well to appeal to transient tenants and those valuing convenience and community, ensuring continued demand from its target segment.

Meanwhile, the industrial property sector in Singapore remained resilient, with both prices and rents rising in 3Q 2024. Rentals across all industrial property types recorded a modest increase of 0.3% q-o-q and 5% y-o-y, marking the sixteenth consecutive quarter of rental growth in this sector. Demand was particularly robust in the multiple-user factory space, where rentals increased by 0.6% q-o-q and 5.8% y-o-y. However, softer demand from third-party logistics providers and cautious spending patterns, particularly in the e-commerce sector, led to weakened demand for warehouses. Overall, the industrial market's occupancy rate held steady at 89% as of September 2024, marginally higher than a year earlier.

Industry analysts, including Colliers, expect a moderation in overall annual industrial price growth of 1% to 3% and rental growth of 2% to 4% for 2024, while Huttons expects price and rental growth of 3% to 5%². Given these trends, the Group remains well-positioned to capture demand in the industrial property sector.

Business Outlook

For the **Space Optimisation Business**, the Group remains focused on expanding its co-living portfolio through a robust pipeline of projects to capture the growing demand for flexible and affordable accommodation. In the financial year ending 30 September 2025 ("FY2025"), the Group expects to expand its Coliwoo offerings with new developments, including the launch of 48 and 50 Arab Street, the GSM Building at 141 Middle Road and 260 Upper Bukit Timah Road. These properties will add over 250 keys to its current operations.

As part of its capital recycling strategy, the Group's recent acquisitions and reinvestments, such as the purchase of Wilmer Place, enable it to channel resources into high-growth areas like co-living. The ongoing conversion of floors in the GSM Building to residential space aligns with the Group's goal of adding approximately 800 keys annually, supporting its long-term growth objectives in the co-living sector.

For the **Facilities Management Business**, the Group will continue to improve efficiency and service quality through investments in technology while seeking more external facilities management contracts. The Group will also expand its car park business through securing more vehicle parking management contracts in Singapore.

The **Energy Business** is well-positioned to support Singapore's green initiatives, with solar energy capacity reaching approximately 8.8 MW as at 30 September 2024. Additional solar contracts and electric vehicle charging projects are expected to continue driving growth for the segment.

The Group is well-positioned to capture robust market demand for co-living spaces with its growing number of keys under management. Coupled with its balanced approach to capital recycling, the Group is poised to deliver long-term sustainable value to shareholders.

¹ <https://www.ura.gov.sg/Corporate/Media-Room/Media-Releases/pr24-50>

² <https://www.businesstimes.com.sg/property/prices-rents-industrial-spaces-rise-slightly-q3-jtc>

Financial Review

For the year ended 30 September 2024 (“FY2024”) vs year ended 30 September 2023 (“FY2023”)

Revenue

	FY2024 S\$'000 (unaudited)	FY2023 S\$'000 (audited)	Variance	
			S\$'000	%
Industrial Properties	25,321	25,192	129	0.5
Commercial Properties	4,314	5,911	(1,597)	(27.0)
Residential Properties				
- Co-living (Singapore)	52,425	28,257	24,168	85.5
- 85 SOHO (Overseas)	1,147	1,074	73	6.8
	53,572	29,331	24,241	82.6
Space Optimisation Business	83,207	60,434	22,773	37.7
Facilities Management Business	35,548	31,340	4,208	13.4
Energy Business	1,581	545	1,036	>100
Corporate	685	1,325	(640)	(48.3)
Total	121,021	93,644	27,377	29.2

The Group's revenue increased by approximately S\$27.4 million or 29.2% from approximately S\$93.6 million in FY2023 to approximately S\$121.0 million in FY2024 primarily due to increase in revenue from the Space Optimisation Business and the Facilities Management Business.

(a) Space Optimisation Business

Industrial Properties

Revenue derived from Industrial Properties increased slightly by approximately S\$0.1 million or 0.5% from approximately S\$25.2 million in FY2023 to approximately S\$25.3 million in FY2024.

Commercial Properties

Revenue derived from Commercial Properties decreased by approximately S\$1.6 million or 27.0% from approximately S\$5.9 million in FY2023 to approximately S\$4.3 million in FY2024 mainly due to expiry of three master leases during FY2023 and more derecognition of revenue from new subleases.

