COLEX HOLDINGS LTD

ANNUAL REPORT 2021

CONTENTS

01 • CORPORATE PROFILE

02 • CHAIRMAN'S STATEMENT

04 • OPERATIONS REVIEW

06 • CORPORATE DATA

07 • FINANCIAL HIGHLIGHTS

08 • PROFILE OF DIRECTORS

09 • PROFILE OF KEY EXECUTIVES

11 • FINANCIAL CONTENTS

This annual report has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms Jennifer Tan, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.

CORPORATE PROFILE

Colex Holdings Limited ("**Colex**"), a 50-year veteran in the waste management industries in Singapore that has pioneered many innovative value-added services which include the fully mechanised waste disposal vehicles and portable waste compactors used in the industry today, was listed on the SESDAQ (now known as Catalist) in April 1999.

Colex attained its ISO 9001:2000 Quality Management System certification in February 2003, which was converted to ISO 9001:2008 in March 2010 and to ISO 9001:2015 in September 2018. The ISO 14001:2004 Environmental Management System certification in May 2010 was converted to ISO 14001:2015 in September 2018 and Bizsafe Level 3 was attained March 2008.

Colex specialises in waste disposal and recycling for a wide portfolio of clients including commercial offices, shopping complexes, food courts, cineplexes, residential buildings and warehouses.

Colex's unwavering focus on quality and service has resulted in it being awarded by the National Environment Agency ("**NEA**"), the 5-year Bedok sector municipal waste collection contract in 1999. This was followed by the 7-year Jurong sector municipal waste collection contract which commenced on 1 April 2006.

On 23 November 2012, Colex was awarded a second term 7-year contract for the Jurong sector by the NEA which commenced on 1 April 2013.

In 1999, Colex acquired Integrated Property Management Pte Ltd ("**IPM**") and with this acquisition, Colex's activities were extended to include contract cleaning of commercial, industrial and residential buildings.

On 1 April 2013, the waste disposal segment has been reorganised under Colex Environmental Pte Ltd ("**CEPL**"), a wholly owned subsidiary of Colex. CEPL's principal activity is to provide waste management and recycling services to the industrial and commercial segments and disposal and recycling of public waste licensed by NEA. Colex then became the investment and holding company.

On 2 December 2014, CEPL installed the Material Recovery Facility to sort out recyclable items from the municipal waste collection and the industrial and commercial waste business.

Providing customers with quality and value-added services remains Colex's key guiding principle and strategy in maintaining competitiveness. Where new market opportunities arise, the Group will forge strategic alliances and business relationships with other members of the industry and NEA for greater growth.

CERT NO.: 2003-1-0465
ISO 9001: 2015

CERT NO.: 2010-0470
ISO 14001: 2015

CHAIRMAN'S STATEMENT

FINANCIAL REVIEW

The Group's revenue for the financial year ended 31 December 2021 ("**FY2021**") decreased by 9.9% to S$42.532 million from S$47.215 million for the financial year ended 31 December 2020 ("**FY2020**"). Revenue from the waste disposal segment decreased by 16.5% to S$19.095 million in FY2021 from S$22.870 million in FY2020. The decrease was mainly due to the expiry of the public waste collection contract for Jurong sector which was completed on 31 March 2020. Revenue from the contract cleaning segment decreased by 3.7% to S$23.437 million in FY2021 from S$24.345 million in FY2020. The decrease was mainly due to the completion of some existing contracts and fewer new contracts secured.

The Group incurred operating loss before tax of S$1.387 million in FY2021 as compared to operating profit before tax of S$1.527 million in FY2020. The loss was mainly due to the decrease in revenue and government grants recognized, increase in depreciation expenses and impairment loss of property, plant and equipment. This was partially offset by the decrease in staff costs and other operating expenses, in-line with the reduction in headcount and lower revenue for both segments.

Earnings per share changed from 1.33 Singapore cents in FY2020 to loss per share of 0.52 Singapore cents in FY2021. The net tangible assets per share decreased to 22.85 Singapore cents as at 31 December 2021 from 23.36 Singapore cents as at 31 December 2020.

OPERATIONS HIGHLIGHTS

Year 2021 was another challenging year. The global outbreak of COVID-19 pandemic that started in February 2020 continued unabated in 2021, causing waves of business and manpower disruptions throughout the year.

Cleaning and waste management being essential services to keep premises clean and sanitized to prevent spread of COVID-19 are business as usual. However, due to persistently high number of COVID-19 cases in the community for a good part of 2021, clients' expectation of higher cleaning standards particularly higher sanitization frequency of high touch point areas to minimize the spread of COVID-19 was evident in all our jobsites.

The health and safety of our employees is of paramount importance to us, especially where our operations are in providing essential services to the public. We continuously emphasize to our employees on key points such as importance of safe distancing

CHAIRMAN'S STATEMENT

management, donning of face masks, regular sanitizing of hands and staying away from work and seeking medical attention if they have mild symptoms of sickness like fever, cough and running nose.

During the peak of the COVID-19 surge from October 2021 to December 2021, we provided Antigen Rapid Test ("**ART**") kits to our employees to carry out weekly test to ensure that they are free from COVID-19. Any employee who tests ART positive is required to isolate himself/herself and/or seek medical attention based on protocols prescribed by the Ministry of Health. The Group will continue to provide the best support for our employees in view of COVID-19 situation.

The government's Job Support Scheme has benefited the Group to sustain its overall workforce employability. However, the recruitment of locals remains a daunting task and this is further exacerbated by closing of borders between countries, resulting in the shortage of foreign workers coming into Singapore.

Enhancement in productivity and efficiency in all our work processes remain key in delivering excellent customer service despite the manpower crunch. Effort has been intensified to train and upskill the current workforce to be more efficient and productive in all aspects of their work performance.

DIVIDEND

For FY2021, the Board recommends a final tax exempt one-tier dividend of 0.45 Singapore cents per share and a tax exempt one-tier special dividend of 7.55 Singapore cents per share. The proposed dividends, if approved at the forthcoming Annual General Meeting to be held on 25 April 2022, will be paid on 19 May 2022.

OUTLOOK

Amid the COVID-19 pandemic and the competitive market situation, the upcoming year will continue to remain challenging. We will align our vision with our distinctive competence and strategize our future direction to grow our business by adopting the right mindset on cost control and the optimization of all aspects of our operations.

The Group will continue to build on the best corporate governance practices and its sustainability efforts to be in line with the Singapore Green Plan 2030. Seeking new business opportunities is ongoing as we adapt and pivot to the new normal to deliver sustainable returns and long-term value to our shareholders.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I would like to express our appreciation to Mr Fong Heng Boo and Mr Lim Hock Beng for their valued contribution and welcome our two new Independent Directors, Mr Lim Chee San and Mr Tan Soon Liang on board.

I would also like to express our appreciation to our customers, suppliers and shareholders for their continued support and to our employees for their unstinting contributions.

HENRY NGO
Chairman

OPERATIONS REVIEW

The overall profitability of the Group was mainly affected by the stiff market competition which has impacted the bottom line. In the face of intense price competition, the Group has adopted the market driven mind set by continuous improvement of its service level to maintain its market share. Intense effort was also made to renew existing contracts with upward price revision in tandem with rising fuel and operating costs and secure new contracts with reasonable margins.

Leveraging on our core competencies and the diverse skill sets of all our employees, the Group managed to strengthen its commitment to build close business relationship with our customers who have remained loyal and became long term business partners. This has fostered a long-term sustainable growth for the Group. We will continue to be prudent in our overall operating expenses to ensure sustainability and viability of the business.

The waste division will focus on growing the General Waste Collection market share and strengthen its operation through operation optimization with productivity gain.

THE TEAM

Engaging and empowering the team to deliver good customer service has built the culture of ownership at all levels of our business. This has enabled the Group to achieve business resilience in today's saturated market place and provide a key differentiator to foster internal and external cohesion and trust which is crucial in this very competitive market.

Training and upskilling of the team to keep abreast on all latest technologies will continue to be the cornerstone to remain relevant and competitive in providing excellent customer and operational services that will outpace our competitors.

MOVING AHEAD

Although the Group will continue to face challenges in the competitive market, we will adapt to the new normal and the intense competition from our competitors. The Group will strategize its business plans to optimize operation efficiency to improve its overall profitability.

OPERATIONS REVIEW

The prevailing Progressive Wage Model (PWM) will continue to impact the bottom line for the cleaning segment due to rising wage cost. The PWM will also affect the waste segment after its implementation in the second half of FY2023 for the waste industries. Essentially the Group will adopt technology and innovation to improve its productivity and efficiency in providing quality service to our customers and business partners.

Moving forward, the Group will continue to instill a strong and effective organizational structure anchored on competent leadership, effective internal controls and a strong risk culture to bring the Group to the next level of growth.

CORPORATE DATA

COMPANY REGISTRATION NUMBER
197101485G

REGISTERED OFFICE
541 Orchard Road #16-00
Liat Towers
Singapore 238881
Tel: +65 6732 5533
Fax: +65 6738 3092
Email: wastemgt@colex.com.sg

PRINCIPAL PLACE OF BUSINESS
8 Tuas South Street 13
Singapore 637083
Tel: +65 6268 7711
Fax: +65 6264 1219
Email: wastemgt@colex.com.sg

DIRECTORS
Henry Ngo (Chairman)
Ding Chek Leh
Lim Chee San
Tan Soon Liang

AUDIT COMMITTEE
Lim Chee San (Chairman)
Tan Soon Liang
Henry Ngo

NOMINATING COMMITTEE
Lim Chee San (Chairman)
Tan Soon Liang
Henry Ngo

REMUNERATION COMMITTEE
Tan Soon Liang (Chairman)
Lim Chee San
Henry Ngo

SECRETARY
Foo Soon Soo

REGISTRAR
KCK CorpServe Pte. Ltd.
24 Raffles Place
#07-07 Clifford Centre
Singapore 048621

PRINCIPAL BANKERS
DBS Bank Ltd
Oversea-Chinese Banking
Corporation Limited
RHB Bank Berhad
United Overseas Bank Ltd

INDEPENDENT AUDITOR
PricewaterhouseCoopers LLP
Public Accountants and Chartered
Accountants
7 Straits View, Marina One East
Tower, Level 12
Singapore 018936

Partner-in-charge:
Magdelene Chua
(Appointed in financial year 2017)

CONTINUING SPONSOR
PrimePartners Corporate Finance
Pte. Ltd.
16 Collyer Quay
#10-00 Income at Raffles
Singapore 049318

FINANCIAL HIGHLIGHTS

	2021 $'000	2020 $'000	2019 $'000	2018 $'000	2017 $'000
REVENUE	**42,532**	47,215	66,847	69,301	70,056
(LOSS)/PROFIT BEFORE TAXATION	**(1,387)**	1,527	3,083	3,883	5,349
(LOSS)/PROFIT AFTER TAXATION	**(684)**	1,766	2,489	3,231	4,700
GROSS DIVIDEND PER SHARE (SINGAPORE CENTS)	**8.00**	10.00	0.45	0.50	0.55
(LOSS)/EARNINGS PER SHARE (SINGAPORE CENTS) AFTER TAX	**(0.52)**	1.33	1.88	2.44	3.55
DILUTED (LOSS)/EARNINGS PER SHARE (SINGAPORE CENTS) AFTER TAX	**(0.52)**	1.33	1.88	2.44	3.55
NET TANGIBLE ASSETS PER SHARE (SINGAPORE CENTS)	**22.85**	23.36	32.48	31.10	29.05
DIVIDEND COVER (TIMES)	**(0.07)**	0.13	4.17	4.88	6.45
FIXED ASSETS	**14,209**	17,461	20,260	18,934	18,932
NET CURRENT ASSETS	**20,474**	18,364	28,305	24,866	21,433
SHAREHOLDERS' FUND	**30,275**	30,959	43,041	41,215	38,501

PROFILE OF DIRECTORS

MR HENRY NGO

Mr Ngo has been the Chairman of Colex since 1983 when Colex became a subsidiary of Bonvests Holdings Limited ("**Bonvests**"). He is also the Chairman and Managing Director of Bonvests, a company listed on the SGX-ST. Under Mr Ngo's leadership, Bonvests diversified into property development, waste management, ownership and operation of hotels.

MR DING CHEK LEH

Mr Ding is an Executive Director of Colex and also the General Manager in charge of the operations of Integrated Property Management Pte Ltd ("**IPM**"), a subsidiary of Colex. IPM business is in contract cleaning of commercial, residential and industrial buildings. He worked with the Housing Development Board of Singapore for three years as an Estate Officer before joining IPM in July 1987 as its Operations Manager. Mr Ding was promoted to Senior Operations Manager in April 1989 and subsequently to General Manager in September 1990. He holds an honours degree in Bachelor of Engineering from the University of Canterbury (New Zealand). Mr Ding was appointed as an Executive Director of Colex on 17 June 2020.

MR LIM CHEE SAN

Mr Lim was appointed as an Independent Non-Executive Director on 28 April 2021.

Mr Lim has been an accountant, a banker and a lawyer at different times during the last 38 years. He currently runs his own law firm, TanLim Partnership. Before he started his current law practice, he was the Head of Banking Operations in a large regional bank. He also has many years of experience as an auditor in large international accounting firms. He is a barrister-at-law, a chartered certified accountant, and a chartered information technology practitioner. He was also among the top candidates in his accountancy and law examinations.

MR TAN SOON LIANG

Mr Tan was appointed as Independent Non-Executive Director on 28 April 2021.

Mr Tan is the founder and managing director of Ti Ventures Pte. Ltd., which invests in growing businesses and partnering business owners through leading its corporate development, business transformation and mergers and acquisitions functions since 2009. He is also the managing director of Omnibridge Capital Pte. Ltd. which focuses on early-stage angel and venture capital investments in start-ups and fast-growing companies in Asia. He currently serves on the Board of Directors of other public companies listed on the Singapore Exchange and Hong Kong Stock Exchange.

Mr Tan obtained a Bachelor of Business (Honours) Degree, majoring in Financial Analysis from Nanyang Technological University in 1997 and subsequently a Master of Business Administration Degree from University of Hull, United Kingdom, in 2001. He is a CFA Charterholder from CFA Institute, United States. He is a Director of Spectra Secondary School and is a member of the Singapore Institute of Directors.

PROFILE OF KEY EXECUTIVES

MR LIEW KIM TIONG

Mr Liew joined Colex Environmental Pte Ltd as the Director – Waste Management Division on 15 December 2021 and was subsequently confirmed on 15 March 2022. He oversees the complete spectrum of waste management, recycling management and material recovery facility of Colex. Mr Liew has over a decade of waste management experience in Public Waste Collector (PWC) and General Waste Collector (GWC), which are governed by NEA. He has vast experience in solid waste collection operations, recycling operations, fleet management, pneumatic collection operation, refuse collection storage and transportation equipment, workshop management, material recovery management, plastic resin production and cleaning operations. Mr Liew holds a Master Degree in Science majors in Mechanical Engineering from National University of Singapore and an Honors Degree in Production and Mechanical Engineering from Nanyang Technological University.

MR LIAU KHIN SIONG

Mr Liau was appointed as the Assistant General Manager of Colex on 1 December 2012, assisting the Director in overseeing the day-to-day operations in the waste disposal operations. Mr Liau joined Colex in 2002 as Workshop Manager and was promoted to Senior Manager in August 2005, responsible for the repair and maintenance of all the waste disposal trucks, commercial vehicles and workshop equipment used in the waste disposal business. Prior to joining Colex, he was the Workshop Manager of one of the waste disposal companies, in charge of a fleet of waste disposal vehicles and equipment. He holds a degree in Master of Business Administration from Brunel University.

MR ANTONY CHEN

Mr Chen is the Senior Manager in charge of the marketing and sales services of IPM. He is also involved in the day-to-day operations of work sites such as manpower recruitment and payroll, customer relations, quality control and audit. Mr Chen has worked in IPM since 1987 when he joined as a Business Development Executive. He was promoted to the post of Senior Manager in 1995.

MS NG SIEW GEK

Ms Ng has been the Finance Manager of Colex since September 2009. She joined Colex in 1992 as an Accounts Assistant and was promoted to Deputy Finance Manager in 2008. In October 2015, she was re-designated as Group Finance Manager and responsible for the Group's finance and reporting functions. She holds an honours degree in Bachelor of Arts in Accounting & Finance from the University of Northumbria at Newcastle.

MR HAN HEE GUAN

Mr Han is the Senior Manager of IPM. He joined IPM as Sales Executive in February 2001 and was promoted to Sales Manager in February 2006 and subsequently to Senior Manager in October 2011. He is also involved in the day-to-day operations of work sites such as manpower recruitment, quality control and customer relations.


COLEX
HIRING TRUCK'S DRIVERS / ATTENDANTS
Attractive Salary Tel: 6268 7711

FINANCIAL **CONTENTS**

12 • CORPORATE GOVERNANCE STATEMENT

31 • DIRECTOR'S INFORMATION

34 • DIRECTORS' STATEMENT

37 • INDEPENDENT AUDITOR'S REPORT

42 • STATEMENTS OF FINANCIAL POSITION

44 • CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

45 • CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

46 • CONSOLIDATED STATEMENT OF CASH FLOWS

48 • NOTES TO THE FINANCIAL STATEMENTS

81 • SHAREHOLDINGS STATISTICS

83 • NOTICE OF ANNUAL GENERAL MEETING

87 • APPENDIX

PROXY FORM

CORPORATE GOVERNANCE STATEMENT

Colex Holdings Limited (the "**Company**") is committed to ensuring and maintaining a high standard of corporate governance within the Company and its subsidiary companies (the "**Group**"). This report describes the corporate governance framework and practices of the Company with specific reference made to each of the principles of the Code of Corporate Governance 2018 (the "**Code**"), pursuant to Rule 710 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") ("**Catalist Rules**"), as well as the disclosure guide developed by the SGX-ST in January 2015. The Company will continue to improve its systems and corporate governance processes in compliance with the Code. There are other sections in this annual report which contain information required by the Code. Hence the report should be read in totality with the other sections of the annual report.

BOARD MATTERS

Board's Conduct of its Affairs

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

The Board of Directors (the "**Board**") comprises two executives and two independent directors having the appropriate mix of core competencies and diversity of experience to direct and lead the Company. As at the date of this report, the Board comprises the following members:

Mr Henry Ngo (Chairman)
Mr Ding Chek Leh (Director)
Mr Lim Chee San (Independent Director)
Mr Tan Soon Liang (Independent Director)

Board's Role

The Board of Directors' fiduciaries are to act objectively in the best interests of the Company and hold management accountable for the Company's performance. The primary role of the Board is to protect and enhance long-term shareholders' value. The Board has put in place a code of conduct and ethics to set appropriate tone-from-the-top and desired organisational culture, and ensure that the company's values, standards, policies and practices are consistent with the culture. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

The Board sets the corporate strategies of the Group, directions and goals for the Management and ensures that the necessary financial and human resources are in place for the Company to meet its objectives. It establishes a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets, supervises the Management and monitors performance of these goals to enhance shareholders' value. The Board is responsible for the overall corporate governance of the Group.

The Board considers sustainability in formulating its strategies for the Group. As a waste management and cleaning service provider, sustainability is an integral part of the Group's business strategy, underpinned by the introduction of a Materials Recovery Facility in 2014 to ensure environmental sustainability. To ensure that sustainability is integrated into our decision-making processes, the Group has established a Sustainability Steering Committee that comprises representatives from various divisions. In 2017, a materiality assessment was conducted to determine current material issues affecting our business and stakeholders and the Company issued its first Sustainability Report in November 2018. Having considered the interests and concerns of our key stakeholders, megatrends and the current state of our business model, the Group have reviewed and revalidated the list of material factors identified in the past four years. The Group's fifth sustainability report which covers the period from 1 January 2021 to 31 December 2021, will be prepared with reference to the Global Reporting Initiative Standards and is in line with the requirements of the Catalist Rules. The report will highlight the key economic, environmental, social and compliance factors such as economic performance, waste and recycling and occupational health and safety. The sustainability report for the financial year ended 31 December 2021 ("FY2021") will be uploaded on SGXNET and the Company's corporate website, http://www.colex.com.sg/investor-relations/by 31 May 2022.

In compliance with Catalist Rules that take effect from 1 January 2022, from FY2022, the sustainability reporting process will be subject to internal review and the Directors will undergo training in sustainability matters as prescribed by SGX-ST.

Matters requiring Board's approval

Matters that require the Board's approval are:

- corporate policies, strategies and objectives of the Company;
- annual budgets;
- half yearly and full year results announcements;
- annual report and accounts;
- major acquisitions, investments and disposal of assets;
- strategic planning;
- transactions or investments involving a conflict of interest for a substantial shareholder or a Director;
- financial restructuring; and
- share issuance, dividends and other returns to shareholders.

Orientation, Briefings, Updates and Trainings Provided for Directors in FY2021

The Company has in place an orientation process for newly appointed Directors to familiarise themselves with the Company's operations and business activities. Incoming directors joining the Board will receive a formal appointment letter setting out their duties and obligations, be briefed by the NC on their directors' duties and obligations and introduced to the Group's business and governance practice and arrangements, in particular the Company's policies relating to the disclosure of interests in securities, disclosure of conflicts of interest in transactions involving the Group, prohibition on dealings in the Company's securities and restrictions on the disclosure of price-sensitive information.

The incoming Director will meet up with the senior management and the Company Secretary to familiarise himself/herself with their roles, organisation structure and business practices. This will enable him/her to get acquainted with senior management and the Company Secretary thereby facilitating Board interaction and independent access to senior management and the Company Secretary.