Residential Properties

Revenue derived from Residential Properties increased by approximately S\$24.2 million or 82.6% from approximately S\$29.3 million in FY2023 to approximately S\$53.6 million in FY2024 mainly due to the (i) increase in revenue of approximately S\$24.2 million from our co-living business in Singapore; and (ii) a slight increase in revenue of approximately S\$0.1 million from our overseas properties.

The increase in revenue from our co-living business in Singapore arose mainly from (i) new co-living spaces at 298 River Valley Road, 99 Rangoon Road and 404 Pasir Panjang Road which started generating revenue between the fourth quarter of FY2023 and first quarter of FY2024; (ii) full period revenue contribution from co-living spaces at 2 Mount Elizabeth Link and Lavender Collection in FY2024; (iii) services provided under Coliwoo's management; and (iv) higher rental rates from our other co-living properties.

(b) Facilities Management Business

Revenue derived from our Facilities Management Business increased by approximately S\$4.2 million or 13.4% from approximately S\$31.3 million in FY2023 to approximately S\$35.5 million in FY2024 mainly due to increase in facilities management services and revenue from the car park business due to increase in number of car parks secured in Singapore mainly in the fourth quarter of FY2023 and third quarter of FY2024.

(c) Energy Business

Revenue derived from our Energy Business increased by approximately S\$1.0 million or 190.1% from approximately S\$0.5 million in FY2023 to approximately S\$1.6 million in FY2024 mainly due to increase in revenue from the solar energy business and electricity business.

(d) Corporate

Revenue derived from our Corporate decreased by approximately S\$0.6 million or 48.3% from approximately S\$1.3 million in FY2023 to approximately S\$0.7 million in FY2024 mainly due to decrease in management fees.

Cost of Sales

Cost of sales increased by approximately S\$17.0 million or 40.8% from approximately S\$41.8 million in FY2023 to approximately S\$58.8 million in FY2024. The increase was mainly due to the increase in site maintenance and preparation cost, staff cost, rental and depreciation of right-of-use assets from the Space Optimisation Business and Facilities Management Business which is in line with the increase in revenue.

Gross Profit

In view of the above mentioned, gross profit increased by approximately S\$10.3 million from approximately S\$53.8 million in FY2023 to approximately S\$62.2 million in FY2024 mainly from the increase under the co-living business of the Residential Properties.

Other Gains/(Losses) - net and Other Income

Other gains/(losses) - net and other income decreased by approximately S\$10.3 million or 60.7% from approximately S\$17.0 million in FY2023 to approximately S\$6.7 million in FY2024 mainly due to (i) a non-recurring gain on disposal of an associate under our Facilities Management Business in FY2023; (ii) decrease in gains from subleases classified as finance leases which were derived based on differences between the right-of-use asset derecognised and the net investment in sublease; and (iii) decrease in Governments' rental rebates and staff cost related grants.

The decrease was partially offset by (i) increase in interest income from fixed deposits placed with banks; (ii) smaller foreign exchange losses due to revaluation of United States dollar denominated balances; and (iii) decrease in impairment loss on property, plant and equipment under the Space Optimisation Business.

Other Operating Expenses

Other operating expenses decreased slightly by approximately S\$0.1 million or 16.8% from approximately S\$0.4 million in FY2023 to approximately S\$0.3 million in FY2024 mainly due to a decrease in impairment loss on receivables under the Space Optimisation Business.

Selling and Distribution Expenses

Selling and distribution expenses decreased by approximately S\$0.8 million or 21.8% from approximately S\$3.7 million in FY2023 to approximately S\$2.9 million in FY2024 mainly due to lower commission expenses incurred for renewal of tenancy with our tenants under the Space Optimisation Business.

Administrative Expenses

Administrative expenses decreased by approximately S\$6.8 million or 23.8% from approximately S\$28.5 million in FY2023 to approximately S\$21.8 million in FY2024 mainly due to lower bonus provision in FY2024 to be paid to key management personnel due to absence of one-off gains from disposal of the Logistics Group, GetGo Technologies Pte. Ltd. and Amber 4042 Hotel Pte. Ltd..

Finance Cost - net

Finance cost increased by approximately S\$2.9 million or 32.8% from approximately S\$8.9 million in FY2023 to approximately S\$11.8 million in FY2024 mainly due to an increase in interest expenses as a result of increase in bank borrowings, commercial paper and higher interest rates.

Share of Results of Associates and Joint Ventures

Share of results of associates and joint ventures increased by approximately S\$7.2 million from approximately S\$1.7 million in FY2023 to approximately S\$8.9 million in FY2024 mainly due to (i) share of net fair value gain on investment properties in FY2024 as compared to net fair value loss on investment properties in FY2023; and (ii) share of gain on disposal of a property in FY2024. This was partially offset by a decrease in operating profit from our joint ventures.

Fair Value Gain/(Loss) on Investment Properties

Fair value gain on investment properties was approximately S\$10.4 million in FY2024 as compared to fair value loss on investment properties of approximately S\$6.0 million in FY2023.

Profit before taxation

As a result of the aforementioned, the Group's profit before taxation increased by approximately S\$28.4 million or 123.7% from approximately S\$23.0 million in FY2023 to approximately S\$51.4 million in FY2024.

Taxation

Income tax expenses decreased by approximately S\$0.5 million from approximately S\$4.0 million in FY2023 to approximately S\$3.5 million in FY2024 due to higher taxable profit, partially offset by over provision of tax in prior year due to utilisation of group relief.

Profit from continuing operations

As a result of the above, the Group's net profit from continuing operations increased by approximately S\$29.0 million or 153.1% from approximately S\$18.9 million in FY2023 to approximately S\$47.9 million in FY2024.

Discontinued operations

In FY2023, net profit from discontinued operations consisted of gain from the Group's disposal of the Logistics Group in August 2023 of approximately S\$18.2 million and contribution from Logistics Group's profit after tax prior to disposal of approximately S\$3.1 million.

Net profit

As a result of the above, the Group's total profit for the year increased by approximately S\$7.7 million or 19.0% from approximately S\$40.2 million in FY2023 to approximately S\$47.9 million in FY2024.

Review of Statement of Financial Position

Non-current assets

Non-current assets increased by approximately S\$153.8 million from approximately S\$416.3 million as at 30 September 2023 to approximately S\$570.1 million as at 30 September 2024 mainly due to the factors set out below.

Property, plant and equipment ("**PPE**") decreased by approximately S\$3.2 million mainly due to depreciation of PPE, partially offset by the additions to PPE incurred by the Group.

Right-of-use assets remained at approximately S\$13.7 million mainly due to additions to right-of-use assets for new leases entered into for the car park business, partially offset by depreciation charged in FY2024.

Investment properties increased by approximately S\$154.2 million mainly due to (i) additions to investment properties from the purchase of properties at 288 River Valley Road, 99 Rangoon Road and 141 Middle Road; (ii) net additions to investment properties (right-of-use) from master leases under the Space Optimisation Business; and (iii) fair value gains. These were partially offset by (i) net derecognition of investment properties (right-of-use) due to recognition of net investment in sublease; and (ii) currency translation differences.

Investment in associates and joint ventures increased by approximately S\$6.5 million mainly due to share of profits and other comprehensive income of associates and joint ventures recognised in FY2024, partially offset by dividends received.

Trade and other receivables decreased by approximately S\$4.2 million mainly due to capitalisation of deposits paid to investment properties upon the completion of acquisition in FY2024. These were partially offset by increase in unbilled receivables as at 30 September 2024.

Loans to associates and joint ventures increased by approximately S\$16.1 million mainly due to additional working capital provided in FY2024 and reclassification from current assets to non-current assets.

Prepayments remained at approximately S\$0.3 million in FY2024.

Finance lease receivables decreased by approximately S\$15.8 million mainly due to receipts in FY2024.

Long term fixed deposits remained at S\$0.5 million in FY2024.

Current assets

Current assets decreased by approximately S\$11.1 million from approximately S\$137.8 million as at 30 September 2023 to approximately S\$126.7 million as at 30 September 2024 mainly due to the factors set out below.

Development properties increased by approximately S\$14.9 million due to construction for the redevelopment of property at 55 Tuas South Avenue 1 into a 9-storey multi-user food processing industrial development. The construction of the property was completed and Temporary Occupation Permit was received in September 2024 and the units are now available for sale.

Trade and other receivables increased slightly by approximately S\$0.2 million mainly arising from the increase in unbilled receivables. This was partially offset by the decrease in trade receivables due to receipt of payments.