Newly appointed Directors who have no prior experience as a director of a Singapore public listed company are required to undergo training within one year from the date of appointment as prescribed by the SGX-ST under Rule 406(3)(a) and Practice Note 4D of the Catalist Rules. The training of Directors will be arranged and funded by the Company.

Mr Lim Chee San and Mr Tan Soon Liang who were appointed to the Board during FY2021 had undergone the orientation process for newly appointed Directors. Both have prior and current appointments as Independent Directors of public listed companies in Singapore.

The Directors are required and have each signed the respective undertaking in the form set out in Appendix 7H of the Listing Manual to undertake to use their best endeavours to comply with the Catalist Rules and to procure that the Company shall so comply.

During FY2021, the Directors had received updates on regulatory changes to the Catalist Rules and changes to the accounting standards. The Directors had also received appropriate training to develop the necessary skills in facilitating the discharge of their duties. Currently, one of the Directors is a member of the Singapore Institute of Directors ("**SID**").

Briefings, updates and trainings for Directors in FY2021 include the following:

- The external auditors briefed the AC members on developments in accounting and governance standards;
- The Company Secretary briefed the Board on the regulatory changes to the Catalist Rules;
- The Division Heads updated the Board at each Board meeting on business and strategic developments;
- The Management highlighted to the Board the salient issues as well as the risk management considerations which might impact the Group's businesses and/or operations; and
- Directors had also attended appropriate courses, conferences and seminars including programmes run by the SID.

The Board has delegated certain matters to specialised committees of the Board, namely the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and Remuneration Committee ("**RC**") (collectively, the "**Board Committees**"), to assist in carrying out and discharging its duties and responsibilities efficiently and effectively. The Board Committees function within clearly defined terms of references and operating procedures, which are reviewed on a regular basis. The effectiveness of each Board Committee is also constantly reviewed by the Board. Please refer to Principles 4 to 7 and 9 to 10 on the activities of the NC, RC and AC respectively.

CORPORATE GOVERNANCE STATEMENT

The present Board members and Board Committee members are as follows:

Name of Director	Board membership	Board Committees		
		AC	NC	RC
Henry Ngo	Executive Chairman	Member	Member	Member
Ding Chek Leh	Executive Director	–	–	–
Lim Chee San	Independent Director	Chairman	Chairman	Member
Tan Soon Liang	Independent Director	Member	Member	Chairman

The following table discloses the number of meetings held for Board and Board Committees and the attendance of all Directors and Board Committee members for FY2021:

Name	Board		Audit Committee		Nominating Committee		Remuneration Committee	
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
Henry Ngo	4	4	4	4	1	1	1	1
Ding Chek Leh	4	4	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Fong Heng Boo[1]	1*	1	1*	1	1	1	1	1
Lim Hock Beng[2]	1*	1	1*	1	1	1	1	1
Lim Chee San[3]	3*	3	3*	3	0*	0	0*	0
Tan Soon Liang[4]	3*	3	3*	3	0*	0	0*	0

1 Mr Fong Heng Boo retired on 28 April 2021
2 Mr Lim Hock Beng retired on 28 April 2021
3 Mr Lim Chee San was appointed Director on 28 April 2021
4 Mr Tan Soon Liang was appointed Director on 28 April 2021
* number of meetings during the directors' tenure for FY2021
N.A. – Not applicable, as the Director is not a member of the Board Committees.

The Company's Constitution allows the Board meetings to be conducted by way of telephonic or video conference meetings. The Board ensures that Directors with other listed board representations give sufficient time and attention to the affairs of the Group.

Board's Access to Management, Company Secretary and External Advisers

All Directors are from time to time furnished with complete, adequate and timely information concerning the Company to enable them to be fully cognisant of the decisions and actions of the Company's Management.

Management recognises the importance of circulating information on a timely basis to ensure that the Board has adequate time to review the materials to facilitate a constructive and effective discussion during the scheduled meetings. As such, Management endeavours to circulate information for the Board meetings on a timely basis prior to the meetings to allow sufficient time for the Directors' review.

Management will also on best endeavours, encrypt documents which bear material price sensitive information when circulating documents electronically.

CORPORATE GOVERNANCE STATEMENT

The Board has unrestricted access to the Company's records and information, and the Board has separate and independent access to the Company Secretary and to Management of the Company and of the Group at all times in carrying out their duties.

Management or external consultants engaged on specific projects are available to provide explanatory information in the form of briefings or formal presentations to the Directors in attendance at Board meetings.

The Company Secretary attends all Board meetings and meetings of Board Committees and ensures that Board procedures are followed and that applicable rules and regulations are complied with. The minutes of all Board and Board Committees' meetings are circulated to the Board. Under the direction of the Chairman, the Company Secretary ensures good information flows within the Board and its Board Committees and between Management and Independent Directors, as well as facilitates orientation and assists with professional development as required. The appointment and the removal of the Company Secretary rest with the Board as a whole. Each Director has the right to seek independent legal and other professional advice, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfill their duties and responsibilities as a Director.

BOARD COMPOSITION AND GUIDANCE

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

Independence of Directors

As at the date of this report, the Board comprises four members, two of whom are independent and non-executive. Key information regarding the Directors and their appointments on various Board Committees is also contained therein. All Board Committees are chaired by an Independent Director, with a majority of members being non-executive and independent.

The criterion for independence is based on the definition given in the Code and the Catalist Rules. The Code has defined an "independent director" as one who is independent in conduct, character and judgement and who has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment in the best interests of the Company. Under the Catalist Rules, a director is considered as independent if he/she is not one who is or has been employed by the Company or any of its related corporations for the current or any of the past three financial years; or not one who has an immediate family member who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC.

The Independent Directors, Mr Lim Chee San ("**Mr Lim**") and Mr Tan Soon Liang ("**Mr Tan**") each has confirmed their independence in accordance with the Code and Catalist Rules.

Composition of the Board

As there are two Independent Directors among four on the Board, the requirement of the Catalist Rule 406(3)(c) that at least one-third of the Board be comprised of independent directors is satisfied.

Under Provision 2.2 of the Code, the Independent Directors should make up a majority of the Board where the Chairman is not an independent director. Under Provision 2.3 of the Code, the Non-Executive Directors should make up a majority of the Board. The Company's Non-Executive Directors are Independent Directors who make up half the Board. Given the Board size of four, the two Independent Directors provide a good balance of authority and power within the Board. In addition, the Board Committees which assist the Board in its functions is each chaired by an Independent Director. The Independent Directors constructively challenge and help develop proposals on strategy and review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance. The Independent Directors communicate among themselves without the presence of Management as and when the need arises, and thereafter where appropriate, the Independent Directors provide inputs to the Board. The Board have assessed and is of the view that there is a strong independence element to contribute to effective decision making within the Board to justify the departure of the Board composition from the Code.

CORPORATE GOVERNANCE STATEMENT

Directors must consult both the Chairman of the Board and the NC Chairman prior to accepting new director appointments. Directors must also immediately report any changes in their external appointments, including any corporate developments relating to their external appointments, which may affect their independence. This ensures that Directors continually meet the stringent requirements of independence under the Code.

The Company has in place a Board Diversity Policy, which endorses the principle that its Board should have a balance of skill, knowledge, experience, and diversity in perspectives to ensure effective decision making and governance of the Company and its businesses.

The Board has taken the following steps to maintain or enhance its balance and diversity:

The Nominating Committee ("**NC**") reviews and assesses the Board composition annually and recommends the appointment of new directors, where applicable. For new and continuing appointments, the NC considers factors such as skills, experience, age, gender, educational and professional background, tenure of service and other relevant personal attributes against the requirements needed to govern and direct the Company's strategic objectives. Core competencies, which are taken into account in the selection and appointment of Directors, include finance, accounting, business management, legal and corporate governance, relevant industry knowledge or experience and strategic planning experience. As gender is an important aspect of diversity, the NC strives to ensure that the search for candidates for Board appointments will include female candidates that meet the set requirements, as and when such opportunity arises. All Board appointments are made on merit, taking into account the skills, experience, independence and knowledge that the particular director can bring to the Board and with due regards for the benefits of diversity on the Board.

The NC has reviewed the current composition of the Board and is of the view that given the nature, size and scope of the Company's operations, the current Board size is adequate. The current Board comprises members with diverse skills, experience and attributes to provide effective direction for the Group. The core competency matrix of the Board members are as follows:

Core Competencies	Number of Directors	Proportion of Board
– Accounting or finance	3	75%
– Business management	4	100%
– Legal or corporate governance	2	50%
– Relevant industry knowledge or experience	4	100%
– Strategic planning experience	4	100%

Details of the Board members' qualifications and experience are presented in the "Profile of Directors" section and on page 19 of this Annual Report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

Mr Henry Ngo is the Executive Chairman. The Company does not have a Chief Executive Officer. Ding Chek Leh ("**Mr Ding**"), Executive Director of the Company and General Manager of the Company's subsidiary, Integrated Property Management Pte Ltd, oversees the day-to-day management of the contract cleaning division of the Company. Mr Desmond Chan Kwan Ling, General Manager of the Company's subsidiary, Colex Environmental Pte Ltd, oversees the day-to-day management of the waste disposal division of the Company up to the date of his resignation on 31 December 2021. Thereafter, Mr Kelvin Liew Kim Tiong ("**Mr Liew**"), Director- Waste Management Division of Colex Environmental Pte Ltd took over the oversight of day-to-day management of the waste disposal division of the Company. Mr Liew and Mr Ding (collectively, the "**Division Heads**") do not have any relationships (including family relationships) with each other, the Chairman, the other Directors, substantial shareholders or controlling shareholders of the Company.

The roles of the Chairman are separate and distinct from the roles of the Division Heads, with each having their own areas of responsibilities. The Company believes that a distinctive separation of responsibilities between the Chairman and the Division Heads will ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

The Chairman's responsibilities include:

- scheduling of meetings (with the assistance of the Company Secretary) to enable the Board to perform its duties responsibly while not interfering with the flow of the Group's operations;
- ensuring that Directors receive accurate, timely and clear information, and ensuring effective communication with shareholders;
- preparing meeting agenda (in consultation with the Division Heads);
- assisting in ensuring the Company's compliance with the Code;
- ensuring that Board meetings are held when necessary;
- reviewing most board papers before they are presented to the Board;
- encouraging constructive relations between the Board and Management;
- facilitating the effective contribution of non-executive directors in particular;
- encouraging constructive relations between executive directors and non-executive directors; and
- promoting high standards of corporate governance.

In assuming his roles and responsibilities, Mr Henry Ngo consults with the Board, AC, NC and RC on major issues and as such, the Board believes that there is good balance of power and authority within the Board with all board committees chaired by Independent Directors.

Both the Division Heads are responsible for the day-to-day management of the affairs of the Group's businesses comprising the waste disposal and cleaning divisions. Both reports directly to the Chairman and update the Chairman on the performance of the Group during regular meetings, and ensure that policies and strategies adopted by the Board are implemented.

The Chairman is non-independent. Pursuant to Provision 3.3 of the Code, the Company would be required to appoint a Lead Independent Director.

The Board concurs with the NC that, as the Board is small with only 4 members currently of whom two are Independent Directors, there would not be a need for a Lead Independent Director. Both the Independent Directors individually and collectively are and have been available to shareholders as a channel of communication between shareholders and the Board or Management.

BOARD MEMBERSHIP

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

The NC comprises Mr Lim Chee San, Mr Tan Soon Liang and Mr Henry Ngo, the majority of whom, including its Chairman, are independent. The Chairman of the NC is Mr Lim Chee San, who is an Independent Non-Executive Director.

The NC ensures the directors are aware of their duties.

The NC functions under the terms of reference which set out its responsibilities:

- to review succession plans for Directors, in particular the appointment and/or replacement of the Chairman, the CEO (where applicable) and key management personnel;
- to review and assess candidates for directorships (including executive directorships) before making recommendations to the Board for the appointment of directors;
- to recommend to the Board on all board appointments and re-appointments;
- to review the independence of the Independent Directors annually, and as and when circumstances require, in accordance with the guidelines set out in the Code;
- to develop the process and criteria for evaluation of the performance of the Board, its Board Committees and Directors; and
- review of training and professional development programs for the Board and the Directors.

CORPORATE GOVERNANCE STATEMENT

As set out under “Composition of the Board” in Principle 2, the NC will conduct an annual review of the composition of the Board in terms of the size and mix of skills and qualifications of Board members. The NC is charged with the responsibility of re-nominations, having regard to the Director’s contributions and performance (e.g. attendance, preparedness, participation and candour including, if applicable, as an Independent Director). In addition, it may, if it deems appropriate, recommend the appointment of additional directors to strengthen the composition of the Board. The NC may also recommend the appointment of a new director to fill a casual vacancy in the Board.

Multiple Board Representations

The NC had considered and is of the view that it would not be appropriate to set a limit on the number of directorships that a Director may hold because directors have different capabilities, and the nature of the organisations in which they hold appointments and the kind of committees on which they serve are of different complexities. It is for each Director to personally determine the demands of his or her competing directorships and obligations and assess the number of directorships they could hold and serve effectively. Notwithstanding, the NC will decide if a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, taking into consideration the number of listed board representations and other principal commitments (if any) as defined in the Code.

Although some of the Board members have multiple board representations, the NC is satisfied that sufficient time and attention has been given to the Group by these Directors.

The measures and evaluation tools in place to assess the performance and consider competing time commitments of the Directors include the following:–

- Declarations by individual Directors of their other listed company board directorships and principal commitments; and
- Assessment of the individual Directors’ performance based on the criteria under Principle 5 of this report.

Selection, Appointment and Re-election of Directors

The Company has in place a policy and procedures for the appointment of new directors, including description on the search and nomination process. The search for a suitable candidate could be drawn from contacts and the network of existing Directors. The NC can approach relevant institutions such as the SID, professional organisations or business federations to source for a suitable candidate.

The NC will deliberate and propose the background, skills, qualification and experience of the candidate it deems appropriate. The factors taken into consideration by the NC could include among other things, whether the new director can add to or complement the mix of skills and qualifications in the existing Board, relevance of his/her experience and contributions to the business of the Company and the depth and breadth he/she could bring to Board discussions.

New directors will be appointed by way of a Board resolution, after the NC makes the necessary recommendation to the Board, which thereafter approves the appointment.

The Company currently does not have any alternate directors. Alternate directors will be appointed as and when the Board deems necessary. Circumstances which warrant such appointments may include health, age related concerns as well as Management succession plans.

The Constitution of the Company requires at least one-third of the Board (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) to retire from office at each AGM. Mr Ding Chek Leh is due for retirement by rotation pursuant to the Constitution. Taking into account his attendance and participation at Board meetings, the NC is satisfied that Mr Ding has committed his time to effectively discharge his duties as a Director. The NC has recommended to the Board the re-election of Mr Ding at the forthcoming annual general meeting and the Board has accepted the NC’s recommendations. Mr Ding has abstained from the Board’s deliberation of his re-election.

CORPORATE GOVERNANCE STATEMENT

Particulars of Directors under the Code

Name of Director	Professional Membership/ Qualification	Board Appointment Executive/ Non-Executive	Board Committees as Chairman or Member	Date of first appointment as Director	Date of last re-election/ re-appointment	Directorship/ Chairmanship in other listed companies	Other Principal Commitments
Henry Ngo	High School Certificate	Chairman and Executive	Member: AC, NC and RC	03.11.1983	17.06.2020	Bonvests Holdings Limited	Chairman/Managing Director of Bonvests Holdings Limited
Ding Chek Leh	Honours degree in Bachelor of Engineering from the University of Canterbury (New Zealand)	Executive	–	26.03.1999	17.06.2020	–	Director of cleaning division of the Group
Lim Chee San	Honours degree in Bachelor of Law from the University of London Fellow Association of Chartered Certified Accountants, UK Member of Chartered Accountants of Singapore	Independent Non-Executive	Chairman: AC and NC Member: RC	28.04.2021	N.A.	Blackgold Natural Resources Limited Chemical Industries (Far East) Limited Singapore Kitchen Equipment Limited Gallant Venture Ltd.	Panaudit Business Services Pte Ltd Pan Services Pte Ltd Rees Property Consultants Pte Ltd 4Ward Pte Ltd
Tan Soon Liang	Honours degree in Bachelor of Business from Nanyang Technological University Master of Business Administration Degree from University of Hull (United Kingdom) CFA Charterholder from CFA Institute, United States	Independent Non-Executive	Chairman: RC Member: AC and NC	28.04.2021	N.A.	ISDN Holdings Limited Clearbridge Health Limited Choo Chiang Holdings Limited GDS Global Limited ValueMax Group Limited	Ti Ventures Pte Ltd Ti Investment Holdings Pte Ltd Omnibridge Investments Ltd Omnibridge Capital Ltd Omnibridge Capital Pte Ltd ACH Investors Pte Ltd Omnibridge Investments Pte Ltd Omnibridge Investments Partners Pte Ltd Allin Holdings Pte Ltd Spectra Secondary School Board member

CORPORATE GOVERNANCE STATEMENT

BOARD PERFORMANCE

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

The NC examines the Board's size to satisfy that it is appropriate for effective decision-making, taking into account the nature and scope of the Group's operations.

The NC will review and evaluate the performance of the Board as a whole and its Board Committees, taking into consideration the attendance record at the meetings of the Board and Board Committees and also the contribution of each Director to the effectiveness of the Board.

In evaluating the Board's performance, the NC implements an assessment process that requires each Director to submit an assessment form of the performance of the Board as a whole during the financial year under review. This assessment process takes into account, inter alia, performance indicators such as the Board composition, maintenance of independence, timeliness and completeness of information to the Board, Board process, Board accountability, communication with Management and standard of conduct. The results of the assessment exercise were reviewed by the NC and the NC also considered the contribution by each director towards the achievement of the Board for each of the performance indicator. No external facilitator was used in the evaluation process.

The Board Committees are assessed on the work they perform in accordance with their terms of reference and the objectivity and independence in their deliberations and recommendations they presented to the Board.

The contribution of each individual Director to the effectiveness of the Board is assessed individually and reviewed by the NC Chairman. The assessment criteria include, inter alia, commitment of time, knowledge and abilities, teamwork and overall effectiveness. All NC members have abstained from the voting or review process of any matters in connection with the assessment of his performance.

The NC would review the criteria on a periodic basis to ensure that the criteria is able to provide an accurate and effective performance assessment taking into consideration industry standards and the economic climate with the objective to enhance long term shareholders' value, and thereafter propose amendments if any, to the Board for approval.

The NC did not propose any changes to the performance criteria for FY2021 as compared to the previous financial year as the Board composition and the Group's principal business activities remained substantially the same.

The NC has reviewed the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole, and the individual Directors' performance, for FY2021 and is of the view that the performance of the Board as a whole, the Board Committees and each individual Director, have been satisfactory and the Board has met its performance objectives.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

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

The RC comprises Mr Tan Soon Liang, Mr Lim Chee San and Mr Henry Ngo, the majority of whom, including its Chairman, are independent. The Chairman of the RC is Mr Tan Soon Liang, who is an Independent Non-Executive Director. The Independent Directors believe that the RC benefits from the experiences and expertise of Mr Henry Ngo. The Independent Directors are of the view that retaining an RC member who is also in an executive position is essential and will foster constructive discussions in proposing the executives' remuneration to the Board. The observation of Mr Henry Ngo who has better understanding of the job duties of executives is valuable to ensure that the remuneration packages commensurate with the job scope and level of responsibilities of each of the executives. Retaining an RC member who is also in an executive position will not lead to a conflict of interest or impede the independence of the RC as no Director or member of the RC is allowed to participate in the deliberation, and has to abstain from voting on any resolution, relating to his own remuneration or that of employees related to him.

The RC functions under the terms of reference which set out its responsibilities:

- to recommend to the Board a framework for remuneration for the Directors and key management personnel of the Company;
- to review the specific remuneration packages for Executive Directors and key management personnel; and
- to review the appropriateness of compensation for Independent Directors.

The RC recommends to the Board a Directors' fee framework for the Independent Directors who do not receive any other remuneration. The Executive Directors do not receive any Directors' fees. The Chairman does not receive any remuneration from the Group. The RC reviews the specific remuneration package of the Division Heads. All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, benefits-in-kind and termination terms will be covered by the RC.

The recommendation of the RC will be submitted for endorsement by the Board. Each RC member will abstain from participating in the deliberations of and voting on any resolution in respect of his remuneration package.

The RC will be provided with access to expert professional advice on remuneration matters as and when necessary. The expense of such services shall be borne by the Company. No remuneration consultants were engaged by the Company in FY2021.

Level and Mix of Remuneration

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

In setting remuneration packages, the RC will take into consideration the pay and employment conditions within the industry and in comparable companies. The level and structure of remuneration is aligned with the long-term interest and risk policies of the Company, and the RC is of the view that it is appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the Company, and (b) key management personnel to successfully manage the Company, while not paying more than necessary for this purpose.

While Mr Ngo is designated as Executive Chairman (on account of his executive position as Managing Director in Bonvests Holdings Limited, the parent company of the Company) he does not assume any executive functions in the Group and does not receive any remuneration from the Company.

The Company has adopted a performance-related remuneration scheme for the Division Heads (one of which is an Executive Director) to ensure the competitiveness of their remuneration packages. The Division Heads are paid a fixed monthly salary and incentive bonus based on their operating unit performance and their individual performance. For other key management personnel, they are paid a fixed monthly salary and variable bonus based on their operating unit performance. The Group's remuneration policy is to ensure that the remuneration offered is competitive and sufficient to attract, retain and motivate Directors and Management of the required experience and expertise. The performance conditions were met in FY2021.

The Company has entered into service contracts with its Division Heads and other key management personnel. The service contracts cover the terms of employment, salaries and other benefits, which can be terminated by either party giving notice of resignation/termination. Each appointment is on an ongoing basis and no onerous or over-generous removal clauses are contained in the letter of employment.