Loans to associates and joint ventures decreased by approximately S\$12.6 million mainly due to reclassification from current assets to non-current assets.

Prepayments remained at approximately S\$1.7 million in FY2024.

Finance lease receivables decreased by approximately S\$2.0 million mainly due to receipts in FY2024.

Fixed deposits with banks and cash and bank balances decreased by approximately S\$11.7 million, variance as detailed in the movement in cashflow below.

Non-current liabilities

Non-current liabilities increased by approximately S\$104.3 million from approximately S\$239.1 million as at 30 September 2023 to approximately S\$343.4 million as at 30 September 2024 mainly due to the factors set out below.

Deferred tax liabilities decreased by approximately S\$0.3 million.

Other payables increased by approximately S\$14.1 million mainly arising from (i) reclassification of rental deposits received from tenants for the Space Optimisation Business from current liabilities due to renewal of subleases; and (ii) loans from non-controlling interests for additional working capital and purchase of property and reclassification from current liabilities to non-current liabilities.

Bank borrowings increased by approximately S\$106.4 million, mainly for the purchase of properties and working capital loan for the Group.

Lease liabilities decreased by approximately S\$15.6 million mainly due to repayments in FY2024, partially offset by the recognition of liabilities for master leases under the Space Optimisation Business.

Provisions decreased by approximately S\$0.3 million mainly due to overprovision of cost in FY2024.

Current liabilities

Current liabilities decreased by approximately S\$0.5 million from approximately S\$96.8 million as at 30 September 2023 to approximately S\$96.3 million as at 30 September 2024 mainly due to the factors set out below.

Trade and other payables decreased by approximately S\$9.3 million largely due to (i) reclassification of loans from non-controlling interests to non-current liabilities; (ii) payment of trade payables; (iii) decrease in accruals; and (iv) decrease in rental deposits received from tenants for the Space Optimisation Business due to reclassification to non-current liabilities as mentioned above.

Provisions decreased by approximately S\$0.4 million mainly due to utilisation in FY2024.

Bank borrowings increased by approximately S\$6.9 million, mainly for the purchase of properties and working capital loan for the Group.

Lease liabilities increased by approximately S\$1.4 million mainly due to recognition of liabilities for master leases under the Space Optimisation Business.

Current tax payable increased by approximately S\$0.9 million mainly due to provision of tax for FY2024.

Review of Statement of Cash Flows

In FY2024, the Group recorded net cash generated from operating activities of approximately S\$28.4 million, which was a result of positive operating profit before changes in working capital, expenditure for development properties, increase in trade and other receivables and decrease in trade and other payables. This was partially offset by net income tax paid.

Net cash used in investing activities amounted to approximately S\$99.8 million, which was mainly due to (i) additions to PPE incurred for the Group in FY2024; (ii) additions to investment properties mainly for the purchase of properties; and (iii) additional loans to joint ventures. These were partially offset by (i) receipts from finance lease receivables for principal and interest; and (ii) dividends received from associate and joint ventures.

Net cash generated from financing activities amounted to approximately S\$56.3 million, which was mainly due to (i) proceeds from bank borrowings and commercial paper for the purchase of properties and working capital loan for the Group; and (ii) increase in loans from non-controlling interests. These were partially offset by (i) repayment of bank borrowings, commercial paper and lease liabilities; (ii) interest expenses on bank borrowings, commercial paper and lease liabilities paid; (iii) dividends paid to shareholders; and (iv) increase in restricted bank deposits and pledged fixed deposits.

As a result of the above, cash and cash equivalents decreased by approximately S\$15.1 million, amounting to approximately S\$43.3 million as at 30 September 2024.

Liquidity and Financial Resources

During FY2024, the Group financed its operations primarily through a combination of cash flows generated from its operations, bank borrowings, commercial paper and lease liabilities.

The Group primarily obtained bank borrowings to finance its acquisition and renovation of properties. The Group also had commercial paper and revolving loans for its short-term finance needs. The Group's borrowings as at 30 September 2024 were denominated in Singapore dollars. Interest charged on these borrowings ranging from 1.38% to 6.33% per annum during the year. As at 30 September 2024, the Group had outstanding bank borrowings of S\$276.6 million. These borrowings were secured by (i) legal mortgage of certain investment properties, leasehold properties and development properties in Singapore and Cambodia; (ii) corporate guarantees provided by the Group; (iii) assignment of rental proceeds of the mortgaged properties; and (iv) personal guarantees provided by non-controlling shareholders of certain non-wholly owned subsidiaries, where applicable.

As at 30 September 2024, cash and cash equivalents held by the Group were mainly cash in the banks and on hand denominated in Singapore dollars, Hong Kong dollars, United States dollars, Indonesian rupiah and Renminbi and deposits denominated in Singapore dollars that are readily convertible into cash.

Gearing Ratio

Gearing ratio is equal to interest-bearing debt divided by total capital and multiplied by 100%. Interest-bearing debt is calculated as the sum of bank borrowings and lease liabilities. Total capital is calculated as interest-bearing debt plus total equity. Gearing ratio as at 30 September 2024 was 59.6%, increased from 56.2% as at 30 September 2023.

Net gearing ratio is equal to net interest-bearing debt divided by total capital and multiplied by 100%. Net interest-bearing debt is calculated as the sum of bank borrowings and lease liabilities minus cash and bank balances and fixed deposits with banks. Total capital is calculated as interest-bearing debt plus total equity. Net gearing ratio as at 30 September 2024 was 51.6%, increased from 43.6% as at 30 September 2023.

The increase in gearing ratio and net gearing ratio were primarily due to increase in bank borrowings mainly from the purchase of properties at 288 River Valley Road, 99 Rangoon Road and 141 Middle Road, renovation costs for our Space Optimisation Business and working capital.

Lease Liabilities

As at 30 September 2024, the Group had lease liabilities of S\$97.8 million in respect of the Group's leased properties, plant and machinery and motor vehicles. Certain lease liabilities of the Group are secured by the underlying assets of certain plant and machinery and corporate guarantees provided by the Group.

Capital Commitment

Capital expenditures contracted for at the reporting date but not recognised in the financial statements, excluding those relating to investments in associated companies and investment in joint ventures, are as follows:

	30 September 2024 S\$'000	30 September 2023 S\$'000
Investment properties (excluding deposits paid - Note 17)	7,376	109,310
Development property	-	13,560
Property, plant and equipment	55	783
	<u>7,431</u>	<u>123,653</u>

Capital Expenditure

During FY2024, the Group's capital expenditure consists of additions to property, plant and equipment and investment properties amounting to approximately S\$138.0 million for the purchase of properties at 288 River Valley Road, 99 Rangoon Road and 141 Middle Road and renovation costs for the Space Optimisation Business (FY2023: approximately S\$53.0 million).

Contingent Liabilities

As at 30 September 2024, the Group did not have any material contingent liabilities.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Save as disclosed in this announcement, there were no material acquisitions and disposals of subsidiaries, associates and joint ventures for FY2024.

Guarantee Performance in relation to the Acquisitions

The Group did not enter into any acquisition, which is required to be disclosed under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**HK Listing Rules**"), that the party(ies) in the contract was/were required to commit or guarantee on the financial performance of any kind for FY2024.

Significant Investment

Except for investments in subsidiaries, associates and joint ventures, the Group did not hold any significant investment in equity interest in any other company with a value of 5% or more of the total assets of the Group as at 30 September 2024, which is required to be disclosed under the HK Listing Rules.

Off-balance Sheet Arrangements

For FY2024, the Group did not have any off-balance sheet arrangements.

Future Plans for Material Investment and Capital Assets

Save as disclosed in this announcement, the Group did not have any plans for material investment and capital assets as at 30 September 2024. The Company will make further announcements in accordance with HK Listing Rules and the Listing Manual (the "**SGX Listing Manual**") of the SGX-ST, where applicable, if any investments and acquisition opportunities materialise.

Exposure to Fluctuations in Exchange Rates

The Group mainly operates in Singapore, Indonesia, Myanmar, Malaysia, Hong Kong and Cambodia during FY2024. Currency exposure arises within entities of the Group when transactions are mainly denominated in foreign currencies such as USD, IDR and HK\$. In addition, the Group is exposed to currency translation risk upon translation of the net assets in foreign operations into the Group's reporting currency in SGD. During FY2024, the Group recorded an exchange loss of approximately S\$1.1 million.

The Group has not carried out any hedging activities against foreign exchange fluctuations.