The Company currently does not have any contractual provisions which allow it to reclaim incentives from the Division Heads and other key management personnel in certain circumstances. The Board is of the view that as the Group pays performance bonuses based on the actual performance of the operating unit performance (and not on forward-looking results) as well as individual performance, "claw-back" provisions in the service agreements may not be relevant or appropriate.

Independent Directors have no service contracts with the Group. The Board has also recommended a fixed directors' fee for Independent Directors, taking into account the effort, time spent and responsibilities of each Independent Director. The RC will recommend the quantum of directors' fees for each financial year to the Board for endorsement, before seeking shareholders' approval at each AGM.

The RC has reviewed the fee structure for Independent Directors as being reflective of their responsibilities and work commitments and recommends the directors' fee for FY2021 in accordance with the fee structure for shareholders' approval at the Company's AGM.

CORPORATE GOVERNANCE STATEMENT

DISCLOSURE ON REMUNERATION

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

The breakdown of the level and mix of remuneration of the Directors of the Company in bands of S$250,000 for FY2021 is set out below.

DIRECTORS	Salary	Bonus	Directors' Fees	Allowances and Other Benefits	Total Compensation
Above S$250,000 to S$500,000					
Ding Chek Leh	45%	43%	–	12%	100%
Below S$250,000					
Henry Ngo	–	–	–	–	–
Fong Heng Boo[1]	–	–	100%	–	–
Lim Hock Beng[2]	–	–	100%	–	–
Lim Chee San[3]	–	–	100%	–	–
Tan Soon Liang[4]	–	–	100%	–	–

1 Mr Fong Heng Boo retired on 28 April 2021

2 Mr Lim Hock Beng retired on 28 April 2021

3 Mr Lim Chee San was appointed Director on 28 April 2021

4 Mr Tan Soon Liang was appointed Director on 28 April 2021

In view of the competitiveness of the industry for key talent, the Company is of the view that it is in the best interests of the Group not to disclose the exact remuneration of the Directors. While the exact remuneration of the Directors is not given, the level and mix of remuneration in percentage terms of the individual Directors in bands of S$250,000 are provided. The Company believes that such disclosure will provide shareholders with an adequate appreciation of the remuneration packages of the Directors and is consistent with the intent of Principle 8 of the Code.

Key Management Personnel (who are not Directors)

	Mix of Remuneration			
	Salary	Bonus	Others	Total
Below S$250,000				
Executive 1	90%	–	10%	100%
Executive 2	88%	–	12%	100%
Executive 3	74%	11%	15%	100%
Executive 4	59%	16%	25%	100%
Executive 5	99%	–	1%	100%
Executive 6	76%	–	24%	100%

The remuneration of the top six key management personnel (who are not Directors) was shown in percentage breakdown, on a "no name" basis on concern over poaching of these key management personnel by competitors. Loss of key management personnel involves considerable time and costs in seeking replacement and time for new key management personnel to be inducted into the operational processes which would impact the Company's competitiveness. The Company believes the above disclosure provides a balance between the interest of the Company and provision of information to shareholders and is consistent with the intent of Principle 8 of the Code.

The total remuneration paid to the top six key management personnel was S$757,420 for FY2021.

There are no retirement, termination and post-employment benefits granted to the Directors and the key management personnel.

Employees who are substantial shareholders or immediate family members of a substantial shareholder, Directors or the General Managers

The Company does not have any employee who is a substantial shareholder of the Company, or an immediate family member of a substantial shareholder of the Company, Directors or the General Managers whose remuneration exceeded S$100,000 during FY2021.

Share Incentive Scheme

The Company does not have any share option or other share incentive schemes.

RISK MANAGEMENT AND INTERNAL CONTROLS

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

The Board is responsible for the governance of risk, including determining the nature and extent of the significant risks which the company is willing to take. The responsibility of overseeing the Company's risk management framework and policies is undertaken by the AC with the assistance of the internal auditors. Having considered the Company's business operations as well as its existing internal control and risk management systems, the Board is of the view that a separate risk committee is not required for the time being.

The Company maintains a system of internal controls for all companies within the Group. The internal controls are meant to provide reasonable assurance (but not absolute guarantee) that assets are adequately safeguarded, operational controls are in place, business risks are suitably protected and proper accounting records are maintained.

With the assistance of the internal auditors and through the AC, the Board reviews the effectiveness of the key internal controls at least annually and on an on-going basis, provides its perspective on management control and ensures that the necessary corrective and preventive actions are taken on a timely basis. There are formal procedures in place for both the internal and external auditors to report independently, conclusions and recommendations on the Group's internal controls to Management and to the AC.

The Company's systems of internal controls have a key role in the identification and management of risks that are significant to the achievement of its business objectives. The process of business risk management has been integrated throughout the Group in its business planning and monitoring processes. The results are reviewed by Management on a continuous basis. The overall risk management process and results will be reviewed by the Board. In addition, comprehensive exercises to assess the risk of each of the business division were conducted by the internal auditors with the participation from the Board and Management. This will provide the Board and the Management with another opportunity to relook at risk management issues.

For FY2021, the Board has received assurances from the Group Finance Manager and the Division Heads of Colex Environmental Pte Ltd and Integrated Property Management Pte Ltd that the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances and the Company's risk management and internal controls system are adequate and effective.

CORPORATE GOVERNANCE STATEMENT

The significant risk factors relevant to the Group's operations and the associated mitigating factors are discussed as follows:

Economic and market risks

The waste disposal and contract cleaning industry is competitive with many new players trying to under-bid or under-cut the fees of incumbent service providers with the aim of gaining market access or market share. The Company addresses such risks by ensuring that the Group operates within certain market niches where it has competitive advantages and that its costs are controlled to help the Group remain competitive.

Risks associated with labour-intensive operations

The lack of local workers willing to take up employment within this industry poses a recruitment problem, and the employment of foreign workers is subjected to government policies and regulations. The labour-related costs for the industry are also generally on the rise.

As the Group is generally reliant on labour for contractual fulfillment, the ability to attract and retain a pool of workers who are capable of performing the services required in a cost efficient and accident-free manner will be the key to the Group's ability in remaining ahead of the competition.

Financial risk

The Group's operational activities are mainly carried out in Singapore dollars, which is the Group's functional currency. There is minimal exposure to any currency risk arising from movements in foreign currency exchange rates.

The Group has no interest-bearing financial instruments and hence, it is not exposed to any movements in market interest rates. Fixed deposits placed with financial institutions are short term in nature and have minimal interest rates exposure.

The Group has policies in place to ensure that transactions are conducted with customers with strong credit ratings. The Group's credit risks and amount owing by customers are monitored on an on-going basis by the Division Heads. The waste disposal division relies on an external agent to carry out its billing for municipal waste collection and for private contracts. Therefore, it is exposed to the risk of uncollectable payables as it is dependent on the external agent for the collection of the payables. The external agent has comprehensive collection procedures to follow up on all the outstanding dues and reports such as aging are given for our regular review. There are also available plans by the external agent for the needy to pay by installment. Financial assistance scheme from the Government such as U-Save is available for those needy residences to settle their arrears. Please refer to Note 27 of the financial statements on page 72 of the Annual Report for a more comprehensive disclosure of our financial risk management.

The Board has relied on the independent auditor's report as set out in this Annual Report as assurance that the financial records have been properly maintained and the financial statements give true and fair view of the Group's operations and finances.

The Board has additionally relied on the internal auditor's reports in respect of, amongst others, areas in procurement and payments, sales and contract management, interested person transactions and human resource and payroll issued to the Company in respect of FY2021 as assurance that the Company's risk management and internal control systems are effective.

Confirmation Pursuant to Catalist Rule 1204(10) of the Listing Manual

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, reviews performed by Management and the various Board Committees, and interactions between the AC and the internal and external auditors, the Board is of the opinion that the Group's internal controls addressing financial, operational, compliance and information technology risks and risk management systems were adequate and effective during FY2021.The AC concurs with the Board's opinion.

AUDIT COMMITTEE

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

The AC comprises Mr Lim Chee San, Mr Tan Soon Liang and Mr Henry Ngo, the majority of whom, including its Chairman, are independent. The Chairman of the AC is Mr Lim Chee San, who is an Independent Non-Executive Director. The Independent Directors believe that the AC benefits and continues to benefit from the experiences and expertise of Mr Henry Ngo in carrying out its functions effectively.

The AC (excluding Mr Henry Ngo) meets with the external and internal auditors without the presence of Management at least once a year to, amongst others, ascertain if there are any material weaknesses or control deficiencies in the Group's financial reporting and operational systems. Mr Henry Ngo has been excluded from the aforesaid meeting(s) to ensure that the AC remains a platform for external and internal auditors to provide their independent opinions without the influence of Management. This arrangement is essential to ensure that the presence of an executive director on the AC will not lead to any conflict of interest or impede the independence of the AC.

Mr Lim holds a Bachelor of Law Degree (Honours) from the University of London and is a practicing lawyer. Mr Lim is also a Fellow of the Association of Chartered Certified Accountants, UK and a member of the Chartered Accountants, Singapore. He has extensive accounting and legal experience. Mr Tan holds a Bachelor of Business (Honours) Degree with Nanyang Technological University, majoring in Financial Analysis and a Master of Business Administration Degree from University of Hull, United Kingdom. Mr Tan is also a CFA Charterholder from the CFA Institute, United States and has considerable experience in corporate advisory, mergers and acquisitions, private equity and venture capital investments. Mr Henry Ngo brings to the AC his depth and breadth of commercial and business experience. All the AC members receive updates to accounting and issues which have a direct impact on financial statements from the external auditors as and when applicable, which enabled them to stay recent and relevant in performing their functions. The Board is of the view that the members of the AC have sufficient accounting and financial management expertise and experience to discharge the AC's functions.

Since their appointment to the AC and to date, none of the AC members were previous partners or directors of the Company's external audit firm and none of the AC members hold any financial interest in the external audit firm.

The AC functions under the terms of reference which sets out its responsibilities as follows:

- to review the audit plans of both the internal and external auditors;
- to review the scope and results of the auditors' reports and their evaluation of the Company's and of the Group's systems of internal controls and all non-audit services provided by the auditors to ensure that such services would not affect the independence of the auditors;
- to review and report to the Board at least annually the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls;
- to review the effectiveness and adequacy of the internal audit function that is outsourced to a professional firm;
- to review the co-operation given by the Company's officers to the internal and external auditors;
- to review the assurance from the Division Heads and Group Finance Manager on the financial records and financial statements and risk management and internal control systems;
- to review the financial statements of the Company and of the Group before submission to the Board;
- to review the significant financial reporting issues and judgements to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- to nominate and review the appointment of internal and external auditors and approve the fees to be paid to the auditors;
- to review with the auditors and Management on the general internal control procedures;
- to review the independence of the internal and external auditors;
- to review interested persons transactions and ensure that such transactions are conducted at arm's length and are not detrimental to the interests of the Company and its minority shareholders; and
- to review whistleblowing process by which the staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters, and where applicable to investigate into any whistleblowing issues raised.

CORPORATE GOVERNANCE STATEMENT

For FY2021, in addition to the review with the external auditor of the significant reporting issues and judgements to ensure the integrity of the financial statements of the Group, the AC also reviewed the key audit matter ("**KAM**") set out in the independent auditor's report for FY2021 and wishes to provide its perspective on the KAM.

The external auditor has identified revenue recognition and impairment assessment of property, plant and equipment as the KAM and sets out the work it had performed to ensure revenue recognition and impairment assessment of property, plant and equipment by the Group is in accordance with the accounting standards.

The AC considered the KAMs presented by the external auditors together with Management. The AC reviewed the revenue recognition and impairment assessment of property, plant and equipment policies of the Group and was satisfied with the underlying judgement and estimates used by the Management.

The AC has considered the appropriateness of the external auditor's work and findings and concurs with the external auditor as set out in the independent auditor's report for FY2021 in page 37.

The AC has the power to conduct or authorise investigations into any matters within the AC's scope of responsibility. The AC is authorised to obtain independent professional advice if it deems necessary in the discharge of its responsibilities. Such expenses are to be borne by the Company.

Each member of the AC shall abstain from voting on any resolutions in respect of matters he is interested in.

The AC has full access to and co-operation of the Management and has full discretion to invite any director or executive officer to attend its meetings, and has been given reasonable resources to enable it to discharge its functions. While the Company does not have a Chief Financial Officer, the Group's finance functions and reporting functions are supervised by the Group Finance Manager reporting to Mr Kelvin Liew Kim Tiong, the Director- Waste Operation Division of Colex Environmental Pte Ltd.

The AC meets with both the internal and external auditors without the presence of the Management (including Mr Henry Ngo) at least once every financial year and had done so during FY2021.

The Company confirms that it has complied with Rules 712 and 715 of the Catalist Rules in engaging PricewaterhouseCoopers LLP ("**PWC**") as auditor of the Company and its subsidiaries for FY2021.

The AC reviews the independence of the external auditors, PWC annually. The annual audit fee of S$66,000 and non-audit fee of S$25,000 were paid in FY2021. The AC has reviewed the nature and extent of the services rendered by the external auditors for the financial year ended 31 December 2021 and is satisfied that the independence of the external auditors have not been impaired. The AC, in its review of the audit report with the external auditors, was satisfied with the adequacy of the work carried out by the external auditors and the quality of the external auditors through the audit indicators presented during the audit committee meeting. The AC has recommended their re-appointment to the Board.

Whistleblowing Policy

The AC is responsible for oversight and monitoring of any whistleblowing matters.

The Company has in place a channel for whistleblowers to raise concerns to an Information Receiver who may be the Human Resource Manager, Assistant General Manager, Executive Director, Chairman or Independent Directors of the Company.

All whistleblowing reports will be handled confidentially, except as necessary or appropriate to conduct investigation and to take remedial action, in accordance with the applicable law and regulations. In this regard, the identity of the whistleblower making the allegation will be kept confidential and confined to disclosures on a need-to-know basis to the AC, the investigating team, the Board of Directors of the Company; and any party to whom the identity of the whistleblower is required to be disclosed by law.

CORPORATE GOVERNANCE STATEMENT

Investigations to be carried out on a whistleblowing report will be referred to the AC who shall nominate an independent investigation team to conduct the investigation. All members of the investigation team shall be independent and conduct the investigation impartially. Depending on the nature of the whistleblowing matter or information provided, the investigation team (upon approval from the AC) may consult external professionals with relevant knowledge or experience to assist with the investigation.

The Company will not tolerate the harassment or victimisation of anyone reporting a genuine concern. Furthermore, no person should suffer reprisal as a result of reporting a genuine concern, even if they turn out to be mistaken. If the whistleblower has suffered adverse treatment, harassment or victimisation as a result of his or her disclosure, he or she should submit a formal complaint under the grievance procedure to the Human Resource Manager and any higher authority, as appropriate, An investigation may take place and disciplinary action may be taken against any person who attempts to impede, prevent, or obstruct a whistleblowing report from being made or an investigation from being carried out; or harass or victimise the whistleblower or subject the whistleblower to detrimental or unfair treatment.

Following investigation and evaluation of a complaint, the AC Chairman shall report to the Board on any whistleblowing report which may have a material impact to the Company's financial statements, internal controls or risk management. The action determined by the AC to be appropriated shall be brought to the Board or to appropriate members of the senior management for authorisation and implementation respectively.

Internal Audit

The AC approves the hiring, removal, evaluation and compensation of the internal auditor. The internal audit function ("**IA**") of the Company is outsourced to KPMG Services Pte Ltd ("**KPMG**"). The IA reviews the effectiveness of key internal controls, including financial, operational and compliance controls for selected scope of review annually, as approved by the AC. Procedures are in place for the IA to report independently on their findings and recommendations to the AC for review. The IA reports primarily to the Chairman of the AC and has full access to the Company's documents, records, properties and personnel of the Group, including access to AC.

The Company's internal audit function is independent of the external audit. The IA, KPMG, is a member of the Institute of Internal Auditors Singapore, and staffed with professionals with relevant qualifications and experience. The Company's engagement with KPMG stipulates that its work shall comply with the KPMG's global internal auditing standards and the International Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors (IIA Standards). KPMG has confirmed compliance with the above standards. KPMG has also confirmed their independence to the AC.

During the year, the IA adopted a risk-based audit approach that focused on material internal controls, including financial, operational, compliance and information technology controls. Audits were carried out on all significant business units in the Group. All IA reports are submitted to the AC for deliberation with copies of these reports extended to the Chairman, Executive Director and the relevant key management personnel. The IA has unfettered access to all the Company's documents, records, properties and personnel, including access to the AC.

The AC is satisfied that the internal audit function has adequate resources to perform its function effectively. The AC is satisfied that the internal audit function is staffed by suitably qualified and experienced professionals with the relevant qualifications and experience.

The AC has reviewed the Company's internal control assessment and based on the internal auditors' and the internal controls in place, it is satisfied that there are adequate and effective internal controls to meet the needs of the Group in its current business environment. The AC is satisfied that the internal audit function is independent, effective and adequately resourced.

CORPORATE GOVERNANCE STATEMENT

SHAREHOLDER RIGHTS AND ENGAGEMENT

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

The Company's AGMs are the principal forums for dialogue with shareholders. The Directors, including the chairpersons of each of the Board Committees are normally available at the meetings to address shareholders' queries. The external auditors shall also be present to assist the Directors in addressing any relevant queries by the shareholders. In 2021, the Company held one general meeting, being the AGM which was attended by all the Directors in office save for Mr Lim Hock Beng who retired at the AGM.

Shareholders are encouraged to attend the AGMs and/or the extraordinary general meetings to ensure high levels of accountability and to stay appraised of the Group's strategy and goals. Notice of the meetings will be announced on the SGXNET and posted on the Company's corporate website.

The Company's Constitution allows a member (other than a relevant intermediary as defined in Section 181 of the Companies Act 1967) to appoint one or two proxies to attend and vote for him in his absence at its general meetings. The Companies Act 1967 allows relevant intermediaries which include CPF agent banks nominees to appoint multiple proxies, and empower CPF investors to attend and vote at general meetings of the Company as their CPF agent banks' proxies.

The Company will have separate resolutions at general meetings on each distinct issue. All resolutions at the forthcoming AGM would be put to vote by poll. This will allow greater transparency and more equitable participation by shareholders. Votes cast for and against each resolution will be tallied and scrutinized by the scrutineer and announced to shareholders. The detailed results including the total number and percentage of votes cast for and against each resolution will be announced via SGXNET after the conclusion of the general meeting.

The Company prepares minutes of general meetings detailing the proceedings and questions raised by shareholders and answers given by the Board and Management. The minutes will be taken and published on the SGXNET and on the Company's corporate website at www.colex.com.sg/investor-relations/ within a month from the general meeting.

Due to the COVID-19 situation, the AGM in 2021 was held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Shareholders could not attend the meeting in person and alternative arrangement was made for them to attend virtually via live audio-visual webcast or live audio only stream. Shareholders were allowed to vote by submitting proxy forms appointing Chairman of the meeting as their proxy. Shareholders were requested to submit their questions ahead of the meetings. Questions raised by the shareholders were addressed ahead of the meetings and published on the Company's corporate website and on SGXNET. In view of the continuing COVID-19 situation, the Company will be conducting the forthcoming annual general meeting in similar manner.

The Company does not have a policy on payment of dividend. The Board will consider the Group's level of cash and retained earnings and projected capital expenditure and investments in its decision on proposing dividends.

ENGAGEMENT WITH SHAREHOLDERS

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

In line with continuous obligations of the Company pursuant to the Catalist Rules, the Board's investor relations policy is that all shareholders be informed in a comprehensive manner and on a timely basis of all major developments that impact the Group. The Company does not practice selective disclosure and price sensitive information is publicly released on an immediate basis where required under the Catalist Rules.

Information is disseminated to shareholders on a timely basis through:

- SGXNET announcements and news releases;
- Annual Report prepared and issued to all shareholders;
- Notices of and explanatory memoranda for annual general meetings and extraordinary general meetings; and
- Company's website at www.colex.com.sg where shareholders can access timely information on the Group.

The Board strives to ensure that timely disclosure is made regarding all material business matters affecting the Group so as to maintain a high level of transparency. All announcements by the Company are made through SGXNET.

To further enhance its communication with the shareholders and investors, the Company's website allows the public to have access to information on the Group including the Company's announcements made to the SGX-ST and the contact email at investorrelations@colex.com.sg allows shareholders and investors to contact the Company if there are any concerns relating to the Company.

ENGAGEMENT WITH STAKEHOLDERS

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

The Group's material stakeholders are its shareholders, customers, employees, business partners and the community and the Company engages with them through its sustainability initiatives which shall be set out in its Sustainability Report for FY2021. Please refer to the Sustainability Report to be uploaded on SGXNET and the Company's corporate website by 31 May 2022.

The Group maintains a corporate website at www.colex.com.sg/investor-relations/ which stakeholders can access information on the Group.

Dealing in Securities

The Company has complied with Rule 1204(19) of the Catalist Rules in relation to dealings in the Company's securities by Directors and officers of the Company.

The Company has in place a policy prohibiting dealings of the Company's securities by the Company, its Directors and officers on short-term considerations or when they are in possession of price sensitive information and during the period of one month prior to the announcement of the Company's half-year and full-year results, as the case may be, and ending on the date of the announcement of the relevant results. Directors and officers of the Company are expected to observe the insider trading laws at all times even when dealing in securities within the permitted trading period.

The Company has complied with the best practices pursuant to Catalist Rule 1204(19)(c) in not dealing in its own securities during the restricted trading periods.