Employees and Remuneration Policies

As at 30 September 2024, there were 478 (as at 30 September 2023: 459) employees in the Group. The remuneration to its employees includes salaries and allowances, which is determined based on their performance, experience and prevailing industry practices. The compensation policies and packages are reviewed on a regular basis.

Significant Event after the Reporting Period

Saved as disclosed in this announcement, there was no significant event relevant to the business or financial performance of the Group that has come to the attention of the Directors after FY2024.

Purchase, Sales or Redemption of The Company's Listed Securities

During FY2024, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

Corporate Governance

The Company has adopted the code provisions set out in Appendix C1 (Corporate Governance Code) (the “**HK CG Code**”) to the HK Listing Rules as part of its corporate governance code in addition to the requirements under Singapore Code of Corporate Governance 2018 (“**SG CG Code**”). As such, the Company will comply with the more stringent requirements among the HK CG Code and the SG CG Code.

In the opinion of the Directors, the Company had complied with the HK CG Code and SG CG Code during FY2024 except for code provision C.2.1 under the HK CG Code. Under code provision C.2.1 of the HK CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Group does not have the role of chief executive officer but has the role of managing Director, which is responsible for the day-to-day management of business and currently performed by Mr. Lim Lung Tieng (“**Mr. Kelvin Lim**”), who is also the executive chairman of the Board. Throughout the Group’s business history, Mr. Kelvin Lim has held the key leadership position of the Group since 1998 and has been deeply involved in the formulation of corporate strategies and management of business and operations of the Group. Taking into account the consistent leadership within the Group and in order to enable more effective and efficient overall strategic planning and continuation of the implementation of such plans, the Directors (including the independent non-executive Directors) consider that Mr. Kelvin Lim is the best candidate for both positions and the present arrangements are beneficial and in the interests of the Group and our shareholders as a whole.

Model Code of Securities Transactions by Directors

In addition to compliance to Rule 1207(19) of the SGX Listing Manual, the Company has updated its policy with the requirements set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the HK Listing Rules which is also applicable to its employees who are likely to be in possession of unpublished inside information (the “**Relevant Employees**”).

The Company and its Officers (including the Directors, Management and Executives) are not allowed to deal in the Company’s shares during the period commencing 30 days immediately before the announcement of the Company’s interim results and 60 days immediately before the announcement of the Company’s full year results, and ending on the date of the announcement of the relevant results.

The Directors, Management and Executives of the Group are also expected to observe relevant insider trading laws at all times, even when dealing in securities within permitted trading period or they are in possession of unpublished price-sensitive information of the Company and they are not to deal in the Company’s securities on short-term considerations.

The Company confirms that specific enquiry has been made to all the Directors and the Relevant Employees and all have confirmed that they have complied with the Model Code during FY2024.

Audit Committee

The Company established an audit committee (the “**Audit Committee**”) with written terms of reference which deal clearly with its authority and duties. Amongst the committee’s principal duties is to review and supervise the Company’s financial reporting process and internal controls. The full text of terms of reference of the Audit Committee is available on the websites of the Company and the SEHK.

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Chan Ka Leung Gary (Chairman), Ms. Ch’ng Li-Ling and Mr. Yong Chee Hiong.

The Audit Committee has reviewed the consolidated results of the Group for FY2024 and is of the opinion that such results complied with the applicable accounting standards, the requirements under the HK Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

Scope of Work of PricewaterhouseCoopers LLP

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 30 September 2024 as set out in this announcement have been agreed by the Group’s auditor, PricewaterhouseCoopers LLP (Singapore), to the amounts set out in the Group’s draft consolidated financial statements for the reporting year. The work performed by PricewaterhouseCoopers LLP in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements issued by the International Auditing and Assurance Standards Board (“**IAASB**”) and consequently no assurance has been expressed by PricewaterhouseCoopers LLP (Singapore) on this announcement.

Public Float

The Company has maintained the public float as required by the HK Listing Rules up to the date of this announcement.

Annual General Meeting

The annual general meeting of the Company (the “AGM”) will be held on 24 January 2025 (Friday). The notice of the AGM will be published on the website of SEHK (www.hkexnews.hk), SGX-ST (www.sgx.com) and the website of the Company (www.lhngroup.com), and will also be sent to the Shareholders, together with the Company’s annual report, in due course.

Closure of Register of Members

For determining the entitlement to attend and vote at the AGM

For Shareholders in Singapore

The Share Transfer Books and Register of Members of the Company will be closed at **5:00 p.m. on Tuesday, 21 January 2025** for the purpose of determining shareholders’ entitlements to attend the AGM. Duly completed registrable transfers in respect of the Shares received by the Company’s Singapore principal share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 up to **5:00 p.m. on Monday, 20 January 2025** will be registered to determine shareholders’ entitlements to attend the AGM.

For Shareholders in Hong Kong

The branch register of members of the Company in Hong Kong will be closed from **Tuesday, 21 January 2025 to Friday, 24 January 2025** (both days inclusive), during which period no transfer of Shares of the Company will be registered in Hong Kong. In order to determine shareholders’ entitlements to attend and vote at the AGM, all share transfers in Hong Kong, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than **4:30 p.m. on Monday, 20 January 2025**.

For the purpose of determination of shareholders registered under the Singapore principal register of members and the Hong Kong branch register of members of the Company, all necessary documents, remittances accompanied by the relevant share certificates in respect of removal of Shares between the two (2) register of members, must be submitted no later than **5:00 p.m. and 4:30 p.m. on Friday, 10 January 2025** to the Company’s Singapore principal share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Singapore shareholders) and the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for Hong Kong shareholders), respectively.

In relation to the books closure date for the purpose of determining shareholders’ entitlements to the proposed final dividend and special dividend, please refer to “11. Dividend Information” under the section “Other information required by Appendix 7.2 of the SGX-ST Mainboard Rules” below in this announcement.

Other information required by Appendix 7.2 of the SGX-ST Mainboard Rules

1. **Where the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

2. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

3. **Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Please refer to note 18 of the financial statements.

4. **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Please refer to note 18 of the financial statements.

5. **A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company does not have any treasury shares during and as at the end of the current financial period reported on.

6. **A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable, as the Company did not have any subsidiary holdings as at the end of the current financial period reported on.

7. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

8. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Please refer to note 13 of the financial statements.

9. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) Current period reported on; and
- (b) Immediately preceding financial year.

Please refer to note 14 of the financial statements.

10. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group's actual results for FY2024 is in line with the profit alert announcement announced by the Group on 15 November 2024.

11. Dividend Information

(a) Whether an interim (final) ordinary dividend has been declared: Yes.

(b) (i) Amount per share: Final dividend of 1.0 Singapore cent (equivalent to HK\$0.0578) in cash. Special dividend of 1.0 Singapore cent (equivalent to HK\$0.0578) in cash and/or scrip.

(ii) Previous corresponding period: Final dividend of 1.0 Singapore cent (equivalent to HK\$0.0581) in cash. Special dividend of 1.0 Singapore cent (equivalent to HK\$0.0581) in cash and/or scrip.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Tax-exempt (one-tier).

(d) Date payable

Subject to shareholders' approval at the upcoming annual general meeting, the proposed final dividend and special dividend will be paid on Friday, 21 February 2025 and Friday, 30 May 2025 respectively.

(e) Books closure date

For determining the entitlement to the proposed final dividend

For Shareholders in Singapore

The Share Transfer Books and Register of Members of the Company will be closed at **5:00 p.m. on Friday, 7 February 2025** for the purpose of determining shareholders' entitlements to the proposed final dividend. Duly completed registrable transfers in respect of the Shares received by the Company's Singapore principal share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 up to **5:00 p.m. on Friday, 7 February 2025** will be registered to determine shareholders' entitlements to the proposed final dividend.

For Shareholders in Hong Kong

The branch register of members of the Company in Hong Kong will be closed between **Monday, 10 February 2025 and Tuesday, 11 February 2025** (both days inclusive), during which period no transfer of Shares of the Company will be registered in Hong Kong. In order to determine shareholders' entitlements to the proposed final dividend, all share transfers in Hong Kong, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than **4:30 p.m. on Friday, 7 February 2025**.

For the purpose of determination of shareholders registered under the Singapore principal register of members and the Hong Kong branch register of members of the Company, all necessary documents, remittances accompanied by the relevant share certificates in respect of removal of Shares between the two (2) register of members, must be submitted no later than **5:00 p.m. and 4:30 p.m. on Friday, 24 January 2025** to the Company's Singapore principal share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Singapore shareholders) and the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for Hong Kong shareholders), respectively.