Interested Persons Transactions Policy

The Company has adopted an internal policy in respect of any transactions with interested persons and has established procedures for the review and approval of the interested person transactions entered into by the Group. The AC has reviewed the rationale and terms of the Group's interested person transactions and is of the view that the interested person transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company's shareholders.

CORPORATE GOVERNANCE STATEMENT

The Group has a general mandate for recurrent interested person transactions approved by shareholders at the extraordinary general meeting held on 17 April 2013. The renewal of the interested person transactions mandate was approved by shareholders at the annual general meeting held on 28 April 2021. Save as disclosed below, there are no other interested person transactions for FY2021.

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Goldvein Pte Ltd	refer note 1	–	S$314,784
Allsland Pte Ltd	refer note 2	–	S$256,883
Richvein Pte Ltd	refer note 3	–	S$317,383

1 Mr Henry Ngo has a 21.26% direct interest and a deemed interest of 2.69% (held through Allsland Pte Ltd) in Bonvests Holdings Limited ("**Bonvests**"). He also holds 40% interest in the issued share capital of Goldvein Holdings Pte Ltd ("**Goldvein**") which in turn holds 59.78% shareholdings in the issued share capital of Bonvests. Bonvests in turn holds 100% shareholdings in Goldvein Pte Ltd. Accordingly, Mr Henry Ngo is deemed interested in the whole of the issued share capital of Goldvein Pte Ltd by virtue of Section 7 of the Companies Act 1967 (the "**Companies Act**"), and Goldvein Pte Ltd is an interested person as defined by the Catalist Rules.

2 Allsland Pte Ltd is wholly-owned by Mr Henry Ngo. Accordingly, Allsland Pte Ltd is an interested person as defined by the Catalist Rules.

3 Bonvests holds 100% shareholdings in the issued share capital of Richvein Pte Ltd. Accordingly, Mr Henry Ngo is deemed interested in the whole of the issued share capital of Richvein Pte Ltd by virtue of Section 7 of the Companies Act, and Richvein Pte Ltd is an interested person as defined by the Catalist Rules.

Material Contracts

Save for the service agreements between the Division Heads (of whom Mr Ding Chek Leh is also a Director of the Company) and the Company as mentioned above, there were no material contracts entered into by the Company or its subsidiaries involving the interests of its Chairman or any Directors or controlling shareholders which are either still subsisting as at the end of FY2021 or if not then subsisting, entered into since the end of the previous financial year.

Treasury Shares

There were no treasury shares held by the Company as at the end of the financial year ended 31 December 2021.

Non-Sponsor Fees

No non-sponsor fees were paid/payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. for FY2021.

DIRECTOR'S INFORMATION

Information on Director nominated for re-election – Appendix 7F of the Catalist Rules

	Name of director to be Re-elected
	Mr Ding Chek Leh
Date of appointment	17.06.2020
Date of last re-appointment	Not applicable
Age	63
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Ding, Director and General Manager of Integrated Property Management Pte Ltd ("**IPM**"), a subsidiary of the Company, was recommended by the NC based on his attendance and participation at Board meetings and he has been effective in discharging his duties as a Director. The Board has accepted the NC's recommendation.
Whether the appointment is executive and if so, please state the area of responsibility	Yes, Director in charge of the cleaning division of the Group.
Job title (e.g. Lead ID, AC Chairman, AC member, etc)	Director
Professional memberships/qualifications	Honours degree in Bachelor of Engineering from the University of Canterbury (New Zealand)
Working experience and occupation(s) during the past 10 years	Mr Ding is the Director and General Manager in charge of IPM, a subsidiary of the Company. He worked with the Housing Development Board of Singapore for three years as an Estate Officer before joining IPM in July 1987 as its Operations Manager. Mr Ding was promoted to Senior Operations Manager in April 1989 and subsequently to General Manager in September 1990. He was appointed as Director in June 2020.
Shareholding interest in the Company and its subsidiaries	Nil
Any relationship (including immediate family member relationships) with any existing director, existing executive officer, the Company and/or substantial shareholder of the Company or any of its principal subsidiaries	Nil
Conflict of Interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) submitted to the Company?	Yes
Other principal commitments[1] including Directorships	
– Present	– Director of Integrated Property Management Pte. Ltd. – Director of Juz Clean Pte. Ltd.
– Past (for the last 5 years)	Nil

[1] Include all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.

DIRECTOR'S INFORMATION

The general statutory disclosures of the Directors are as follows:	**Name of director to be Re-elected**
	Mr Ding Chek Leh
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No

DIRECTOR'S INFORMATION

The general statutory disclosures of the Directors are as follows:	**Name of director to be Re-elected**
	Mr Ding Chek Leh
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–	No
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange	Yes, Mr Ding was a Director of Colex Holdings Limited from March 1999 to April 2018
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2021 and the statement of financial position of the Company as at 31 December 2021.

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements, in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International);

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Henry Ngo	
Ding Chek Leh	
Lim Chee San (Independent Director)	(appointed on 28 April 2021)
Tan Soon Liang (Independent Director)	(appointed on 28 April 2021)

Arrangements to enable directors to acquire shares and debentures

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

Directors' interest in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

		Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
Name of director The Company (no. of ordinary shares)	Name of company in which shares are held	As at 1.1.2021	**As at 31.12.2021 and 21.1.2022**	As at 1.1.2021	**As at 31.12.2021 and 21.1.2022**
Henry Ngo	Colex Holdings Limited	1,720,000	**1,720,000**	104,611,560	**105,597,660**
Immediate holding company (no. of ordinary shares)					
Henry Ngo	Bonvests Holdings Limited	85,357,128	**85,357,128**	249,377,569	**250,800,369**
Ultimate holding company (no. of ordinary shares)					
Henry Ngo	Goldvein Holdings Pte. Ltd.	42,502,922	**42,502,922**	–	**–**

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Share option scheme

No options to take up unissued shares of the Company or any subsidiaries have been granted during the financial year.

No shares were issued during the financial year to which this report relates by virtue of the exercise of the options to take up unissued shares of the Company or any subsidiaries.

There were no unissued shares of the Company or any subsidiaries under option at 31 December 2021.

Audit Committee

The Audit Committee at the end of the financial year comprises the following members:

Lim Chee San (Chairman)
Tan Soon Liang
Henry Ngo

All members of the Audit Committee are non-executive directors. Except for Mr Henry Ngo who is an Executive Director of Bonvests Holdings Limited, the immediate holding corporation of the Group, all members are independent.

The Audit Committee performs the functions set out in Section 201B(5) of the Singapore Companies Act 1967, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the committee reviewed the following:

(i) overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors to discuss the results of their respective examinations;

(ii) the quarterly financial information and the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2021 as well as the auditor's report thereon;

(iii) effectiveness of the Company's internal controls, including financial, operational and compliance controls and information technology controls and risk management systems via reviews carried out by the internal auditors;

(iv) interested persons transactions (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommend to the Board of Director that PricewaterhouseCoopers LLP be nominated for re-appointment as external auditor at the forthcoming annual general meeting.

Full details regarding the Audit Committee are provided in the Corporate Governance Statement.

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

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP has expressed its willingness to accept reappointment.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Other information required by the SGX-ST

Material information

Apart from the Service Agreements between the executive directors and the Company, there are no material contract to which the Company or any subsidiaries, is a party which involve directors' interests subsisted or have been entered into during the financial year.

Interested persons transactions

There was no interested persons transaction as defined in Chapter 9 of Listing Manual of the Singapore Exchange conducted during the financial year except as disclosed under "Interested Persons Transactions" in the "Corporate Governance Statement Policy" and in Note 23 to the financial statements.

On behalf of the directors

DING CHEK LEH Director	LIM CHEE SAN Director

16 March 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF COLEX HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Colex Holdings Limited (the "**Company**") and its subsidiaries (the "**Group**") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the statement of financial position of the Company as at 31 December 2021;
- the statement of financial position of the Group as at 31 December 2021;
- the consolidated statement of comprehensive income of the Group for year then ended;
- the consolidated statement of changes in equity of the Group for the year then ended;
- the consolidated statement of cash flows of the Group for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

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

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

Independence

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

INDEPENDENT
AUDITOR'S REPORT

TO THE MEMBERS OF COLEX HOLDINGS LIMITED

Our Audit Approach

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	**How our audit addressed the Key Audit Matter**
1. *Revenue recognition from waste disposal and contract cleaning* *Refer to Note 2.16 and Note 4 to the financial statements.* For the financial year ended 31 December 2021, revenue from waste disposal and contract cleaning amounted to approximately S$19.1 million and S$23.4 million respectively. Revenue is recognised and accrued as the services are rendered over time. We focused on revenue recognition as it is a significant area and there is a risk that revenue could be misstated due to the high volume of customer accounts serviced by the Group.	We have performed the following procedures in relation to revenue recognition: • understood, evaluated and tested relevant accounting controls over the revenue recognition process; • tested the period of service billed by checking to underlying supporting documents, on a sample basis; • tested rates applied to underlying agreements, on a sample basis; • re-computed contractual revenue to ascertain the accuracy of the contractual revenue recorded by management for the financial year, on a sample basis; • obtained independent confirmation from the third-party agent on the total fees billed to customers for waste disposal services rendered for the current financial year; • performed cut-off procedures to ensure that revenue is recorded in the correct period; and • reviewed credit notes issued after year-end on a sample basis to ensure that they do not relate to revenue recognised for the current financial year. Based on the work performed, we found the Group's revenue recognition relating to waste disposal and contract cleaning to be appropriate.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF COLEX HOLDINGS LIMITED

Key Audit Matter	How our audit addressed the Key Audit Matter
2. *Impairment assessment of property, plant and equipment ("**PPE**")* *Refer to Note 3 (Critical accounting estimates and assumptions) and Note 5 (Property, plant and equipment) to the financial statements.* As at 31 December 2021, the Group's PPE were carried at net book value of S$14.2 million. For PPE with indicators of impairment, management performed an impairment review to assess the recoverable amounts of these assets based on the higher of value-in-use ("**VIU**") and fair value less costs to sell ("**FVLCTS**"). In the current financial year, management assessed that there was objective evidence or indication that the PPE related to the waste disposal segment of the Group may be impaired. For the financial year ended 31 December 2021, based on management's assessment, the carrying amount of certain plant, equipment and containers exceeds the recoverable amount of $4.3 million and as such, impairment losses of $0.7 million were recorded for the financial year. The recoverable amount for these PPE was estimated based on FVLCTS. In the determination of the recoverable amounts of certain PPE using the FVLCTS approach, management has obtained third party quotations from external vendors and compared the quoted values to the carrying amount of the PPE. In the determination of the recoverable amounts of certain PPE using the VIU approach, management's assessment involved significant judgement about the projected sales, profit margins and the discount rates applied to cash flow projections. We focused on this area as the impairment assessment of PPE required management to exercise significant judgement in assessing the appropriateness of inputs and assumptions used in determining the recoverable amounts of the PPE.	We have performed the following procedures in relation to the impairment assessment of PPE: • assessed management's basis of measuring the recoverable amounts of the PPE based on the higher of VIU and FVLCTS; • evaluated the process by which management's impairment assessment were developed, including verifying the mathematical accuracy of the underlying calculations; • for impairment assessment using the VIU approach, we have assessed the reasonableness of the cash flow projections and compared the projected sales and profit margins against the historical data and performance and latest financial budgets approved by management. We have also engaged our valuation specialists to review the discount rates used by management; and • for impairment assessment using the FVLCTS approach, we have agreed the quoted values per management's impairment assessment to quotes obtained from external vendors. Based on our procedures performed, we found that the key inputs and assumptions used in management's assessment were reasonable. We also considered the appropriateness and adequacy of the disclosures made in the financial statements.

INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF COLEX HOLDINGS LIMITED

Other Information

Management is responsible for the other information. The other information comprises the Directors’ Statement (but does not include the financial statements and our auditor’s report thereon), which we obtained prior to the date of this auditor’s report, and the other sections of the annual report (the “**Other Sections**”), which are expected to be made available to us after that date.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Magdelene Chua.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore,

16 March 2022

STATEMENT OF FINANCIAL POSITION – THE COMPANY

AS AT 31 DECEMBER 2021

	Note	2021 $	2020 $
ASSETS			
Non-current asset			
Investments in subsidiaries	8	**4,588,705**	4,588,705
Current assets			
Trade and other receivables	10	**17,373,303**	9,373,552
Deposits	11	**–**	150
Prepayments	11	**2,700**	2,700
Cash and cash equivalents	12	**3,551,984**	1,749,202
		20,927,987	11,125,604
Total assets		**25,516,692**	15,714,309
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	13	**14,523,504**	14,523,504
Retained profits		**10,895,488**	1,097,102
Total equity		**25,418,992**	15,620,606
Current liabilities			
Trade and other payables	16	**47,700**	43,700
Accrual for directors' fees		**50,000**	50,000
Current income tax liabilities		**–**	3
		97,700	93,703
Total liabilities		**97,700**	93,703
Total equity and liabilities		**25,516,692**	15,714,309

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

STATEMENT OF FINANCIAL POSITION – THE GROUP

AS AT 31 DECEMBER 2021

	Note	2021 $	2020 $
ASSETS			
Non-current asset			
Property, plant and equipment	5	**14,209,073**	17,460,846
Current assets			
Inventories	9	**129,838**	117,882
Trade and other receivables	10	**7,635,797**	7,582,523
Deposits	11	**116,027**	150,456
Prepayments	11	**207,869**	245,764
Cash and cash equivalents	12	**16,826,294**	16,934,761
Current income tax recoverable	20	**80,514**	–
		24,996,339	25,031,386
Total assets		**39,205,412**	42,492,232
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	13	**14,523,504**	14,523,504
Retained profits		**15,751,502**	16,435,526
Total equity		**30,275,006**	30,959,030
Non-current liabilities			
Provision	14	**740,000**	740,000
Deferred tax liabilities	15	**1,003,351**	1,269,261
Lease liabilities	6(a)	**2,664,701**	2,856,705
		4,408,052	4,865,966
Current liabilities			
Trade and other payables	16	**3,706,957**	3,676,159
Deferred grant income	16	**–**	1,961,226
Accrual for directors' fees		**50,000**	50,000
Lease liabilities	6(a)	**765,397**	496,564
Current income tax liabilities	20	**–**	483,287
		4,522,354	6,667,236
Total liabilities		**8,930,406**	11,533,202
Total equity and liabilities		**39,205,412**	42,492,232

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

CONSOLIDATED STATEMENT OF **COMPREHENSIVE INCOME**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	**2021** **$**	2020 $
Revenue	4	**42,531,615**	47,214,689
Other income	17	**3,760,327**	5,109,857
Cost of inventories and consumables	9	**(767,175)**	(885,120)
Staff costs	18	**(25,961,175)**	(27,683,794)
Depreciation expenses	5	**(4,086,440)**	(3,882,079)
Other expenses	19	**(15,939,246)**	(18,136,683)
Impairment loss on financial assets – net	27(c)(ii)	**(19,707)**	(31,754)
Impairment loss on property, plant and equipment	5	**(725,910)**	–
Finance costs	6(c)	**(179,398)**	(178,314)
(Loss)/Profit before income tax		**(1,387,109)**	1,526,802
Income tax credit	20(a)	**703,085**	239,532
(Loss)/Profit after tax and total comprehensive (loss)/income attributable to equity holders of the Company		**(684,024)**	1,766,334
(Loss)/Earnings per share attributable to equity holders of the Company (expressed in cents per share)	21		
– Basic		**(0.52)**	1.33
– Diluted		**(0.52)**	1.33

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

CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	Share capital $	Retained profits* $	Total $
2021				
Balance as at 1 January 2021		**14,523,504**	**16,435,526**	**30,959,030**
Total comprehensive loss		**–**	**(684,024)**	**(684,024)**
Balance as at 31 December 2021		**14,523,504**	**15,751,502**	**30,275,006**
2020				
Balance as at 1 January 2020		14,523,504	28,517,799	43,041,303
Total comprehensive income		–	1,766,334	1,766,334
Dividends paid	22	–	(13,848,607)	(13,848,607)
Balance as at 31 December 2020		14,523,504	16,435,526	30,959,030

* Profits are distributable.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
(Loss)/Profit before income tax		**(1,387,109)**	1,526,802
Adjustments for:			
Depreciation of property, plant and equipment	5	**4,086,440**	3,882,079
Impairment loss on property, plant and equipment	5	**725,910**	–
Property, plant and equipment written off	19	**99,791**	233,744
Impairment loss on financial assets – net	27(c)(ii)	**19,707**	31,754
Finance costs	6(c)	**179,398**	178,314
Gain on disposal of property, plant and equipment	17	**(32,724)**	(120,471)
Interest income	17	**(36,734)**	(134,389)
Operating profit before working capital changes		**3,654,679**	5,597,833
Changes in working capital:			
– Inventories		**(11,956)**	22,911
– Trade and other receivables		**(77,395)**	3,278,064
– Deposits and prepayments		**72,324**	(57,924)
– Trade and other payables		**30,798**	(1,057,397)
– Deferred grant income		**(1,961,226)**	1,961,226
Cash generated from operations		**1,707,224**	9,744,713
Interest received		**41,148**	252,877
Income tax paid	20(b)	**(126,626)**	(387,566)
Net cash provided by operating activities		**1,621,746**	9,610,024
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		**243,448**	212,463
Acquisition of property, plant and equipment		**(902,428)**	(786,442)
Receipt of government grant relating to property, plant and equipment		**–**	52,700
Net cash used in investing activities		**(658,980)**	(521,279)
Cash flows from financing activities			
Principal and interest repayments of lease liabilities		**(1,071,233)**	(813,362)
Dividends paid	22	**–**	(13,848,607)
Net cash used in financing activities		**(1,071,233)**	(14,661,969)
Net decrease in cash and cash equivalents		**(108,467)**	(5,573,224)
Cash and cash equivalents			
Beginning of financial year		**16,934,761**	22,507,985
End of financial year	12	**16,826,294**	16,934,761

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Reconciliation of liabilities arising from financing activities

	1 January 2021 $	Principal and interest payments $	Non-cash changes Finance costs $	Non-cash changes Additions $	**31 December 2021** **$**
Lease liabilities	**3,353,269**	**(1,071,233)**	**179,398**	**968,664**	**3,430,098**

	1 January 2020 $	Principal and interest payments $	Non-cash changes Finance costs $	Non-cash changes Additions $	31 December 2020 $
Lease liabilities	3,313,638	(813,362)	178,314	674,679	3,353,269

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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

1. GENERAL INFORMATION

Colex Holdings Limited (the "**Company**") is listed on the Catalist secondary board on the Singapore Exchange and was incorporated as a limited liability company and is domiciled in Singapore. The registered office is located at 541 Orchard Road #16-00, Liat Towers, Singapore 238881.

The principal activity of the Company is that of an investment holding company. The principal place of business is located at 8 Tuas South Street 13, Singapore 637083. The principal activities of its subsidiaries are set out in Note 8.

The immediate holding company is Bonvests Holdings Limited, whilst the ultimate holding company is Goldvein Holdings Pte. Ltd.. Both companies are incorporated in Singapore.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The financial statements are presented in Singapore Dollar ("**$**") which is the Company's functional currency. All financial information is presented in Singapore Dollar, unless otherwise stated.

The preparation of these financial statements in conformity with SFRS(I)s requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2021

On 1 January 2021, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("**INT SFRS(I)**") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

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

2.2 Group accounting

(a) Subsidiaries

(i) Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances. Information on its subsidiaries is disclosed in Note 8.

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

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Group accounting (Cont'd)

(a) Subsidiaries (Cont'd)

(i) Consolidation (Cont'd)

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

(ii) Acquisitions

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

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

Acquisition-related costs are expensed as incurred.

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

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

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

(iii) Disposals

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

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

Please refer to the paragraph "Investments in subsidiaries" (Note 2.3) for the accounting policy on investments in subsidiaries in the separate financial statement of the Company.

(b) Transactions with non-controlling interests

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position (Note 2.15).

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

2.4 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives as follows:

	Useful lives
Leasehold land, building, site improvements and properties	Over remaining lease period
Plant, equipment and containers	5 – 10 years
Office furniture and equipment	3 – 5 years
Motor vehicles	5 – 10 years

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

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

The projected cost of dismantlement and restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement and restoration is incurred as a consequence of either acquiring the asset or using the asset for purpose other than to produce inventories.

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

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and it carrying amount is recognised in profit and loss within "other income" or "other expenses".

2.5 Financial assets

(a) Classification and measurement

The Group classifies its financial assets as financial assets subsequently measured at amortised cost. The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

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

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.5 Financial assets (Cont'd)

(a) *Classification and measurement (Cont'd)*

At initial recognition

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

At subsequent measurement

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

(b) *Impairment*

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 27(c) details how the Group determines whether there has been a significant increase in credit risk.

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

(c) *Recognition and derecognition*

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

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

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

2.6 Inventories

Inventories which principally comprise consumables and bins to be consumed in the rendering of services, are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out basis, and includes all costs in bringing the inventories to their present location and condition.

Allowance is made for obsolete, slow-moving and defective inventories in arriving at the net realisable value.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

2.8 Share capital

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

2.9 Dividends

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

2.10 Trade and other payables

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

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

2.11 Provision

A provision is recognised when the Company and the Group have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Present obligations arising from onerous contracts are recognised as provisions.

The provision for dismantlement and restoration is based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value of money. Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement, removal and restoration costs are adjusted against the cost of the related property, plant and equipment, unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in profit or loss immediately.

The directors review the provision annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

If the effect of the time value of money is material, provision is discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of the time is recognised as finance costs.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Leases

(a) *When the Group is the lessee*

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

- Right-of-use assets

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

These right-of-use assets 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 are presented within "Property, plant and equipment".

- Lease liabilities

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

Lease payments include the following:

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

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

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

– There is a change in future lease payments arising from changes in an index or rate;
– There is a change in the Company'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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Leases (Cont'd)

(a) When the Group is the lessee (Cont'd)

- Short term and low value leases

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

(b) When the Group is the lessor

The Group leases industrial space under operating leases to a related company.

- 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.

- 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.

  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 within "Trade and other 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 "Other income". The right-of-use asset relating to the head lease is not derecognised.

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

2.13 Income taxes

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

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.13 Income taxes (Cont'd)

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting or taxable profit or loss at the time of the transaction.

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

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

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the date of the financial position; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the date of the financial position, to recover or settle the carrying amounts of its assets and liabilities.

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

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

2.14 Employee benefits

(a) *Defined contribution plans*

The Company and the Group participate in the defined contribution national pension schemes as provided by the laws of the countries in which it has operations. In particular, the Singapore incorporated companies in the Group contribute to the Central Provident Fund, a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The contributions to national pension schemes are charged to the profit or loss in the period to which the contributions relate. The Group has no further payment obligations once the contributions have been paid.

(b) *Employee leave entitlements*

Employee entitlements to annual leave are recognised as and when they become entitled to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of the reporting period.

(c) *Key management personnel*

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors (and certain managers) are considered key management personnel.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Impairment of non-financial assets

Property, plant and equipment
Investments in subsidiaries

Property, plant and equipment and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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

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

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

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

2.16 Revenue recognition

The Group provides waste disposal services and contract cleaning services. Sales are recognised in the accounting period in which the services are rendered. For recurring service contracts, revenue is recognised over time as the services are provided. The stage of completion is determined based on the output method (time lapsed) which commensurate with the pattern of transfer of provision of services to the customers. Revenue from ad-hoc cleaning services is recognised at a point in time, based on the price specified in the contract, as and when the services are rendered.

The customers are invoiced monthly. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

2.17 Other income

(a) *Interest income*

Interest income is recognised on a time-apportioned basis using the effective interest rate method.

(b) *Operating lease income*

Operating lease income is recognised on straight-line basis over the lease term.

(c) *Government grants*

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.18 Functional currency

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

2.19 Operating segments

For management purposes, operating segments are organised based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers are directly accountable to the Board of Directors who regularly reviews the segment results in order to allocate resources to the segments and to assess segment performance.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

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

Impairment of property, plant and equipment ("PPE")

Property, plant and equipment are reviewed for impairment whenever there is indication that the assets are impaired in accordance with the accounting policy stated in Note 2.15. If any such indication exists, management will perform an impairment assessment by comparing the carrying amount of the related PPE or the cash-generating unit ("**CGU**") against the recoverable amount. The recoverable amount is estimated based on the higher of value-in-use ("**VIU**") and fair value less costs to sell ("**FVLCTS**") of the asset or CGU.

For the purpose of impairment assessment, management has identified CGUs based on the type of service being rendered as the asset within each CGU does not generate cash inflows that are largely independent of those from other assets. For the remaining assets, the recoverable amount is determined on an individual asset basis.

In the determination of the recoverable amounts using the FVLCTS approach, management has obtained third party quotations from external vendors.

In the determination of the recoverable amounts using the VIU approach, management's assessment involves significant judgement about the projected sales and gross profit margins, particularly in relation to the future results of the business; and the discount rates applied to cash flow projections. The VIU calculation comprised of cash flow projections which were based on financial budgets approved by the Board of Directors covering a 3-year period discounted using the pre-tax weighted average cost of capital of 11% (2020: 9%). Management had determined the forecasted cash flows based on past performance and their current expectations of market development.

For the financial year ended 31 December 2021, based on management's assessment, the carrying amount of certain plant, equipment and containers within the rear loaders CGU in the waste disposal segment exceeded the recoverable amount of $4,323,499 and as such, impairment losses of $725,910 were recorded for the financial year. The recoverable amount was estimated based on FVLCTS.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (Cont'd)

Impairment of property, plant and equipment ("PPE") (Cont'd)

Management has performed a sensitivity analysis by assessing the impact to the headroom when certain key inputs changes. For the financial year 2021, the sensitivity of the key inputs are as follows:

Key inputs	Impact on headroom
Value-in-use	
Discount rate	Increase by 1% will result in decrease of headroom by approximately $15,000
Projected profit margins	Decrease by 5% will result in decrease of headroom by approximately $27,000
Fair value less cost to sell	
Market selling price of the related asset	Decrease by 1% will result in decrease of headroom by approximately $36,000

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of services over time and at a point in time in the following major service lines.

	Over time $	At a point in time $	Total $
2021			
Waste disposal	**19,094,760**	**–**	**19,094,760**
Contract cleaning	**23,061,325**	**375,530**	**23,436,855**
	42,156,085	**375,530**	**42,531,615**
2020			
Waste disposal	22,870,087	–	22,870,087
Contract cleaning	23,995,714	348,888	24,344,602
	46,865,801	348,888	47,214,689

5. PROPERTY, PLANT AND EQUIPMENT

The Group	Leasehold land, building, site improvement and properties $	Plant, equipment and containers $	Office furniture and equipment $	Motor vehicles $	Total $
Cost					
At 1 January 2020	10,001,833	13,407,428	301,538	15,905,663	39,616,462
Additions	642,201	654,552	64,568	47,100	1,408,421
Disposals	(386,663)	(671,732)	–	(181,292)	(1,239,687)
Write-offs	–	(1,667,184)	(69,455)	(12,162)	(1,748,801)
At 31 December 2020	10,257,371	11,723,064	296,651	15,759,309	38,036,395
Additions	**968,664**	**724,493**	**3,938**	**173,997**	**1,871,092**
Reclassification	**–**	**83,864**	**–**	**(83,864)**	**–**
Disposals	**(84,794)**	**(196,286)**	**–**	**(1,539,132)**	**(1,820,212)**
Write-offs	**–**	**(617,985)**	**(2,332)**	**–**	**(620,317)**
At 31 December 2021	**11,141,241**	**11,717,150**	**298,257**	**14,310,310**	**37,466,958**
Accumulated depreciation and accumulated impairment losses					
At 1 January 2020	2,718,438	8,151,277	273,790	8,212,717	19,356,222
Depreciation	1,112,038	1,233,157	22,439	1,514,445	3,882,079
Disposals	(386,663)	(639,792)	–	(121,240)	(1,147,695)
Write-offs	–	(1,433,596)	(69,299)	(12,162)	(1,515,057)
At 31 December 2020	3,443,813	7,311,046	226,930	9,593,760	20,575,549
Depreciation	**1,363,348**	**1,190,688**	**24,597**	**1,507,807**	**4,086,440**
Reclassification	**–**	**(69,187)**	**–**	**69,187**	**–**
Disposals	**(84,794)**	**(196,254)**	**–**	**(1,328,440)**	**(1,609,488)**
Write-offs	**–**	**(518,566)**	**(1,960)**	**–**	**(520,526)**
Impairment loss	**–**	**725,910**	**–**	**–**	**725,910**
At 31 December 2021	**4,722,367**	**8,443,637**	**249,567**	**9,842,314**	**23,257,885**
Net book value					
At 31 December 2021	**6,418,874**	**3,273,513**	**48,690**	**4,467,996**	**14,209,073**
At 31 December 2020	6,813,558	4,412,018	69,721	6,165,549	17,460,846

The leasehold land, building and site improvements relate to a single storey detached factory on the leasehold land with an area of 8,854 square metres at 8 Tuas South Street 13.

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 6(a).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

6. LEASES – THE GROUP AS A LESSEE

Nature of the Group's leasing activities

Leasehold land and properties

The Group leases industrial land, office space and apartments for the purpose of its waste management operations and workers' accommodation respectively.

Office equipment

The Group leases office equipment for operation purposes.

There are no externally imposed covenants on these lease arrangements.

(a) Carrying amounts

Lease liabilities

	The Group	
	2021	2020
	$	$
– Current	**765,397**	496,564
– Non-current	**2,664,701**	2,856,705
	3,430,098	3,353,269

Lease liabilities are denominated in Singapore Dollar.

ROU assets classified within property, plant and equipment

	2021	2020
	$	$
Leasehold land and properties	**2,986,659**	2,996,421
Office equipment	**21,110**	27,606
	3,007,769	3,024,027

(b) Depreciation charge during the year

	2021	2020
	$	$
Leasehold land and properties	**978,426**	727,115
Office equipment	**6,496**	6,167
	984,922	733,282

(c) Finance cost

	2021	2020
	$	$
Finance cost on lease liabilities	**179,398**	178,314

6. LEASES – THE GROUP AS A LESSEE (Cont'd)

Nature of the Group's leasing activities (Cont'd)

(d) Lease expense not capitalised in lease liabilities

	2021 $	2020 $
Lease expense – short-term leases	**67,129**	437,314

The short-term lease expense relates to properties leased for staff accommodation which are classified under staff costs (Note 18).

(e) Total cash outflow for all leases in 2021 was $1,138,362 (2020: $1,250,676).

(f) Additions of ROU assets during the year was $968,664 (2020: $674,679).

(g) The leases for certain properties contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension option. As at 31 December 2021, potential future cash outflows for these leases amounted to $508,200 (2020: $542,760). The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The extension options are exercisable by the Group and not by the lessor.

7. LEASES – THE GROUP AS A LESSOR

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

Sublease – classified as operating leases

The Group acts as an intermediate lessor under an arrangement in which it sub-leases industrial space to a related company for monthly lease payments. The lease is classified as an operating lease because the risk and rewards incidental to the ownership of the assets are not substantially transferred.

Income from subleasing the industrial space recognised during the financial year was $22,613 (2020: $21,955) (Note 17).

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

	2021 $	2020 $
Less than one year	**5,694**	5,470

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

8. INVESTMENTS IN SUBSIDIARIES

	2021 $	2020 $
The Company		
Unquoted equity investments, at cost		
Balance at beginning and at end of financial year	**4,588,705**	4,588,705

The Group has the following subsidiaries as at 31 December 2021 and 2020:

Name	Principal activities	Place of incorporation/ and operation	Proportion of ownership interest and voting right held by the Group 2021 %	2020 %
Held by the Company				
Integrated Property Management Pte Ltd*	Contract cleaning	Singapore	**100**	100
Colex Environmental Pte Ltd*	Refuse disposal	Singapore	**100**	100
Juz Clean Pte Ltd*	General cleaning	Singapore	**100**	100

* Audited by PricewaterhouseCoopers LLP, Singapore

9. INVENTORIES

The Group	2021 $	2020 $
At cost		
Bins and consumables	**129,838**	117,882

The cost of inventories and consumables recorded as an expense amounted to $767,175 (2020: $885,120).

10. TRADE AND OTHER RECEIVABLES

	The Company 2021 $	The Company 2020 $	The Group 2021 $	The Group 2020 $
Trade receivables				
– Third parties	**–**	–	**7,661,734**	7,069,612
Less: Loss allowance (Note 27(c))	**–**	–	**(40,534)**	(59,405)
Net trade receivables	**–**	–	**7,621,200**	7,010,207
Interest receivable	**85**	–	**6,406**	10,821
Amounts owing by subsidiaries (non-trade)	**17,372,000**	9,372,000	**–**	–
Grant receivables	**–**	–	**–**	536,152
Staff advance	**–**	–	**4,400**	7,522
Net GST receivables	**1,218**	1,282	**1,218**	1,282
Sundry receivables	**–**	270	**2,573**	16,539
Net other receivables	**17,373,303**	9,373,552	**14,597**	572,316
	17,373,303	9,373,552	**7,635,797**	7,582,523

10. TRADE AND OTHER RECEIVABLES (Cont'd)

The Group's net trade receivables from contracts with customers as at 1 January 2020 amounted to $10,865,101.

Trade receivables are normally on a 30 days payment terms. The Group has not identified any specific concentrations of credit risk as the amounts represent a large number of receivables spread over a number of customers.

The amounts owing by subsidiaries (non-trade) represent the amount receivable on the PPE which was transferred from the Company to a subsidiary and dividend receivable from its subsidiaries. The amount are unsecured, interest-free and repayable upon demand.

Sundry receivables represent mainly miscellaneous receivables from insurance claims and other reimbursements.

Further details of credit risk on trade and other receivables are disclosed in Note 27(c).

11. DEPOSITS AND PREPAYMENTS

	The Company		The Group	
	2021	2020	**2021**	2020
	$	$	**$**	$
Rental, utilities and other deposits	**–**	150	**116,027**	150,456
Prepayment of subscriptions and other expenses	**2,700**	2,700	**207,869**	245,764

12. CASH AND CASH EQUIVALENTS

	The Company		The Group	
	2021	2020	**2021**	2020
	$	$	**$**	$
Cash on hand	**–**	–	**3,067**	3,389
Bank balances	**1,551,984**	1,749,202	**6,446,100**	7,592,403
Fixed deposits	**2,000,000**	–	**10,377,127**	9,338,969
	3,551,984	1,749,202	**16,826,294**	16,934,761

The fixed deposits have an average maturity of 6.9 months (2020: 6.5 months) from the end of the financial year and the average effective interest rate is 0.2085% (2020: 0.4816%) per annum for the Group. Fixed deposits are also recallable on demand by the Group based on the cash flows requirements of the Group without incurring significant penalties and interest loss.

13. SHARE CAPITAL

	No. of ordinary shares		Amount	
	2021	2020	**2021**	2020
	$	$	**$**	$
The Group and The Company				
Issued and fully paid, with no par value				
Balance at beginning and at end of financial year	**132,522,560**	132,522,560	**14,523,504**	14,523,504

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

14. PROVISION

	2021 $	2020 $
The Group		
Provision for dismantlement and restoration cost:		
– Balance at beginning and at end of financial year	**740,000**	740,000

A provision for dismantlement and restoration cost is recognised for the expected costs associated with restoring the leasehold land on expiry of lease on 30 November 2030 from JTC Corporation to its original condition based on the requirements of the lease contract. Provision for dismantlement and restoration cost is the present value of the estimated costs of dismantlement, removal and restoration to be incurred for the leasehold land at 8 Tuas South Street 13 (Note 5), which is obtained from a third-party contractor. The Group assumed that the leased land will be restored using technology and materials that are currently available.

15. DEFERRED INCOME TAXES

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

The amounts, determined after appropriate offsetting, are shown on the statement of financial position as follows:

	2021 $	2020 $
The Group		
Deferred tax assets	**(636,596)**	(624,747)
Deferred tax liabilities	**1,639,947**	1,894,008
Net deferred tax liabilities	**1,003,351**	1,269,261

Movements in the net deferred income tax account during the financial year is as follows:

	2021 $	2020 $
The Group		
Beginning of financial year	**1,269,261**	1,807,709
Tax (credited)/charged to profit or loss (Note 20)		
– current year	**(537,031)**	(556,916)
– under provision in respect of prior years	**271,121**	18,468
End of financial year	**1,003,351**	1,269,261

The Group has unrecognised tax losses of $49,950 (2020: $543,300) and capital allowances of $Nil (2020: $201,402) at the statement of financial position date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances. The tax losses have no expiry date.

15. DEFERRED INCOME TAXES (Cont'd)

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

	Provision for unutilised leave $	Lease liabilities $	Total $
The Group			
Deferred income tax assets			
At 1 January 2020	(43,736)	(568,435)	(612,171)
Credited to profit or loss	(10,674)	(1,902)	(12,576)
At 31 December 2020	(54,410)	(570,337)	(624,747)
Charged/(credited) to profit or loss	**1,260**	**(13,109)**	**(11,849)**
At 31 December 2021	**(53,150)**	**(583,446)**	**(636,596)**

	Accelerated tax depreciation $
The Group	
Deferred income tax liabilities	
At 1 January 2020	2,419,880
Credited to profit or loss	(525,872)
At 31 December 2020	1,894,008
Credited to profit or loss	**(254,061)**
At 31 December 2021	**1,639,947**

16. TRADE AND OTHER PAYABLES AND DEFERRED GRANT INCOME

	The Company		The Group	
	2021 **$**	2020 $	**2021** **$**	2020 $
Trade payables	**–**	–	**1,154,897**	969,595
Net GST payable	**–**	–	**455,114**	458,539
Deposits received	**–**	–	**100,722**	118,200
Accrued operating expenses	**47,700**	43,700	**1,956,030**	2,104,217
Others	**–**	–	**40,194**	25,608
	47,700	43,700	**3,706,957**	3,676,159
Deferred grant income	**–**	–	**–**	1,961,226

Trade payables are generally on a 30 days credit terms.

Further details of liquidity risk on trade and other payables are disclosed in Note 27(d).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

17. OTHER INCOME

	The Group	
	2021	2020
	$	$
Rental income	**22,613**	21,955
Interest income on fixed deposits/current account	**36,734**	134,389
Government grants:		
– Jobs Support Scheme	**2,367,869**	3,309,123
– Employment Credit Schemes	**827,179**	931,311
– Jobs Growth Incentive	**244,561**	–
– Skills Development Fund	**93,326**	43,376
– Temporary Housing Support	**29,400**	–
– Foreign Worker Levy rebate	**–**	427,500
Gain on disposal of property, plant and equipment	**32,724**	120,471
Late payment charges	**18,983**	26,636
Others	**86,938**	95,096
	3,760,327	5,109,857

Included within other income are COVID-19 related rent concessions received from lessors of $2,479 (2020: $18,803).

Included in government grants are the following:

(a) The Jobs Support Scheme ("**JSS**") is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees for the months of October 2019 to March 2021.

(b) Employment Credit Schemes consist of the Special Employment Credit, Wage Credit Scheme, Senior Employment Credit and Enabling Employment Credit.

- The Special Employment Credit are cash grants introduced in the Singapore Budget 2011 to encourage employers to attract and retain older low-wage Singaporeans. The amount an employer can receive depends on the fulfillment of certain conditions under the scheme ended 31 December 2020.

- The Wage Credit Scheme is a scheme that was introduced in the Singapore Budget 2013 (extended in Budget 2015 and 2018, enhanced in Budget 2020 and extended in Budget 2021) to help businesses alleviate business costs in a tight labour market. The Wage Credit will be paid to eligible employers for wage increases between 2020 and 2021.

- The Senior Employment Credit Scheme provides wage offsets to support the employment of senior workers, while the Enabling Employment Credit scheme provides wage offsets to support the employment of persons with disabilities.

(c) The Jobs Growth Incentive is a scheme that was introduced for employers that increase their overall local workforce between September 2020 and September 2022.

(d) The Skills Development Fund are grants introduced to support workforce upgrading programmes and to provide training grants to employers when they send their employees to attend training. The fund is administrated by the SkillsFuture Singapore Agency (SSG).

(e) Temporary Housing Support scheme for employers affected by Malaysia's Movement Control Order, to help employers defray the additional costs of housing affected workers in short-term housing for $50 per affected worker per night, capped at 14 nights.

(f) The Foreign Worker Levy rebate is a cash grant introduced in the Solidarity Budget to support business affected consisting of foreign workers to recover from the impact of the COVID-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

18. STAFF COSTS

	The Group	
	2021	2020
	$	$
Directors' remuneration		
– salaries and related costs	**330,221**	398,232
– CPF contributions	**9,480**	9,180
	339,701	407,412
Key management personnel other than directors		
– salaries and related costs	**699,434**	712,525
– CPF contributions	**57,986**	59,215
	757,420	771,740
Other than directors and key management personnel		
– salaries and related costs	**22,674,274**	24,155,176
– CPF contributions	**2,189,780**	2,349,466
	24,864,054	26,504,642
	25,961,175	27,683,794

19. OTHER EXPENSES

	The Group	
	2021	2020
	$	$
Dumping fees	**10,139,904**	12,060,322
Distillate fees	**946,014**	746,155
Service agency fees	**832,891**	1,108,968
Subcontractor fees	**765,189**	813,398
Repair and maintenance	**1,067,242**	938,145
Parts purchased	**199,603**	98,373
Upkeep expense	**228,358**	260,043
Insurance	**303,676**	350,487
Transportation	**53,042**	186,728
Utilities	**144,810**	150,293
Service expense	**118,278**	171,874
Container & compactor maintenance	**202,725**	117,937
Road tax	**21,114**	–
Property tax	**77,500**	54,250
Directors' fee	**50,000**	50,000
Legal and professional fee	**130,190**	183,868
Audit fee		
– Auditor of the Company	**67,700**	66,000
– Other auditors	**–**	9,500
Non-audit fee		
– Auditor of the Company	**25,000**	26,106
Bank charges	**18,119**	31,200
Office supplies	**66,922**	81,910
Property, plant and equipment written off	**99,791**	233,744
Others	**381,178**	397,382
	15,939,246	18,136,683

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

20. INCOME TAXES

(a) Income tax credit

	2021 $	2020 $
The Group		
Tax credit attributable to profit is made up of:		
– Current income tax	**4,222**	369,305
– Deferred income tax (Note 15)	**(537,031)**	(556,916)
	(532,809)	(187,611)
(Over)/under provision in respect of prior years		
– Current income tax	**(441,397)**	(70,389)
– Deferred income tax (Note 15)	**271,121**	18,468
	(703,085)	(239,532)

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

	2021 $	2020 $
The Group		
(Loss)/Profit before income tax	**(1,387,109)**	1,526,802
Tax at statutory rate of 17% (2020:17%)	**(235,809)**	259,556
Tax effect on:		
– Expenses not deductible for tax	**126,436**	158,102
– Income not subjected to tax	**(418,289)**	(583,821)
– Singapore statutory stepped income exemption	**(5,147)**	(21,448)
– Over provision of current income tax in respect of prior years	**(441,397)**	(70,389)
– Under provision of deferred income tax in respect of prior years	**271,121**	18,468
	(703,085)	(239,532)

(b) Movement in current income tax (recoverable)/liabilities

	2021 $	2020 $
The Group		
Beginning of financial year	**483,287**	571,937
Income tax paid	**(126,626)**	(387,566)
Tax expense	**4,222**	369,305
Over provision in prior financial years	**(441,397)**	(70,389)
End of financial year	**(80,514)**	483,287

21. (LOSS)/EARNINGS PER SHARE

The (loss)/earnings per share is calculated based on the consolidated (loss)/profit attributable to equity holders of the Company divided by the weighted average number of shares in issue of 132,522,560 (2020: 132,522,560 shares) during the financial year.