For determining the entitlement to the proposed special dividend

For Shareholders in Singapore

The Share Transfer Books and Register of Members of the Company will be closed at **5:00 p.m. on Thursday, 10 April 2025** for the purpose of determining shareholders' entitlements to the proposed special dividend. Duly completed registrable transfers in respect of the Shares received by the Company's Singapore principal share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 up to **5:00 p.m. on Thursday, 10 April 2025** will be registered to determine shareholders' entitlements to the proposed special dividend.

For Shareholders in Hong Kong

The branch register of members of the Company in Hong Kong will be closed between **Friday, 11 April 2025 and Monday, 14 April 2025** (both days inclusive), during which period no transfer of Shares of the Company will be registered in Hong Kong. In order to determine shareholders' entitlements to the proposed special dividend, all share transfers in Hong Kong, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar,

Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than **4:30 p.m. on Thursday, 10 April 2025**.

For the purpose of determination of shareholders registered under the Singapore principal register of members and the Hong Kong branch register of members of the Company, all necessary documents, remittances accompanied by the relevant share certificates in respect of removal of Shares between the two (2) register of members, must be submitted no later than **5:00 p.m. and 4:30 p.m. on Tuesday, 1 April 2025** to the Company's Singapore principal share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Singapore shareholders) and the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for Hong Kong shareholders), respectively.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

Not applicable.

13. Breakdown of Group's revenue and profit/(loss) after tax for first half year and second half year.

	FY2024 S\$'000	FY2023 S\$'000	Increase/(Decrease) %
(a) Sales reported for first half year	54,547	42,883	27.2
(b) Profit after tax before deducting non-controlling interests reported for first half year	12,973	16,937	(23.4)
(c) Sales reported for second half year	66,474	50,761	31.0
(d) Profit after tax before deducting non-controlling interest reported for second half year	34,317	21,274	61.3

14. If the group has obtained mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from Shareholders for IPTs.

There were no interested persons transactions of S\$100,000 and above entered into during the financial period reported on.

15. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Detail of changes in duties and position held, if any, during the year
Ong Siang Lim Jeremy	45	Brother-in-law of Kelvin Lim and Jess Lim	General manager, responsible to oversee the car park management services / 2016	N.A.

16. Disclosures on Acquisition and Realisation of Shares pursuant to Mainboard Rule 706A

During FY2024 and up to the date of this announcement, the Group had incorporated the following subsidiaries, joint ventures and associates:

S/N	Company Name	Place of Incorporation	Issued and Paid-up Capital	Principal Activities	Interest Held by the Group	Date of announcement
1.	Jadeite Properties Pte. Ltd.	Singapore	S\$100,000	Space optimisation	50%	9 April 2024
2.	LHN Energy Assets Pte. Ltd.	Singapore	S\$50,000	Energy business	100%	-

On 23 November 2023, the Group had disposed of its 20% interests in its subsidiary, Coliwoo PP Pte. Ltd.. Please refer to the announcement dated 23 November 2023 for more details.

On 22 April 2024, the Group had disposed of its 20% interests in its subsidiary, Coliwoo (TK) Pte. Ltd. Please refer to the announcements dated 22 and 25 April 2024 for more details.

17. A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Please refer to the “Business Outlook” section of this announcement.

18. Confirmation that the issuer has procured undertakings from all its directors and executive Officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Mainboard Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Mainboard Listing Manual.

19. Publication of Financial Information

The annual results announcement for FY2024 is published on the website of SEHK (www.hkexnews.hk), SGX-ST (www.sgx.com) and the website of the Company (www.lhngroup.com). The annual report of the Company for FY2024 containing, among others, the annual financial statements of the Group will be despatched to shareholders of the Company and published on the above websites in due course.

By Order of the Board of Directors of
LHN Limited
Lim Lung Tieng
Executive Chairman and Group Managing Director

Singapore, 25 November 2024

As at the date of this announcement, the Board comprises Mr. Lim Lung Tieng and Ms. Lim Bee Choo as executive Directors of the Company; and Ms. Ch'ng Li-Ling, Mr. Yong Chee Hiong and Mr. Chan Ka Leung Gary as independent non-executive Directors of the Company.