21. (LOSS)/EARNINGS PER SHARE (Cont'd)

For the purpose of calculating diluted (loss)/earnings per share, (loss)/profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential shares. As there are no dilutive potential ordinary shares that were outstanding during the year, the basic earnings per share is the same as the diluted earnings per share.

	2021	2020
	Cents	Cents
Basic and diluted (loss)/earnings per share	**(0.52)**	1.33

22. DIVIDENDS

	The Group	
	2021	2020
	$	$
Ordinary dividends paid		
– final tax-exempt (one-tier) dividend paid in respect of the previous financial year of S$Nil (2020: S$0.0045) per share	**–**	596,351
Special dividend paid		
– exempt (one-tier) special dividend of S$Nil per share (2020: S$0.10)	**–**	13,252,256
	–	13,848,607

At the forthcoming Annual General Meeting, a final tax-exempt (one-tier) ordinary dividend of 0.45 cents per share and a special dividend of 7.55 cents per share amounting to $10,601,804 will be proposed.

These financial statements do not reflect this dividend payable, which will be accounted for as a reduction in equity as a distribution of retained profits in the financial year ending 31 December 2022.

The payment of these dividends will not have any tax consequence to the Group.

23. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following are significant transactions between the Group and related parties at agreed rates:

	2021	2020
	$	$
With companies in which a director of the Company has interest		
– Contract cleaning revenue	**202,710**	193,511
– Waste disposal revenue	**31,560**	29,320
– Rental income	**22,613**	21,955
With fellow subsidiaries		
– Contract cleaning revenue	**552,527**	464,888
– Waste disposal revenue	**102,060**	95,154
– Food and beverages and accommodation expenses	**3,020**	38,223
– Web-hosting expenses	**240**	240
With a director of the Company		
– Contract cleaning revenue	**10,300**	11,500

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

24. COMMITMENTS

Capital commitments

	2021	2020
	$	$
The Group		
Capital expenditure contracted but not provided for in the financial statements –		
Property, plant and equipment	**82,990**	25,470

There are no capital commitments contracted at the Company level as at 31 December 2021 (2020: $Nil).

25. CONTINGENT LIABILITIES

The Company has given a letter of financial support to one of its subsidiary, Colex Environmental Pte. Ltd. with aggregate net current liabilities of $3,802,430 as at 31 December 2021 (2020: $2,514,162) to enable them to continue to operate as a going concern and to meet their respective obligations as and when they fall due.

26. OPERATING SEGMENTS

(a) For management purposes, the Group is organised into the following reportable operating segments as follows:

(1) the waste disposal activities consist of provision of waste disposal services for domestic waste, commercial waste and industrial waste, sale and rental of equipment to customers and repair of waste compactors; and

(2) the contract cleaning includes provision of cleaning services.

Except as indicated above, there are no operating segments that have been aggregated to form the above reportable operating segments.

The directors of the Company monitor 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 operating profit and loss and is measured consistently with operating profit and loss in the consolidated financial statements.

Sales between operating segments are carried out at arm's length. The revenue from external parties reported to the management is measured in a manner consistent with that in the statement of comprehensive income.

26. OPERATING SEGMENTS (Cont'd)

	Waste disposal $	Contract cleaning $	Others $	Total $
31 December 2021				
Revenue				
External sales	**19,094,760**	**23,436,855**	**–**	**42,531,615**
Result				
Segment result	**(4,531,822)**	**3,489,689**	**(202,312)**	**(1,244,445)**
Interest income	**2,344**	**33,697**	**693**	**36,734**
Finance costs	**(155,379)**	**(24,019)**	**–**	**(179,398)**
(Loss)/Profit before income tax	**(4,684,857)**	**3,499,367**	**(201,619)**	**(1,387,109)**
Income tax credit/(expense)	**884,764**	**(181,679)**	**–**	**703,085**
(Loss)/Profit after tax from ordinary activities	**(3,800,093)**	**3,317,688**	**(201,619)**	**(684,024)**
Other information				
Segment assets	**19,749,512**	**15,899,913**	**3,555,987**	**39,205,412**
Segment liabilities	**6,167,822**	**2,664,884**	**97,700**	**8,930,406**
Capital expenditure	**718,032**	**1,153,060**	**–**	**1,871,092**
Depreciation of property, plant and equipment	**3,154,525**	**931,915**	**–**	**4,086,440**
Impairment of property, plant and equipment	**725,910**	**–**	**–**	**725,910**
31 December 2020				
Revenue				
External sales	22,870,087	24,344,602	–	47,214,689
Result				
Segment result	(2,827,416)	4,631,629	(233,486)	1,570,727
Interest income	13,543	120,846	–	134,389
Finance costs	(164,885)	(13,429)	–	(178,314)
Profit before income tax	(2,978,758)	4,739,046	(233,486)	1,526,802
Income tax expense/(credit)	535,242	(295,707)	(3)	239,532
(Loss)/Profit after tax from ordinary activities	(2,443,516)	4,443,339	(233,489)	1,766,334
Other information				
Segment assets	24,577,558	16,161,069	1,753,605	42,492,232
Segment liabilities	6,923,522	4,515,976	93,704	11,533,202
Capital expenditure	723,697	684,724	–	1,408,421
Depreciation of property, plant and equipment	3,192,284	689,795	–	3,882,079

NOTES TO THE FINANCIAL STATEMENTS

26. OPERATING SEGMENTS (Cont'd)

(b) Geographical segments

The Group currently operates solely in Singapore.

(c) Segment revenue and expense

All segment revenue and expense are directly attributable to the segments. There is no revenue from transactions with a single external customer that amounts to 10% or more of the Group's revenues.

(d) Inter-segment transfers

Segment revenue, segment expenses and segment result include transfer between business segments. Such transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods. Those transfers are eliminated on consolidation.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Directors meets periodically to analyse and formulate measures to manage the Company's and the Group's exposure to market risk, including changes in interest rates. Generally, the Company and the Group employ a conservative strategy regarding its risk management. As the Company's and the Group's exposure to market risk is kept at a minimum level, the Company and the Group have not used any derivatives or other instruments for hedging purposes. The Company and the Group do not hold or issue derivative financial instruments for trading purposes.

The Company and the Group are exposed to financial risks arising from its operations and the use of financial instruments. The Group's activities expose it to credit risk, liquidity risk and interest rate risk.

There has been no change to the Company's and the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

As at 31 December 2021, the Company's and the Group's financial instruments mainly consisted of cash and cash equivalents, trade and other receivables and trade and other payables.

(a) Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Company's and the Group's operational activities are mainly carried out in Singapore dollars which is the functional currency. There is insignificant exposure to any risk arising from movements in foreign currency exchange rates.

(b) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Company's and the Group's exposure to movements in market interest rates relate primarily from fixed term deposits placed with financial institutions. The Company has no policy to hedge against interest rate risk.

The Company and the Group are not exposed to any cash flows interest rate risk as it does not have any monetary financial instruments with variable interest rates.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Company or the Group to incur a financial loss. The Company's and the Group's exposure to credit risk arises primarily from trade and other receivables. For trade receivables, the Company and the Group adopt the policy of dealing only with customers of appropriate credit history and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Company and the Group adopt the policy of dealing only with high credit quality counterparties.

The Company's and the Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure.

Credit assessment of each debtor is performed by management based on an evaluation of the payment history and credit profile of the debtor. Where applicable, credit exposure to an individual counterparty will be restricted by approved credit limits. The counterparty's payment profile and credit exposure are continuously monitored at the Company and at Group level by respective management. The Group's trade receivables comprise of 40 (2020: 72 debtors) which represented 60% (2020: 60%) of trade receivables. At the Company level, there is no credit risk exposure as its balances are with subsidiary companies and management does not expect issues with collections based on past collection history.

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

The Company's and the Group's major classes of financial assets are trade and other receivables and bank deposits.

(i) Other financial assets at amortised cost

As disclosed in Notes 10 and 11, financial assets at amortised cost of the Company and the Group comprise of interest receivable, amounts owing by subsidiaries (non-trade), staff advance, sundry receivables, rental, utilities and other deposits which are subjected to immaterial credit losses.

(ii) Trade receivables

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

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

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group considers a financial asset as in default if the counterparty fails to make contractual payments within 30 days when they fall due, and writes off the financial asset when a debtor fails to make contractual payments after the Group had exhausted all means for collection. Where receivables are written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in the profit and loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(c) Credit risk (Cont'd)

(ii) Trade receivables (Cont'd)

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 December 2021 and 31 December 2020 are set out in the provision matrix as follows:

		Past due				
The Group	Current $	Within 30 days $	31 to 60 days $	61 to 90 days $	More than 90 days $	Total $
31 December 2021						
Waste disposal service						
Expected loss rate*	**0.14%**	**0.12%**	**0.25%**	**0.44%**	**21.52%**	
Trade receivables	**1,598,561**	**695,767**	**280,964**	**159,333**	**167,525**	**2,902,150**
Loss allowance	**2,249**	**827**	**708**	**704**	**36,046**	**40,534**
Contract cleaning service						
Expected loss rate*	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	
Trade receivables	**1,873,523**	**1,698,997**	**752,784**	**234,624**	**199,656**	**4,759,584**
Loss allowance	**–**	**–**	**–**	**–**	**–**	**–**

* *Rounded to the nearest 2 decimal places*

		Past due				
The Group	Current $	Within 30 days $	31 to 60 days $	61 to 90 days $	More than 90 days $	Total $
31 December 2020						
Waste disposal service						
Expected loss rate*	0.03%	0.19%	0.52%	0.87%	26.38%	
Trade receivables	1,503,763	696,203	188,043	104,983	211,242	2,704,234
Loss allowance	492	1,297	983	917	55,716	59,405
Contract cleaning service						
Expected loss rate*	0.00%	0.00%	0.00%	0.00%	0.00%	
Trade receivables	1,957,692	1,640,431	582,908	160,799	23,548	4,365,378
Loss allowance	–	–	–	–	–	–

* *Rounded to the nearest 2 decimal places*

Based on the historical default rate, the Group believes that no impairment allowance is necessary in respect of trade receivables that are past due but not impaired. These receivables mainly relate to customers that have a good credit record with the Group.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(c) Credit risk (Cont'd)

(ii) Trade receivables (Cont'd)

The movement in credit loss allowance for trade receivables are as follows:

	The Group	
	2021	2020
	$	$
Beginning of financial year	**59,405**	55,030
Write back of unutilised amount	**–**	(4,911)
Changes in credit risk	**19,707**	36,665
Receivables written off as uncollectible	**(38,578)**	(27,379)
End of financial year	**40,534**	59,405

The impaired trade receivables comprise mainly numerous long overdue inactive debtors of individually insignificant amounts for which the directors of the Company and the Group are of the opinion that the debts are not recoverable.

(iii) Cash and cash equivalents

The Group and the Company held cash and cash equivalents of $16,823,227 and $3,551,984 respectively (2020: $16,931,372 and $1,749,202) with banks which have good credit-ratings and consider to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

(d) Liquidity risk

Liquidity risk is the risk that the Company or the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset.

The Company's and the Group's exposure to liquidity arises primarily from mismatches of the maturities of financial assets and liabilities.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the date of the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(d) Liquidity risk (Cont'd)

Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

The Group	Less than 1 year $	Between 1 and 2 years $	Between 2 and 5 years $	More than 5 years $
As at 31 December 2021				
Trade and other payables	**2,939,191**	**–**	**–**	**–**
Accrual for directors' fees	**50,000**	**–**	**–**	**–**
Lease liabilities	**922,833**	**448,382**	**1,165,206**	**1,672,035**
	3,912,024	**448,382**	**1,165,206**	**1,672,035**
As at 31 December 2020				
Trade and other payables	2,897,555	–	–	–
Accrual for directors' fees	50,000	–	–	–
Lease liabilities	671,707	778,752	2,002,087	842,210
	3,619,262	778,752	2,002,087	842,210

The Company	Less than 1 year $
As at 31 December 2021	
Trade and other payables	**47,700**
Accrual for directors' fees	**50,000**
	97,700
As at 31 December 2020	
Trade and other payables	43,700
Accrual for directors' fees	50,000
	93,700

The Group maintains sufficient levels of cash and cash equivalents to meet their working capital requirements.

(e) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate due to changes in market price.

The Group does not hold any quoted or marketable financial instruments, hence, is not exposed to any movement in market prices.

(f) Fair value measurements

The carrying amount of trade and other receivables, deposits and trade and other payables are assumed to approximate fair value.

28. CAPITAL MANAGEMENT

The Group's objectives when managing capital are:

(a) To safeguard the Group's ability to continue as a going concern;

(b) To support the Group's stability and growth;

(c) To provide capital for the purpose of strengthening the Group's risk management capabilities; and

(d) To provide an adequate return to shareholders.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group currently does not adopt any formal dividend policy.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce debt.

There were no changes in the Group's approach to capital management during the year.

	The Company		The Group	
	2021	2020	**2021**	2020
	$	$	**$**	$
Total borrowings	**97,700**	93,700	**7,187,055**	7,079,428
Total equity	**25,418,992**	15,620,606	**30,275,006**	30,959,030
Total capital	**25,516,692**	15,714,306	**37,462,061**	38,038,458
Gearing ratio	**0.38%**	0.60%	**19.18%**	18.61%

The management monitors capital using a gearing ratio. The gearing ratio is calculated as total borrowings divided by total capital.

Total capital is calculated as equity plus total borrowings. Total borrowings consist of obligations under trade and other payables, accrual for directors' fee and lease liabilities.

The Group and the Company is not subject to externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

29. FINANCIAL INSTRUMENTS BY CATEGORY

Accounting classifications of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

	The Company	The Group
	$	$
As at 31 December 2021		
Financial assets, at amortised cost	**20,924,069**	**24,576,900**
Financial liabilities, at amortised cost	**97,700**	**6,419,289**
As at 31 December 2020		
Financial assets, at amortised cost	11,121,622	24,666,458
Financial liabilities, at amortised cost	93,700	6,300,824

30. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published and are relevant for the Group's accounting periods beginning on or after 1 January 2022 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

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

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

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

Amendments to SFRS(I) 1-16 Property, Plant and Equipment: Proceeds before Intended Use (effective for annual periods beginning on or after 1 January 2022)

The amendment to SFRS(I) 1-16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is testing whether the asset is functioning properly when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

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

30. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (Cont'd)

Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract (effective for annual periods beginning on or after 1 January 2022)

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the costs of fulfilling it and any compensation or penalties arising from failure to fulfil it. The amendment to SFRS(I) 1-37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts.

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

31. IMPACT OF COVID-19

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Group's operations are in Singapore which have been affected by the spread of COVID-19 in 2021.

Set out below is the impact of COVID-19 on the Group's financial performance reflected in this set of financial statements for the year ended 31 December 2021:

i. The Group has assessed that the going concern basis of preparation for this set of financial statements remains appropriate.
ii. In 2021, production stoppages and workplace closures have resulted in periods where the Group's operations were temporarily affected as the customers have to adhere to Safe Management Measures. These have impacted the Group's financial performance for 2021 as certain customers reduced the frequency of the waste disposal and cleaning services requested.
iii. The Group has considered the market conditions (including the impact of COVID-19) as at the statement of financial position date, in making estimates and judgements on the recoverability of assets and provisions for onerous contracts as at 31 December 2021. The significant estimates and judgement applied on impairment of property, plant and equipment is disclosed in Note 3.

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Group cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2022. If the situation persists beyond management's current expectations, the Group's assets may be subject to write downs in the subsequent financial periods.

32. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Colex Holdings Limited on 16 March 2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

33. LISTING OF SIGNIFICANT COMPANIES IN THE GROUP

Name of companies	Principal activities	Country of business/ incorporation	Equity holding 31 December 2021 %	Equity holding 31 December 2020 %
Significant subsidiaries				
Integrated Property Management Pte Ltd*	Contract cleaning	Singapore	**100**	100
Colex Environmental Pte Ltd*	Refuse disposal	Singapore	**100**	100

* Audited by PricewaterhouseCoopers LLP, Singapore

SHAREHOLDINGS STATISTICS

AS AT 23 MARCH 2022

Issued & Fully Paid-up Capital	:	S$14,523,504
Number & Class of Shares	:	132,522,560 ordinary shares with one vote for each ordinary share
Name of treasury shares	:	Nil
Name of subsidiary holdings	:	Nil

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
1 – 99	0	0.00	0	0.00
100 – 1,000	314	24.47	301,300	0.23
1,001 – 10,000	685	53.39	3,878,450	2.93
10,001 – 1,000,000	279	21.75	17,171,350	12.96
1,000,001 and above	5	0.39	111,171,460	83.89
GRAND TOTAL	**1,283**	**100.00**	**132,522,560**	**100.00**

LIST OF 20 LARGEST SHAREHOLDERS

AS AT 23 MARCH 2022

No.	Name	No. of Shares	% Shares
1	BONVESTS HOLDINGS LIMITED	104,611,560	78.94
2	CHUA SWEE MING	2,142,700	1.62
3	NGO HENRY	1,720,000	1.30
4	YIM CHEE CHONG	1,617,700	1.22
5	CHIAM HOCK POH	1,079,500	0.81
6	COOP INTERNATIONAL PTE LTD	986,100	0.74
7	LEH BEE HOE	916,900	0.69
8	DBS NOMINEES PTE LTD	834,300	0.63
9	NG HOCK KON	800,000	0.60
10	THIAN YIM PHENG	574,800	0.43
11	OCBC NOMINEES SINGAPORE PTE LTD	513,100	0.39
12	KUNG HOOI KOON	400,000	0.30
13	UNITED OVERSEAS BANK NOMINEES P L	357,800	0.27
14	FAIRLADY JEWELLERS PTE LTD	324,000	0.24
15	PHILLIP SECURITIES PTE LTD	296,600	0.22
16	KHAIRUN NESSA KHATHUN D/O MOHAMED NURUL HAQUE	285,000	0.22
17	LEE CHEE MENG	280,000	0.21
18	LAM KUM LOONG	233,700	0.18
19	RAFFLES NOMINEES(PTE) LIMITED	225,100	0.17
20	JAMES ALVIN LOW YIEW HOCK	211,000	0.16
	Total:	**118,409,860**	**89.35**

SHAREHOLDINGS STATISTICS

AS AT 23 MARCH 2022

SHAREHOLDINGS IN THE HAND OF THE PUBLIC AS AT 23 MARCH 2022

Percentage of shareholdings held in the hands of the public is 19.02% and hence Rule 723 of the Section B: Rules of Catalist of the SGX-ST Listing Manual is complied with.

SUBSTANTIAL SHAREHOLDERS

(As shown in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
Bonvests Holdings Limited***				
– In own name	104,611,560	78.94	–	–
– through Coop International Pte Ltd	–	–	986,100	0.74
Goldvein Holdings Pte. Ltd.*	–	–	105,597,660	79.68
Mr Henry Ngo**				
– In own name	1,720,000	1.30	–	–
– through Goldvein Holdings Pte. Ltd.	–	–	105,597,660	79.68
Mr Patrick Tse**				
– through Goldvein Holdings Pte. Ltd.	–	–	105,597,660	79.68
Mr James Sookanan**				
– through Goldvein Holdings Pte. Ltd.	–	–	105,597,660	79.68
Mr Wilfred Hsieh**				
– through Goldvein Holdings Pte. Ltd.	–	–	105,597,660	79.68

* Goldvein Holdings Pte. Ltd. has a 59.78% interest in the issued share capital of Bonvests Holdings Limited. Accordingly, Goldvein Holdings Pte. Ltd. is deemed to be interested in the 105,597,660 shares in the issued and paid-up capital of the Company held by Bonvests Holdings Limited by virtue of Section 7 of the Companies Act 1967 of Singapore.

** Mr Henry Ngo, Mr Patrick Tse, Mr James Sookanan and Mr Wilfred Hsieh are siblings who each holds approximately 20% or more of the shares in Goldvein Holdings Pte. Ltd. and accordingly, are each deemed to be interested in the 105,597,660 shares in the issued and paid-up share capital of the Company deemed to be held by Goldvein Holdings Pte. Ltd. by virtue of Section 7 of the Companies Act 1967 of Singapore.

*** 986,100 ordinary shares was registered in the name of Coop International Pte Ltd, which is a wholly-owned subsidiary of Bonvests Holdings Limited.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the Company will be held by electronic means on Monday, 25 April 2022 at 2.00 p.m. to transact the following businesses:

As Ordinary Business

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2021 together with the Directors' Statement and the Auditors' Report thereon. **(Resolution 1)**

2. To declare a final tax exempt one-tier dividend of 0.45 Singapore cents per share and a special tax exempt one-tier dividend of 7.55 Singapore cents per share in respect of the financial year ended 31 December 2021. **(Resolution 2)**

3. To re-elect Mr Ding Chek Leh, a Director retiring pursuant to Regulation 104 of the Constitution of the Company. **(Resolution 3)** [See Explanatory Note 1]

4. To approve the payment of Directors' fee of S$56,932 for the financial year ended 31 December 2021 (2020: S$50,000). **(Resolution 4)**

5. To re-appoint PricewaterhouseCoopers LLP as Auditors of the Company for the financial year ending 31 December 2021 and to authorise the Directors to fix their remuneration. **(Resolution 5)**

As Special Business

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

6. Authority to allot and issue shares in the capital of the Company –

"(a) That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Catalist Rules, authority be and is hereby given to the Directors of the Company ("**Directors**"), to:

(i) allot and issue shares in the capital of the Company (the "**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while the authority was in force, provided always that:

(i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments, made or granted pursuant to this Resolution) does not exceed one hundred per cent. (100%) of the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (ii) below) or such other limit as may be prescribed by the Catalist Rules as at the date this Resolution is passed, of which the aggregate number of Shares to be issued other than on a pro rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (ii) below) or such other limit as may be prescribed by the Catalist Rules as at the date this Resolution is passed;

NOTICE OF ANNUAL GENERAL MEETING

(ii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) that may be issued under sub-paragraph (i) above, the percentage of issued Shares shall be based on the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

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

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

(c) any subsequent bonus issue, consolidation or subdivision of Shares, and

any adjustments in accordance with (a) or (b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act 1967 and otherwise, and the Constitution for the time being of the Company; and

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

(c) the Directors be and are hereby authorised to do any and all acts which they deem necessary and expedient in connection with paragraphs (a) and (b) above." **(Resolution 6)**

[See Explanatory Note 2]

7. Proposed Renewal of the Shareholders' General Mandate for Interested Person Transactions.

"That:

(1) approval be and is hereby given, for the purposes of Chapter 9 of the Catalist Rules, for the Company, its subsidiaries and associated companies that are entities at risk (as defined in Chapter 9 of the Catalist Rules), or any of them, to enter into any of the transactions falling within the categories of interested person transactions described in Section 2.7 of the Appendix to this Annual Report dated 8 April 2022 with the interested persons (as described in Section 2.6 of the Appendix), provided that such transactions are made on normal commercial terms, will not be prejudicial to the interests of the Company and its minority shareholders and are in accordance with the review procedures for such interested person transactions (the "**IPT Mandate**");

(2) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and

(3) the Board of Directors of the Company and any of them be and are hereby authorised to complete and do all such acts and things (including without limitation, executing all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by the IPT Mandate and/or this Resolution." **(Resolution 7)**

[See Explanatory Note 3]

NOTICE OF ANNUAL GENERAL MEETING

Any Other Business

8. To transact any other business that may be transacted at an Annual General Meeting.

By Order of the Board

Foo Soon Soo
Secretary

8 April 2022

Explanatory notes:

1. Mr Ding Chek Leh, upon re-election as a Director of the Company, remain as Executive Director and General Manager of Integrated Property Management Pte Ltd ("**IPM**"), a subsidiary of the Company. Detailed information on Mr Ding pursuant to Appendix 7F of the Catalist Rules can be found under the "Director's Information" section contained in the Company's Annual Report 2021.

2. The Ordinary Resolution 6 proposed in item 6 above, if passed, will empower Directors of the Company from the date of the above Annual General Meeting until the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in general meeting, whichever is the earlier, to allot and issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments. The aggregate number of Shares (including Shares to be made in pursuance of Instruments made or granted pursuant to this Resolution) which the Directors may allot and issue, shall not exceed, in total, one hundred per cent. (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which the total number of Shares issued other than on a pro rata basis to existing shareholders of the Company shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings).

   For determining the aggregate number of Shares that may be issued, the percentage of issued Shares will be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of the Company's Shares.

3. The Ordinary Resolution 7 proposed in item 7 above, if passed, will authorise the interested person transactions as described in the Appendix and recurring in the financial year and will empower the Directors, from the date of the Annual General Meeting until the date the next Annual General Meeting is to be held, to do all acts necessary to give effect to the IPT Mandate. The rationale for and categories of interested person transactions pursuant to the IPT Mandate are set out in greater detail in the Appendix accompanying this Annual Report.

Notes:

This Annual General Meeting ("**AGM**") is being convened and will be held by electronic means through a live webcast ("**Live AGM Webcast**") of the proceedings comprising both video (audio-visual) and audio-only feeds, pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

Printed copies of this Notice of AGM will not be sent to shareholders. Instead, this Notice of AGM will be sent to members by electronic means via publication on the Company's website at http://www.colex.com.sg/investor-relations/. This Notice will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=COLEX%20HOLDINGS%20LIMITED&type=company. Shareholders are to note the following instructions with regard to the Live AGM Webcast:

1. Registration to attend Live AGM Webcast

   (a) No physical attendance to the AGM is permitted.

   (b) All shareholders as well as investors who hold shares through relevant intermediaries (as defined in Section 181(1C) of the Companies Act 1967) including Central Provident Fund ("**CPF**") and Supplementary Retirement Scheme ("**SRS**") investors who wish to follow the proceedings of the AGM through the Live AGM Webcast must pre-register online at https://complete-corp.com/colex-agm ("**Pre-registration**") for verification purposes. The website will be open for Pre-registration from 8 April 2022, 10 a.m. and will close at 22 April 2022, 2 p.m. (the "**Registration Deadline**").

   For verification of pre-registrants, all investors who hold shares through securities sub-account in Depository Agents ("**DAs**") must inform their respective DAs that they have registered for the Live AGM Webcast and provide their DAs with their registration details so that the DAs can notify the Company. The CPF Agent Banks and SRS Operators will provide the Company with the particulars of their CPF and SRS investors for the Company to verify any CPF and SRS investors who have pre-registered.

NOTICE OF ANNUAL GENERAL MEETING

(c) Following the verification, authenticated shareholders will receive the login details to join the Live AGM Webcast or telephone number to call for the audio feeds by 24 April 2022, 2 p.m. via the e-mail address provided at Pre-registration.

(d) Shareholders must not forward the login details to join the Live AGM Webcast or telephone number to call for the audio feeds to other persons who is not a shareholder of the Company and/or who is not authorised to attend the Live AGM Webcast.

(e) Shareholders who register by the Registration Deadline but do not receive an email response by 24 April 2022, 2 p.m. may contact the Company via electronic mail to colex-agm@complete-corp.com.

2. Proxy Voting

(a) All shareholders who wish to vote at the AGM have to submit their proxy forms in advance and appoint the Chairman of the AGM as their proxy.

(b) The duly completed and signed proxy form must be deposited not less than seventy-two (72) hours before the time scheduled for the AGM (i.e. by 22 April 2022) via either the following means:

(i) post to the Company's registered office at 541 Orchard Road #16-00 Liat Towers, Singapore 238881

(ii) electronic mail to colex-agm@complete-corp.com.

(c) A member who wishes to submit the proxy form must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

(d) In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

(e) Any incomplete or unsigned proxy forms will be treated as voided.

(f) For CPF and SRS investors who wish to appoint the Chairman of the AGM as their proxy should approach their respective CPF Agent Banks and SRS Operators to submit their votes at least 7 working days before the AGM (i.e. by 12 April 2022 5.00 p.m.), to ensure that their votes are submitted. Other investors holding shares in the Company through relevant intermediaries who wish to vote should approach their relevant intermediaries as soon as possible to specify voting instructions.

3. Submission of Questions

(a) Shareholders will not be able to ask questions during the Live AGM Webcast.

(b) All shareholders may submit questions relating to the agenda of the AGM via electronic mail to investorrelations@colex.com.sg. All questions must be submitted by 16 April 2022 2.00 p.m.

(c) The Company will address the substantial and relevant questions by 20 April 2022 2.00 p.m.and the Company's responses will be posted on the SGXNet and the Company's website.

All documents (including the Annual Report 2021, proxy form, this Notice of AGM and appendices to this Notice of AGM) can be accessed at the Company's website at http://www.colex.com.sg/investor-relations/ and will be published on https://www.sgx.com/securities/company-announcements?value=COLEX%20HOLDINGS%20LIMITED&type=company. Printed copies of the documents will not be despatched to the shareholders.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the AGM to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the proxies for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

By Order of the Board

Foo Soon Soo
Secretary

8 April 2022

APPENDIX
DATED 8 APRIL 2022

(AS REFERRED TO IN RESOLUTION 7 OF THE NOTICE OF ANNUAL GENERAL MEETING)

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt about its contents or the action you should take, you should consult your legal, financial, tax or other professional adviser immediately.

This Appendix is circulated to shareholders of the Company together with the Company's annual report. Its purpose is to provide shareholders of the Company with the relevant information relating to, and to seek shareholders' approval to renew the shareholders' mandate for Interested Person Transactions (as defined hereinafter) to be tabled at the Annual General Meeting to be held by electronic means on 25 April 2022 at 2.00 p.m. or at any adjournment thereof. The Notice of Annual General Meeting and a Proxy Form are enclosed with the annual report.

If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Appendix to the purchaser or transferee or to the bank, stockbroker or other agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

*This Appendix has been reviewed by the Company Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.*

The contact person for the Sponsor is Ms Jennifer Tan, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.

APPENDIX
DATED 8 APRIL 2022

(AS REFERRED TO IN RESOLUTION 7 OF THE NOTICE OF ANNUAL GENERAL MEETING)

APPENDIX IN RELATION TO THE PROPOSED RENEWAL OF THE SHAREHOLDERS' GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

DEFINITIONS

"**Act**"	:	The Companies Act 1967, as amended or modified from time to time
"**AGM**"	:	The annual general meeting of the Company to be held on 25 April 2022
"**Allsland**"	:	Allsland Pte. Ltd.
"**Associate(s)**"	:	(a) in relation to any Director, Chief Executive Officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more, and (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
"**Audit Committee**"	:	The audit committee of the Company
"**Auditors**"	:	The auditors of the Company for the time being
"**Board**"	:	The board of Directors of the Company for the time being
"**Bonvests**"	:	Bonvests Holdings Limited
"**Catalist Rules**"	:	The Catalist Rules (Section B: Rules of the Catalist) of the SGX-ST, as amended or modified from time to time
"**Catalist**"	:	The sponsor-supervised listing platform of the SGX-ST
"**CDP**"	:	The Central Depository (Pte) Limited
"**Company**"	:	Colex Holdings Limited
"**Contract Gross Margin**"	:	The expected gross margin to be generated from the Interested Person Transaction and which is derived from dividing the difference between the contract value and relevant variable costs and expenses that are directly attributable to that contract, as determined by the respective business units, over the contract value
"**Controlling Shareholder**"	:	A person who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company, unless otherwise determined by the SGX-ST; or (b) in fact exercises control over the Company
"**Directors**"	:	The directors of the Company for the time being
"**Entity at risk**"	:	(a) the listed company; (b) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or

APPENDIX
DATED 8 APRIL 2022

(AS REFERRED TO IN RESOLUTION 7 OF THE NOTICE OF ANNUAL GENERAL MEETING)

(c) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the "listed group"), or the listed group and its interested person(s), has control over the associated company.

"**Executive Director**"	:	A director of the Company who holds an executive position
"**Goldvein**"	:	Goldvein Pte. Ltd.
"**Goldvein Holdings**"	:	Goldvein Holdings Pte. Ltd.
"**Group**"	:	The Company and its subsidiaries, and in the context of the Proposed Renewal of the IPT Mandate, shall have the meaning ascribed to it in Section 2.3 of this Appendix
"**Head of Finance**"	:	The Company's finance personnel who is heading the finance team at that point in time
"**IPT**" or "**Interested Person Transaction**"	:	The categories of transactions with the Interested Person(s) which fall within the Proposed Renewal of the IPT Mandate, as set out in Section 2.7 of this Appendix
"**IPT Mandate**"	:	The Shareholders' general mandate obtained by the Company pursuant to Chapter 9 of the Catalist Rules, permitting companies within the Group, or any of them, to enter into the IPTs, provided that such IPTs are on an arm's length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders
"**Interested Person(s)**" or "**IP**"	:	The interested person(s) of the Company who fall within the IPT Mandate, if renewed, being Mr Henry Ngo and/or his Associates (which are Allsland, Goldvein, Richvein, The Allied Folks Pte Ltd and The Residence Hotel & Resorts Management Pte Ltd).
"**Non-Interested Directors**"	:	The Directors who are deemed to be independent for the purposes of making a recommendation to Shareholders in respect of the proposed renewal of the IPT Mandate, being Mr Ding Chek Leh, Mr Lim Chee San and Mr Tan Soon Liang
"**NTA**"	:	Net tangible assets
"**Ordinary Resolution**"	:	The ordinary resolution 7 as set out in the notice of AGM, which is enclosed with the annual report
"**Richvein**"	:	Richvein Pte. Ltd.
"**Securities Accounts**"	:	Securities accounts maintained by a Depositor with CDP but does not include securities sub-accounts
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholders**"	:	Registered holders of Shares except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares, mean the Depositors into whose Securities Accounts those Shares are credited. Any reference to Shares held by Shareholders shall include Shares standing to the credit of the respective Shareholders' Securities Accounts
"**Shares**"	:	Ordinary shares in the capital of the Company
"**Substantial Shareholders**"	:	A person who holds directly or indirectly 5% or more of the total issued share capital of the Company
"**S$**" and "**cents**"	:	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
"**%**"	:	Per centum or percentage

APPENDIX
DATED 8 APRIL 2022

(AS REFERRED TO IN RESOLUTION 7 OF THE NOTICE OF ANNUAL GENERAL MEETING)

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore or any statutory modification thereof, as the case may be.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Act or any statutory modification thereof and used in this Appendix shall have the meaning assigned to it under the Act or such statutory modification, as the case may be, unless the context otherwise requires.

Any discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day in this Appendix shall be a reference to Singapore time, unless otherwise stated.

APPENDIX
DATED 8 APRIL 2022

(AS REFERRED TO IN RESOLUTION 7 OF THE NOTICE OF ANNUAL GENERAL MEETING)

COLEX HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 197101485G)

Directors:

Mr Henry Ngo (Chairman)
Mr Ding Chek Leh (Director)
Mr Lim Chee San (Independent Director)
Mr Tan Soon Liang (Independent Director)

Registered Office:

#16-00 Liat Towers
541 Orchard Road
Singapore 238881

8 April 2022

To: The Shareholders of Colex Holdings Limited

Dear Sir/Madam

1. INTRODUCTION

The Company's existing IPT Mandate was first approved by Shareholders at the extraordinary general meeting held on 17 April 2013 and renewed at the annual general meeting of the Company held on 28 April 2021. The IPT Mandate will, unless renewed again, expire on the date of the forthcoming AGM.

Accordingly, the Directors propose that the IPT Mandate be renewed at the forthcoming AGM in the terms of the Ordinary Resolution 7 to be proposed at the forthcoming AGM and (unless revoked or varied by the Company in general meeting) to continue in force until the next annual general meeting of the Company. Approval from Shareholders will be sought for the renewal of the IPT Mandate at the next and each subsequent annual general meeting of the Company, subject to satisfactory review by the Audit Committee of its continued application to transactions with the interested persons.

The purpose of this Appendix, is to explain the rationale for, and provide Shareholders with information relating to, the proposed renewal of the IPT Mandate as set out below.

2. THE PROPOSED RENEWAL OF THE IPT MANDATE

2.1 Background

The Group is mainly engaged in the provision of waste management services and contract cleaning services. The waste management segment is undertaken by the Company's wholly-owned subsidiary, Colex Environmental Pte. Ltd. and deals with waste disposal services for domestic, commercial and industrial waste, sale and rental of equipment to customers, and repair of waste compactors. The contract cleaning segment is undertaken by the Company's wholly-owned subsidiary, Integrated Property Management Pte. Ltd., which provides cleaning services to industrial, commercial and residential properties.

From time to time, transactions will arise between the Group and the IP(s) as more particularly described in Section 2.6 of this Appendix. The Company is a subsidiary of Bonvests, a company listed on the SGX-ST. Mr Henry Ngo, who is the Chairman of the Company and the Chairman and Managing Director of Bonvests, is deemed interested in the 79.68% shareholding in the issued share capital of the Company held by Bonvests.

APPENDIX
DATED 8 APRIL 2022

(AS REFERRED TO IN RESOLUTION 7 OF THE NOTICE OF ANNUAL GENERAL MEETING)

As at 25 March 2022, being the latest practicable date prior to the printing of this Appendix, Mr Henry Ngo has a 21.26% direct interest and a deemed interest of 2.69% (held through Allsland Pte Ltd) in Bonvests. He also has a 40.00% interest in the issued share capital of Goldvein Holdings, which in turn has a 59.78% interest in the issued share capital of Bonvests. Bonvests wholly owns Goldvein, Richvein, The Allied Folks Pte Ltd and the Residence Hotel & Resorts Management Pte Ltd. Accordingly, Mr Henry Ngo is deemed interested in the entire issued share capital of Goldvein, Richvein, The Allied Folks Pte Ltd and the Residence Hotel & Resorts Management Pte Ltd, by virtue of Section 7 of the Act and therefore Goldvein, Richvein, The Allied Folks Pte Ltd and The Residence Hotel & Resort Management Pte Ltd are each an interested person as defined by Chapter 9 of the Catalist Rules. Allsland is wholly-owned by Mr Henry Ngo and accordingly, is also an interested person as defined by Chapter 9 of the Catalist Rules.

In view of the above, the Company wishes to seek the approval of Shareholders (which shall exclude Shareholders who are required to abstain from voting pursuant to Rule 920(1)(b)(viii) of the Catalist Rules) for the proposed renewal of the IPT Mandate in respect of future IPT(s) that the Group may enter into with the IP(s), as more particularly set out in Section 2.7 of this Appendix.

2.2 Chapter 9 of the Catalist Rules

Under Chapter 9 of the Catalist Rules, where a listed company or any of its subsidiaries or associated companies that are defined as an “entity at risk” proposes to enter into a transaction with an “interested person”, an immediate announcement or an immediate announcement and shareholders’ approval is required in respect of that transaction if its value is equal to, or more than, certain financial thresholds.

In particular, an immediate announcement is required where:

(a) the transaction is of a value equal to, or more than, 3% of the Group’s latest audited NTA; or

(b) the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the Group’s latest audited NTA.

Further, shareholders’ approval (in addition to an immediate announcement) is required where:

(a) the transaction is of a value equal to, or more than, 5% of the Group’s latest audited NTA; or

(b) the transaction, when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than, 5% of the Group’s latest audited NTA.

The above requirements for immediate announcement and/or for shareholders’ approval do not apply to any transaction below S$100,000, and certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk and hence excluded from the ambit of Chapter 9 of the Catalist Rules. While transactions below S$100,000 are not normally aggregated, the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction.

Rule 920 of the Catalist Rules permits a listed company to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the listed company’s interested persons. A general mandate is also subject to annual renewal.

For illustration purposes, based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2021, the audited NTA of the Group was approximately S$30,275,006. Accordingly, in relation to the Group and for the purposes of Chapter 9 of the Catalist Rules for the current financial year, Shareholders' approval is required where:

(a) the Interested Person Transaction is of a value equal to, or more than, approximately S$1,513,750, being 5% of the latest audited NTA value of the Group; or

(b) the Interested Person Transaction, when aggregated with other transactions entered into with the same Interested Person and where applicable, Interested Persons of the same group, during the same financial year, is of a value equal to, or more than, approximately S$1,513,750.

2.3 Rationale for the Proposed Renewal of the IPT Mandate

The IP(s) are actively involved in the businesses of property development and investment and hotel ownership and management, and would continually require waste management and/or contract cleaning services as part of maintenance of their properties. The Group is one of the larger and more established providers of such waste management and/or contract cleaning services. It is therefore envisaged that in the ordinary course of their businesses, transactions between the Group and the IP(s) will occur from time to time and/or on a regular basis. Such transactions would include, but are not limited to:

(a) the provision of waste management services to the Interested Person(s);

(b) the provision of contract cleaning services to the Interested Person(s);

(c) lease of properties or spaces to or from the Interested Person(s);

(d) the provision or receipt of staff secondment to or from the Interested Person(s);

(e) the provision or obtaining of corporate-related services from the Interested Person(s); and

(f) the purchase of goods and services, such as, but not limited to, general food and beverage and hotel rooms from hotel properties owned and/or managed by the Interested Person(s).

The nature and scope of transactions which are proposed to be covered under the IPT Mandate, if renewed, are detailed in Section 2.7 below.

The Directors believe that transacting with the IP(s) would not be less favourable to the Group compared to those extended to or received from unrelated third parties.

In relation to the provision of waste management and contract cleaning services, such transactions will provide the Group with other revenue streams and bolster the Group's market share in the waste management and contract cleaning industries. Furthermore, leasing the Group's unutilised properties or spaces to the IP(s) will unlock the value of the Group's unutilised properties or spaces and provide additional income from companies and/or persons with known and good credit standing. Leasing of unutilised properties or spaces from the Interested Person(s) will also benefit the Group given the past business dealings and familiarity of the Group with the Interested Person(s).

The secondment of staff to or from the IP(s) will allow the hosting entity to meet their operational manpower needs and/or to benefit from the expertise and experience of the secondee. In addition, such secondment will allow both the hosting and supplying entities to benefit from the secondee's experiences gained during his/her secondment term and hence, create value within the Group.

With regards to the provision or obtaining of corporate services, and the purchase of goods and services and hotel rooms from hotel properties owned and/or managed by the IP(s), the Group will benefit from having access to quotations from the IP(s), in addition to obtaining quotations from third parties, and with the various quotations available for assessment, this will ensure that the Group obtains competitive prices for goods and services of similar quantity and specifications.

APPENDIX
DATED 8 APRIL 2022

(AS REFERRED TO IN RESOLUTION 7 OF THE NOTICE OF ANNUAL GENERAL MEETING)

In view of the time-sensitive nature of these commercial transactions, the IPT Mandate, if renewed pursuant to

Rule 920 of the Catalist Rules, will enable:

(a) the Company;

(b) subsidiaries of the Company that are not listed on the SGX-ST or an approved exchange; or

(c) associated companies of the Company that are not listed on the SGX-ST or an approved exchange, provided that the Group, or the Group and the Interested Person(s), has control over the associated companies,

(collectively, the "**Group**")

in the ordinary course of its business, to enter into the IPT(s) set out in section 2.7 of the Appendix with the IP(s) without being separately subject to the obligations under Rules 905 and 906 of the Catalist Rules, provided that such transactions are carried out on an arm's length basis, on normal commercial terms and will not be prejudicial to the minority shareholders of the Company.

2.4 Benefits of the Proposed Renewal of the IPT Mandate

The IPT Mandate, if renewed, will dispense with the need for the Company to announce the entry by the relevant entity in the Group into each IPT that exceeds 3% of the Group's latest audited NTA, or to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for the entry by the relevant entity in the Group into such IPT that exceeds 5% of the Group's latest audited NTA. This will substantially reduce the expenses associated with the convening of general meetings (including the engagement of external advisers and preparation of documents) on an ad hoc basis, will improve administrative efficacy considerably, and will allow manpower resources and time to be channelled towards attaining other business objectives available to the Group. Notwithstanding the above, Shareholders will be updated on the value of such IPT(s) through the Company's interim and full-year financial statement announcements and in its annual report.

2.5 Validity Period of the IPT Mandate, if Renewed

The IPT Mandate, if renewed, will take effect from the passing of the Ordinary Resolution, and will (unless revoked or varied by the Company in general meeting) continue in force until the next annual general meeting. Approval from Shareholders will be sought for the renewal of the IPT Mandate at the next annual general meeting and at each subsequent annual general meeting, subject to satisfactory review by the Audit Committee of its continued application to the IPT(s).

2.6 Names of Interested Persons

The IPT Mandate, if renewed, will apply to IPT(s) (as described in Section 2.7 below) which are carried out between any entity in the Group with Mr Henry Ngo and/or his Associates (which are Allsland, Goldvein, Richvein, The Allied Folks Pte Ltd and The Residence Hotel & Resorts Management Pte Ltd).

2.7 Categories of Interested Person Transactions

The Group envisages that in the ordinary course of their business, a wide range of transactions between the Group and the IP(s) are likely to occur from time to time. Such transactions would include, but are not limited to:

(a) Waste Management Services

The Group may enter into contracts to provide waste management services such as refuse disposal service for industrial, commercial and/or residential properties owned by or that will be owned by the IP(s). The provision of waste management services includes (but is not limited to) the supply of refuse containers for neat storage and accumulation of incinerable waste and the collection of refuse at a fixed frequency for disposal at authorised incineration plants. The type of refuse containers supplied, and the frequency of collection along with the type of truck used for such collection is dependent on the nature and volume of waste generated by the property.

(b) Contract Cleaning Services

The Group may enter into long-term or ad hoc contracts to provide contract cleaning services for industrial commercial and/or residential properties owned by or that will be owned by the IP(s). Depending on the type and cleaning requirements of a property, the type of cleaning services include (but is not limited to) cleaning of lavatories, replenishing and supply of toiletries, polishing of floors and furniture, and removing rubbish, debris and leaves in open compounds and carpark areas.

(c) Lease of Properties or Spaces

The Group may lease to or from the IP(s) properties or spaces including (but not limited to) industrial, commercial and/or residential properties or spaces.

(d) Secondment of Staff

From time to time, secondment of staff might take place between the Group and the IP(s) to meet the respective company's operational needs and/or expertise requirements (for example, in the areas of management and technical knowledge or know-how).

(e) Corporate-related Services

The Group may provide and/or obtain corporate-related services to or from the IP(s) which include (but are not limited to) rental of meeting facilities, and finance and accounting services.

(f) Purchase of Goods and Services

The Group may procure or purchase food and beverage and hotel rooms from hotel properties owned and/or managed by the IP(s).

For the avoidance of doubt, there will be no sale or purchase of any assets, undertakings or businesses within the scope of the IPT Mandate, if renewed. The IPT Mandate, if renewed, will also not cover any transaction by any entity in the Group with an IP that is below S$100,000 in value as the threshold and aggregation requirements of Chapter 9 of the Catalist Rules would not apply to such transactions, unless otherwise determined by the SGX-ST. Finally, transactions with other interested persons (other than the names of Interested Persons detailed in Section 2.6 above) that do not fall within the ambit of the renewed IPT Mandate will be subject to the relevant provisions of Chapter 9 of the Catalist Rules and/or other applicable provisions of the Catalist Rules.

2.8 Guidelines and Review Procedures for Interested Person Transactions

(a) Review Procedures

Having regard to the nature of the IPT(s) and the criteria in establishing the review procedures which is to ensure that such review procedures are adequate and/or commercially practicable in ensuring that the IPTs are carried out on an arm's length basis, on normal commercial terms, are in the interest of the Company and are not prejudicial to the interests of the Company and the minority Shareholders, the Group have put in place the following review procedures for the IPT(s):

(i) All IPT(s) shall be conducted in accordance with the Group's usual business practices and policies, consistent with the usual margins or prices or rates extended to or received by the Group for the same or substantially similar type of services or products between the Group and unrelated third parties and the terms are not less favourable to the Group compared to those extended to or received from unrelated third parties;

APPENDIX
DATED 8 APRIL 2022

(AS REFERRED TO IN RESOLUTION 7 OF THE NOTICE OF ANNUAL GENERAL MEETING)

(ii) where possible and practicable, the Group will use its reasonable endeavours to make comparisons with at least two other invoices issued to or quotes received from unrelated third parties for the same or substantially similar type of transactions. In the event where it is impossible or impracticable to obtain comparable prices of contemporaneous transactions of similar services due to the customisation or nature of services to be provided to the IP, an executive director of the relevant company within the Group and the Head of Finance (both of whom must have no interest, direct or indirect, in the IPT) will, subject to the Approval Thresholds as set out in Section 2.8(b) below, evaluate and weigh the benefits of, and rationale for transacting with the Interested Person, taking into account factors such as, but not limited to, the nature and scope of services, customer requirements and specifications, duration of contract, credit standing and the Group's then prevailing capacity and resources;

(iii) subject to and in accordance with Sections 2.8(a)(i) and/or (ii) above, in the case of the provision of waste management services and contract cleaning services, the terms of the IPT shall be such that the Group obtains a positive Contract Gross Margin for the said transaction;

(iv) subject to and in accordance with Sections 2.8(a)(i) and/or (ii) above, in the case of the lease of properties or spaces to or from an Interested Person, the Group shall take appropriate steps to ensure that such lease or rental payable is commensurate with the prevailing market rates, including adopting measures such as making relevant enquiries regarding similar properties or spaces and obtaining necessary reports or reviews published by property agents or independent valuers, where considered appropriate. The amount of rent payable shall be no higher than the highest price or rate quoted by unrelated third parties for a similar property in terms of size, location, quality of premise, services provided, credit terms and deposits needed. The amount of rent receivable shall be no lower than the lowest price or rate quoted by unrelated third parties for a similar property in terms of size, location, quality of premise, services provided, credit terms and deposits needed;

(v) subject to and in accordance with Sections 2.8(a)(i) and/or (ii) above, in the case of providing and/or obtaining corporate-related services to or from an Interested Person, the prices or rates of such transactions shall not be lower than that received from or higher than those paid to unrelated third parties, taking into account the type of corporate-related services rendered and its accompanying nature;

(vi) subject to and in accordance with Sections 2.8(a)(i) and/or (ii) above, in the case of the procurement or purchase of food and beverage and hotel rooms from hotel properties owned and/or managed by the IP(s), the prices of such transactions shall not be higher than that paid by other unrelated third parties, taking into account any discounts or preferential rates accorded to unrelated third parties and/or corporate customers or in accordance with industry norms; and

(vii) in the case of the secondment of staff to or from an IP (being an entity), the salary of the seconded staff payable shall be determined on a pro-rated basis and based on his or her existing salary (including bonuses or other monetary benefit), and the seconded staff shall be entitled to other accompanying terms and conditions of employment under his or her employment contract.

(b) Approval Thresholds

In addition to the review procedures, the following approval procedures will be implemented to supplement existing internal control procedures for IPT(s) to ensure that such transactions are undertaken on an arm's length basis and on normal commercial terms and are not prejudicial to minority shareholders:

(i) Category 1 threshold

The Category 1 threshold shall apply where the aggregate value of the IPT(s) entered into with the same IP within a financial year of the Company is equal to or exceeds S$1,000,000. Such transaction(s) must be reviewed and approved by the Audit Committee prior to being contracted.

(ii) Category 2 threshold

The Category 2 threshold shall apply where the aggregate value of the IPT(s) entered into with the same IP within a financial year of the Company is equal to or exceeds S$100,000 but is less than S$1,000,000. Such transaction(s) must be reviewed and approved by an executive director of the relevant company within the Group and the Head of Finance (both of whom must have no interest, direct or indirect, in the IPT). For the avoidance of doubt, such transaction does not require the prior approval of the Audit Committee but shall be reviewed on a half-yearly basis by the Audit Committee.

The threshold limits set out above are adopted by the Company taking into account, inter alia, the nature, volume, recurrent frequency and size of the transactions as well as the Group's day-to-day operations, administration and businesses. The threshold limits are arrived at as a result of the balancing exercise after considering the operational efficiency for the day-to-day business operations of the Group and the internal control for IPT(s). The threshold limits act as an additional safeguard to supplement the review procedures which will be implemented by the Company for IPT(s).

If any person has an interest in a transaction falling within a category of transactions to be reviewed or approved by him or her, he or she will abstain from any decision making in respect of that transaction.

(c) Register of Interested Person Transactions

The Company will maintain a register of all IPTs (the "**IPT Register**") including the IPT(s) carried out with IP(s) pursuant to the renewed IPT Mandate, and the register shall include all information pertinent to all the IPT(s), such as, but not limited to, the list of Associates, the nature of the IPT, the amount of the IPT(s), the basis and rationale for determining the transaction prices, material terms and conditions and supporting evidence and quotations obtained to support such basis. For the avoidance of doubt, all IPTs, including IPT(s) below S$100,000, shall be recorded in the IPT Register.

The IPT Register shall be prepared, maintained and monitored by the Head of Finance of the Company, who shall not be interested in any of the IPT(s) and who is duly delegated to do so by the Audit Committee. The IPT Register will be reviewed by the internal auditors of the Company on an annual basis to ascertain that the guidelines and procedures established to monitor the IPT(s) (including the guidelines and review procedures set out in Sections 2.8(a) and 2.8(b) of this Appendix which are proposed to be established in respect of the IPT(s)) have been complied with.

(d) Half-Yearly Review by the Audit Committee

The Audit Committee shall review the IPT Register and any accompanying reports on a half-yearly basis (or such other more frequent basis as may be required or as the Audit Committee may deem necessary) to ascertain that the established review procedures to monitor the IPTs (including the guidelines and review procedures set out in Sections 2.8(a) and 2.8(b) of this Appendix which are proposed to be established in respect of the IPT(s)) have been complied with.

If during these reviews by the Audit Committee, the Audit Committee is of the view that the established review procedures as stated above have become inappropriate or insufficient in view of changes to the nature of, or the manner in which, the business activities of the Group are conducted, it will take such actions as it deems appropriate and/or institute additional procedures as necessary (such as, where relevant, to obtain a fresh mandate for IPT(s) to ensure that the mandated IPT(s)) will be conducted based on an arm's length basis and on normal commercial terms and hence, will not be prejudicial to the interests of the Company and its minority Shareholders.

If a member of the Audit Committee has an interest in an IPT to be reviewed by the Audit Committee, he will abstain from voting on any resolution, and/or any decision and/or any review of the established review procedures in respect of that IPT. Approval of that IPT will be undertaken by the remaining members of the Audit Committee.

In addition, the Board will also ensure that all disclosure, approvals and other requirements on IPT(s), including those required by prevailing legislation, the Catalist Rules and relevant accounting standards, are complied with.

APPENDIX
DATED 8 APRIL 2022

(AS REFERRED TO IN RESOLUTION 7 OF THE NOTICE OF ANNUAL GENERAL MEETING)

2.9 Disclosure in Financial Results Announcement and Annual Report

The Company will announce the aggregate value of transactions conducted with the IP(s) pursuant to the renewed IPT Mandate for the relevant financial periods which the Company is required to report on pursuant to the Catalist Rules and within the time required for the announcement of such reports.

Disclosure will also be made in the Company's annual report of the aggregate value of transactions conducted with the IP(s) pursuant to the renewed IPT Mandate during the financial year, and in the annual reports for subsequent financial years that the renewed IPT Mandate continues in force, in accordance with the requirements of Chapter 9 of the Catalist Rules.

The name of the IP and the corresponding aggregate value of the IPT(s) will be presented in the following format:

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under Shareholders' general mandate pursuant to Rule 920 of the Catalist Rules)	Aggregate value of all interested person transactions conducted under Shareholders' general mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S$100,000)

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and substantial Shareholders in the Shares as at 25 March 2022, being the latest practicable date prior to the printing of this Appendix, are set out below:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Share	%	Number of Share	%	Number of Share	%
Directors						
Henry Ngo						
– Through Goldvein Holdings Pte. Ltd.	–	–	105,597,660[(2)]	79.68	105,597,660	79.68
– In own name	1,720,000	1.30	–	–	1,720,000	1.30
Substantial Shareholders						
Bonvests Holdings Limited						
– In own name	104,611,560	78.94	–	–	104,611,560	78.94
– through Coop International Pte Ltd	-	–	986,100[(3)]	0.74	986,100	0.74
Goldvein Holdings Pte. Ltd.	–	–	105,597,660[(1)]	79.68	105,597,660	79.68
Patrick Tse – through Goldvein Holdings Pte. Ltd.	–	–	105,597,660[(2)]	79.68	105,597,660	79.68
James Sookanan – through Goldvein Holdings Pte. Ltd.	–	–	105,597,660[(2)]	79.68	105,597,660	79.68
Wilfred Hsieh – through Goldvein Holdings Pte. Ltd.	–	–	105,597,660[(2)]	79.68	105,597,660	79.68

(1) Goldvein Holdings Pte. Ltd. has a 59.78% interest in the issued share capital of Bonvests Holdings Limited. Accordingly, Goldvein Holdings Pte. Ltd. is deemed interested in the 105,597,660 shares in the issued and paid-up share capital of the Company held by Bonvests Holdings Limited by virtue of Section 7 of the Companies Act 1967.

(2) Mr Henry Ngo, Mr Patrick Tse, Mr James Sookanan and Mr Wilfred Hsieh are siblings who each hold approximately 20% or more of the shares in Goldvein Holdings Pte. Ltd. and accordingly, are each deemed to be interested in the 105,597,660 shares in the issued and paid-up share capital of the Company deemed to be held by Goldvein Holdings Pte. Ltd. by virtue of Section 7 of the Companies Act 1967.

(3) 986,100 ordinary shares was registered in the name of Coop International Pte Ltd, which is wholly-owned subsidiary of Bonvests Holdings Limited.

Save as disclosed herein, none of the Directors or substantial Shareholders of the Company has any interest, direct or indirect, in the proposed renewal of the IPT Mandate.

4. STATEMENT OF THE AUDIT COMMITTEE

Mr Henry Ngo being an interested person in the IPT Mandate, has abstained from the Audit Committee's review and determination in relation to the proposed renewal of the IPT Mandate.

Pursuant to Rule 920(1)(c) of the Catalist Rules and having considered, inter alia, the terms, the rationale and the benefits of the proposed renewal of the IPT Mandate in Section 2 of this Appendix, the Audit Committee (save for Mr Henry Ngo) has reviewed the guidelines and review procedures, as set out in Section 2.8 of this Appendix and proposed by the Company for determining the terms of the IPT(s) as well as the half-yearly reviews to be made by the Audit Committee in relation thereto (collectively, "**Guidelines and Review Procedures**"), the Audit Committee confirms that:–

(i) the Guidelines and Review Procedures for the IPT(s) have not changed since the last Shareholders' approval for the IPT Mandate obtained at the annual general meeting held on 28 April 2021; and

(ii) the Guidelines and Review Procedures are sufficient to ensure that the IPT(s) will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

5. ABSTENTION FROM VOTING

In accordance with Rule 920(1)(b)(viii) of the Catalist Rules, Mr Henry Ngo will abstain, and has undertaken to ensure that his Associates will abstain from voting on the resolution approving the proposed renewal of the IPT Mandate herein.

Further, Mr Henry Ngo also undertakes to decline, and shall ensure that his Associates decline to accept appointment as proxy(ies) to vote at the forthcoming AGM in respect of the Ordinary Resolution relating to the proposed renewal of the IPT Mandate for other Shareholders unless the Shareholder concerned shall have given specific instructions as to the manner in which his/her votes are to be cast at the AGM.

6. DIRECTORS' RECOMMENDATION

Having considered, *inter alia*, the terms of the IPT Mandate, the rationale for the proposed renewal of the IPT Mandate in Section 2.3 of this Appendix and the statement of the Audit Committee, the Non-Interested Directors are unanimously of the opinion that the IPT Mandate, if renewed, is in the best interests of the Company. The Non-Interested Directors unanimously agree that the guidelines and review procedures for determining the terms of the IPT(s) as stated in Section 2.8 of this Appendix pursuant to the proposed renewal of the IPT Mandate, as well as the half-yearly reviews to be made by the Audit Committee in relation thereto, are sufficient to ensure that the IPT(s) will be made with the Group on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

Accordingly, the Non-Interested Directors unanimously recommend that Shareholders vote in favour of the Ordinary Resolution 7 as set out in the Notice of AGM.

APPENDIX
DATED 8 APRIL 2022

(AS REFERRED TO IN RESOLUTION 7 OF THE NOTICE OF ANNUAL GENERAL MEETING)

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the IPT Mandate, and the Company and its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information contained in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

Yours faithfully,

For and on behalf of the Board of Directors of
Colex Holdings Limited

Lim Chee San
Independent Director

PROXY FORM
ANNUAL GENERAL MEETING

Colex Holdings Limited

Registration No. 197101485G
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. This Proxy Form is not valid for use by investors who hold shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act 1967) including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF and SRS investors who wish to appoint the Chairman as proxy to attend, speak and vote on their behalf should approach their respective CPF Agent Banks and SRS Operators to submit their voting instructions at least seven (7) working days before the AGM (i.e by 12 April 2022 5.00 p.m.) Other investors holding shares in the Company through relevant intermediaries who wish to vote should approach their relevant intermediaries as soon as possible to specify voting instructions.

PERSONAL DATA PRIVACY

2. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 8 April 2022.

*I/We ________________________________ (*NRIC/Passport/Company Registration No.)

of ________________________________ (address)

being *a member/members of COLEX HOLDINGS LIMITED (the "**Company**"), hereby appoint the Chairman of the Annual General Meeting (the "**AGM**") of the Company, as *my/our proxy to vote for *me/us on *my/our behalf, at the AGM of the Company to be held by way of electronic means, on Monday, 25 April 2022 at 2.00 p.m. and at any adjournment thereof.

*I/We direct the Chairman of AGM to vote for, vote against or abstain from voting on the Ordinary Resolutions to be proposed at the AGM as indicated hereunder.

Members should specifically indicate in this Proxy Form how they wish to vote for or against (or abstain from voting on) the resolutions to be tabled at the AGM. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy will be treated as invalid.**

Note: Voting will be conducted by poll

No.	Ordinary Resolutions	No of votes or indicate with a tick (√) or cross (X)*		
		For	Against	Abstain
1.	To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2021 together with the Directors' Statement and the Auditors' Report thereon.			
2.	To declare a final tax exempt one-tier dividend of 0.45 Singapore cents per share and a special tax exempt one-tier dividend of 7.55 Singapore cents per share.			
3.	To re-elect Mr Ding Chek Leh as a Director of the Company.			
4.	To approve Directors' fee of S$56,932 for the financial year ended 31 December 2021.			
5.	To re-appoint PricewaterhouseCoopers LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
6.	To authorise Directors to allot and issue shares in the capital of the Company.			
7.	To renew the shareholders' general mandate for Interested Person Transactions.			

* If you wish to exercise all your votes "For" or "Against" or "Abstain", please tick "√" or cross (X) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ________ day of ________________ 2022

Total number of Shares held	
CDP Register	
Register of Members	

____
Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES FOR PROXY FORM

Notes

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If the number of shares is not inserted, this instrument appointing Chairman of the AGM shall be deemed to relate to the entire number of ordinary shares in the Company registered in your name(s).

2. The Chairman of the AGM, as proxy, need not be a member of the Company.

3. The instrument appointing the Chairman of the AGM as proxy must be deposited with the Company (i) via post to the Company at the registered office at 541 Orchard Road #16-00 Liat Towers, Singapore 238881 or (ii) by electronic mail to colex-agm@complete-corp.com and received by the Company not less than seventy-two (72) hours before the time for holding of the AGM. A printed copy of this proxy form will NOT be despatched to shareholders.

   In view of the current COVID-19 situation and the related precautionary measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms via electronic mail.

4. Where an instrument appointing the Chairman of the AGM as proxy is submitted by electronic mail, it must be by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

5. Where an instrument appointing the Chairman of the AGM as proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing the Chairman of the AGM as proxy, failing which the instrument may be treated as invalid.

6. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

7. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time set for the Annual General Meeting.

Company Registration Number: 197101485G
8 Tuas South Street 13
Singapore 637083
Tel: +65 6268 7711
Fax: +65 6264 1219
Email: wastemgt@colex.com.sg